IMPORTANT NOTICE

THE PROSPECTUS IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QIBS (AS DEFINED HEREIN) IN RELIANCE ON RULE 144A OR (2) PERSONS OUTSIDE OF THE UNITED STATES.

IMPORTANT: You must read the following before continuing. The following applies to the prospectus (the "**Prospectus**") following this page, and you are therefore advised to read this page carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the Company or any Manager (each as defined in the Prospectus) as a result of such access. You acknowledge that this electronic transmission and the delivery of the attached Prospectus is intended for you only and you agree you will not forward this electronic transmission or the attached Prospectus to any other person.

The Prospectus has been prepared solely in connection with the Offering and the related admission to the Listing (as defined in the Prospectus).

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION, OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO, IN EACH CASE, SUBJECT TO CERTAIN EXCEPTIONS. THE OFFER SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, (THE "**SECURITIES ACT**"), OR UNDER THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE OFFER SHARES MAY ONLY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THE OFFER SHARES BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES ARE BEING OFFERED PURSUANT TO, AND IN ACCORDANCE WITH, REGULATIONS UNDER THE SECURITIES ACT AND APPLICABLE SECURITIES REGULATIONS IN EACH JURISDICTION IN WHICH THE OFFER SHARES ARE OFFERED. PROSPECTIVE INVESTORS IN THE OFFER SHARES ARE HEREBY NOTIFIED THAT SELLERS OF THE OFFER SHARES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A, OR ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE ATTACHED PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED TO ACCESS THE ATTACHED PROSPECTUS OR USE IT FOR ANY PURPOSE AND WILL NOT BE ABLE TO PURCHASE ANY OFFER SHARES.

Confirmation of your representation: In order to be eligible to view the attached Prospectus or make an investment decision with respect to the Offer Shares, prospective investors must be either (1) qualified institutional buyers ("**QIBs**") (within the meaning of Rule 144A as defined herein) or (2) located outside the United States in compliance with Rule 903 of Regulation S. The Prospectus is being sent to you at your request, and by accessing the Prospectus you shall be deemed to have represented to the Company and Managers that (1) you and any customers you represent are either (a) QIBs, (b) located outside of the United States (and, if the latter, the electronic mail address that you have provided and to which this e-mail has been delivered is not located in the United States, its territories and possessions, any state of the United States or the District of Columbia), (c) if you are in the United Kingdom, for the purposes of The Public Offers and Admissions to Trading Regulations 2024 (the "**POATRs**") and are a relevant persons, and if you are acting on behalf of persons or entities in the United Kingdom, you are acting solely on behalf of persons who are relevant persons, (d) if you are in any member state of the EEA other than Norway and Sweden, are a Qualified Investor and, such persons are solely Qualified Investors to the extent that you are acting on behalf of persons or entities in the EEA or (e) are an institutional investor that is otherwise eligible to receive the Prospectus, and (2) you consent to delivery of such Prospectus by electronic transmission.

The Prospectus is only being distributed to and is only directed at, and any investment or investment activity to which the document relates is available only to, and will be engaged in only with, (a) persons who have professional experience, knowledge and expertise in matters relating to investments and qualifying as "investment professionals" for the purposes of article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (all such persons being referred to as "relevant persons") and (b) only in circumstances falling within the circumstances set out in Part 1 of Schedule 1 to the POATRs (including, amongst other circumstances, the fact that the Offer Shares are offered subject to a minimum subscription amount per UK Applicant equivalent to at least GBP 100,000. Consequently, the Applicant understands that the Offer Shares may be offered only to “qualified investors” as defined in paragraph 15 of Schedule 1 to the POATRs, or to limited numbers of UK investors, or only where minimum consideration is required for the securities offered. Any application or purchase of Offer Shares is available only to relevant persons and will be engaged in only with relevant persons and each UK Applicant warrants that it is a relevant person.

In addition, this electronic transmission and the attached Prospectus are directed only at persons in member states of the European Economic Area, other than Norway and Sweden, who are "**Qualified Investors**" within the meaning of Article 2(e) of the EU Prospectus Regulation. "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended, and includes any relevant implementing measure in each relevant member state of the European Economic Area. You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Prospectus to any other person.

The materials relating to this offering do not constitute and may be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer, and the Managers or any affiliate of the Managers is a licensed broker or dealer in the relevant jurisdiction, the offering shall be deemed to be made by the Managers or such affiliate on behalf of the Company in such jurisdiction.

The attached Prospectus has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Company, any Manager, any person who controls any of them or any director, officer, employee or agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you.

None of the Managers, or any of their respective affiliates, or any of its or their respective directors, officers, employees or agents accepts any responsibility whatsoever for the contents of the Prospectus or for any statement made or purported to be made by it, or on its behalf, in connection with the Company or the offering of the Offer Shares. The Managers and any of their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of such Prospectus or any such statement.

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PROSPECTUS

GENERAL OCEANS ASA

(A public limited liability company incorporated under the laws of Norway)

Initial public offering of up to 57,500,000 Shares at an Offer Price of NOK 21.00 per Share

Admission to listing and trading of the Shares on Euronext Oslo Børs

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This Prospectus (the "**Prospectus**") has been prepared by General Oceans ASA (the "**Company**" or "**General Oceans**"), a public limited liability company incorporated under the laws of Norway (together with its consolidated subsidiaries, the "**Group**"), solely for use in connection with the initial public offering (the "**Offering**") and the related admission to listing and trading (the "**Listing**") of the Company's ordinary shares (the "**Shares**") on Euronext Oslo Børs, a regulated market operated by Oslo Børs ASA ("**Oslo Børs**" or the "**Oslo Stock Exchange**"). The Offering comprises up to 23,809,523 new Shares to be issued by the Company to raise gross proceeds in the amount of approximately NOK 500 million (the "**New Shares**") and up to 26,190,477 existing Shares (the "**Sale Shares**") offered by the Company's shareholders Atle Lohrmann and Ferd Go Holding AS ("**Ferd**", and together with Atle Lohrmann, the "**Selling Shareholders**") prior to the exercise of the Greenshoe Option (as defined below). Unless the context indicates otherwise, the New Shares, the Sale Shares and the Additional Shares (as defined below) are herein referred to as the "**Offer Shares**". References to the "Shares" refer to all issued and outstanding ordinary shares of the Company, including the Offer Shares. The price (the "**Offer Price**") at which the Offer Shares will be sold is NOK 21.00 (corresponding to a pre-money equity valuation of NOK 3,440 million).

The Offering consists of (i) a private placement to (a) institutional investors outside the United States of America (the "**U.S**." or the "**United States**"), subject to applicable exemptions from applicable prospectus and registration requirements, and (b) persons reasonably believed to be QIBs in the United States as defined in, and in reliance on, Rule 144A ("**Rule 144A**") or another available exemption from the registration requirements of the Securities Act (the "**Institutional Offering**") and (ii) a retail offering to the public in Norway and Sweden (the "**Retail Offering**"). All offers and sales of Offer Shares outside the United States will be made pursuant to Regulation S under the U.S. Securities Act ("**Regulation S**").

The offer period for the Institutional Offering (the "**Bookbuilding Period**") will commence at 09:00 CET on 17 March 2026 and close at 14:00 CET on 24 March 2026. The application period for the Retail Offering (the "**Application Period**") will commence at 09:00 CET on 17 March 2026 and close at 12:00 CET on 24 March 2026. The Selling Shareholders and the Company may, in consultation with the Joint Global Coordinators, decide to shorten the Bookbuilding Period and/or extend the Bookbuilding Period and the Application Period as set out herein. See Section 14 "*The Terms of the Offering*".

As part of the Offering, the Managers (as defined below) may elect to over-allot up to a number of Shares amounting to a maximum of 15% of the number of New Shares and Sale Shares to be sold in the Offering (the "**Additional Shares**"). In order to facilitate such over-allotment, the Company and each of the Selling Shareholders are expected to grant an option to the Managers, which may be exercised by ABG Sundal Collier ASA as the "Stabilisation Manager" (as defined herein), to borrow a number of existing Shares (with respect to the Company, Shares held in treasury) equal to the number of Additional Shares (the "**Lending Option**"), whereby the Company shall lend up to 2,500,000 Shares held in treasury and the Selling Shareholders shall lend up to 5,000,000 Shares, split with up to 2,421,121 Shares from Atle Lohrmann and up to 2,578,879 Shares from Ferd, as well as an option to purchase a number of Shares equal to the number of Additional Shares, at a price per Share equal to the Offer Price, to cover any over-allotments made in connection with the Offering (the "**Greenshoe Option**"). The Greenshoe Option shall first be utilized in full towards the Company. The Greenshoe Option from the Selling Shareholders shall be exercised pro-rata based on the number of Shares lent by each Selling Shareholder. The Greenshoe Option is exercisable, in whole or in part by the Stabilisation Manager, on behalf of the Managers, within a 30-day period commencing on the first day of trading on Euronext Oslo Børs, on the terms and subject to the conditions described in this Prospectus. A stock exchange notice will be made on the first day of trading of the Shares on Euronext Oslo Børs if the Managers over-allot shares in connection with the Offering.

This is an initial public offering and there is no public trading market for the Shares prior to the Offering. The Company is expected to, on or about 17 March 2026, apply for the Shares to be admitted to trading and listing on Euronext Oslo Børs, and completion of the Offering is subject to the approval of the listing application by the board of directors or listing committee of Oslo Børs and the satisfaction of the conditions for admission to listing set by Oslo Børs through completion of the Offering. All of the Shares are registered with Euronext Securities Oslo (Nw. *Verdipapirsentralen*) (the Norwegian Central Securities Depository, the "**ESO**") in book-entry form. All Shares will rank in parity with one another and carry one vote. The due date for the payment of the Offer Shares is expected to be on or about 26 March 2026 in the Retail Offering and on or about 27 March 2026 in the Institutional Offering. Delivery of the Offer Shares is expected to take place on or about 27 March 2026 in the Retail Offering and on or about 27 March 2026 in the Institutional Offering, in each case through the facilities of the ESO and subject to due payment being made. Trading in the Shares on Oslo Børs is expected to commence on or about 26 March 2026, under the ticker code "GENO". If closing of the Offering does not take place on such date or at all, the Offering may be withdrawn, resulting in all applications for Offer Shares being disregarded and any allocations made being deemed not to have been made, and any payments made will be returned without any interest or other compensation. All dealings in the Shares prior to settlement and delivery are at the sole risk of the parties concerned.

Investing in the Offer Shares involves a high degree of risk. Prospective investors should read the entire Prospectus and in particular consider Section 2 "*Risk Factors*" before investing in the Offer Shares and the Company. The Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and are being offered and sold: (i) in the United States only to persons reasonably believed to be QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in offshore transactions pursuant to Regulation S. Prospective purchasers are hereby notified that sellers of Offer Shares may be relying on the exemption from the provisions of section 5 of the U.S. Securities Act provided by Rule 144A thereunder. The distribution of this Prospectus and the offer and sale of the Offer Shares in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. Accordingly, neither this Prospectus nor any advertisement or any other Offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Prospectus are required by the Company, the Selling Shareholders and the Joint Global Coordinators to inform themselves about and to observe any such restrictions. Any failure to comply with these regulations may constitute a violation of the securities law of any such jurisdiction. See Section 15 "*Selling and Transfer Restrictions*"

Joint Global Coordinators and Joint Bookrunners:

ABG Sundal Collier ASA

DNB Carnegie, a part of DNB Bank ASA

Joint Bookrunner

Arctic Securities AS

The date of this Prospectus is 16 March 2026

IMPORTANT NOTICE

This Prospectus has been prepared solely for use in connection with the Offering and the Listing of the Shares on Euronext Oslo Børs, and to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including the EU Prospectus Regulation, as implemented in Norway in accordance with section 7-1 of the Norwegian Securities Trading Act. This Prospectus has been prepared solely in the English language.

This Prospectus has been approved by the Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*) (the "**Norwegian FSA**"), as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment by investors between the time of approval of this Prospectus by the Norwegian FSA and the Listing on Euronext Oslo Børs, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as at any date subsequent to the date of this Prospectus.

No person is authorised to give information or to make any representation concerning the Group or in connection with the Listing or the Shares other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or by any of the affiliates, representatives, advisors of the foregoing. The distribution of this Prospectus in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, subscribe or sell, any of the securities described herein. No one has taken any action that would permit a public offering of the Shares. Accordingly, neither this Prospectus nor any advertisement may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Company requires persons in possession of this Prospectus to inform themselves about, and to observe, any such restrictions. In addition, the Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. See Section 15 "*Selling and Transfer Restrictions*".

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its content is prohibited.

In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group and the terms of the Offering, including the merits and risks involved. None of the Company, the Selling Shareholders, the Managers (as defined below) nor any of its representatives or advisers, are making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Offer Shares.

The Company has engaged ABG Sundal Collier ASA and DNB Carnegie, a part of DNB Bank ASA as "**Joint Global Coordinators**", and Arctic Securities AS as "**Joint Bookrunner**" in the Offering, together with the Joint Global Coordinators, the "**Managers**". The Managers are acting exclusively for the Company and the Selling Shareholders, and no one else in connection with the Offering or the matters referred to in this document, will not regard any other person (whether or not a recipient of this document) as their client in relation to the Offering and will not be responsible to anyone other than the Company and the Selling Shareholders for providing the protections afforded to its clients or for providing advice in relation to the Offering or any transaction or arrangement referred to in this document.

All Sections of the Prospectus should be read in context with the information included in Section 4 "*General Information*". Investing in the Shares involves certain risks, see Section 2 "*Risk Factors*".

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Listing or this Prospectus.

NOTICE TO INVESTORS IN THE UNITED STATES

The Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws. Accordingly, the Offer Shares are being offered and sold: (i) in the United States only to persons reasonably believed to be QIBs in reliance upon Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in offshore transactions in compliance with Regulation S. **Prospective purchasers are hereby notified that sellers of Offer Shares may be relying on the exemption from the provisions of section 5 of the U.S. Securities Act provided by Rule 144A under the U.S. Securities Act. Any Shares offered or sold in the United States will be subject to certain transfer restrictions as set forth under Section 15 "Selling and Transfer Restrictions".**

The securities offered hereby have not been recommended by any United States federal or state securities commission or regulatory authority. Further, the foregoing authorities have not passed upon the merits of the Offering or confirmed the accuracy or determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offense under the laws of the United States.

In the United States, this Prospectus is being furnished on a confidential basis solely for the purposes of enabling a prospective investor to consider purchasing the particular securities described herein. The information contained in this Prospectus has been provided by the Company and other sources identified herein. Distribution of this Prospectus to any person other than the offeree specified by the Joint Global Coordinators or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorised and any disclosure of its contents, without prior written consent of the Company, is prohibited. Any reproduction or distribution of this Prospectus in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. This Prospectus is personal to each offeree and does not constitute an offer to any other person or to the public generally to purchase Offer Shares or subscribe for or otherwise acquire any Shares.

NOTICE TO UNITED KINGDOM INVESTORS

The Offer Shares are only being offered or sold in the United Kingdom in circumstances falling within Part 1 of Schedule 1 to the POATRs. This Prospectus is only being distributed to and is only directed at, and any investment or investment activity to which the document relates is available only to, and will be engaged in only with, (a) persons who have professional experience, knowledge and expertise in matters relating to investments and qualifying as "investment professionals" for the purposes of article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (all such persons being referred to as "relevant persons") and (b) only in circumstances falling within the circumstances set out in Part 1 of Schedule 1 to the POATRs (including, amongst other circumstances, the fact that the Offer Shares are offered subject to a minimum subscription amount per UK Applicant equivalent to at least GBP 100,000. Consequently, the Applicant understands that the Offer Shares may be offered only to "qualified investors" as defined in paragraph 15 of Schedule 1 to the POATRs, or to limited numbers of UK investors, or only where minimum consideration is required for the securities offered. Any application or purchase of Offer Shares is available only to relevant persons and will be engaged in only with relevant persons and each UK Applicant warrants that it is a relevant person. Any person who is not a relevant persons should not act or rely on this Prospectus or any of its contents.

NOTICE TO INVESTORS IN THE EEA

In relation to any member state of the European Economic Area (the "**EEA**") other than Norway and Sweden (each a "**Member State**"), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of Article 2(e) of the EU Prospectus Regulation. This Prospectus has been prepared on the basis that all offers of Offer Shares outside Norway and Sweden will be made pursuant to an exemption under the EU Prospectus Regulation from the requirement

to produce a prospectus for offer of shares. Accordingly, any person making or intending to make any offer within the EEA of Offer Shares which is the subject of the Offering contemplated in this Prospectus within any EEA member state (other than Norway and Sweden) should only do so in circumstances in which no obligation arises for the Company or any Manager to publish a prospectus pursuant to Article 1 of the EU Prospectus Regulation or a supplement prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer. Neither the Company, the Selling Shareholders nor any Manager has authorised, nor do they authorise, the making of any offer of Shares through any financial intermediary, other than offers made by the Manager which constitute the final placement of Offer Shares contemplated in this Prospectus.

Each person in a Relevant Member State other than, in the case of paragraph (a), persons receiving offers contemplated in this Prospectus in Norway, who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to with the Managers and the Company that:

a) it is a "qualified investor" within the meaning of Article 2(e) of the EU Prospectus Regulation; and

b) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in the EU Prospectus Regulation, (i) such Offer Shares acquired by it in the Offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Joint Global Coordinators have been given to the offer or resale; or (ii) where such Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Offer Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Offering and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares.

NOTICE TO INVESTORS IN CANADA

The Offer Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations and that are not created or used solely to purchase or hold securities as an accredited investor described in paragraph (m) of the definition of "accredited investor". Canadian investors are advised that this document has been prepared in reliance on section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("**NI 33-105**"). Pursuant to section 3A.3 of NI 33-105, this document is exempt from the requirement that the issuer and the underwriters in the offering provide Canadian investors with certain conflicts of interest disclosure pertaining to "connected issuer" and/or "related issuer" relationships as would otherwise be required pursuant to subsection 2.1(1) of NI 33-105.

Securities legislation in certain provinces or territories of Canada may provide Canadian purchaser with remedies for rescission or damages if an "offering memorandum" such as this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

The offer and sale of the Offer Shares in Canada is being made on a private placement basis only and is exempt from the requirement that the issuer prepares and files a prospectus under applicable Canadian securities laws. Any resale of the Offer Shares must be made in accordance with applicable Canadian securities laws, which may vary depending on the relevant jurisdiction. These resale restrictions may under certain circumstances apply to resales of the Offer Shares outside of Canada.

See Section 15 "*Selling and Transfer Restrictions*" for certain other notices to investors.

INVESTORS COULD BE UNABLE TO EXERCISE THEIR VOTING RIGHTS FOR SHARES REGISTERED IN A NOMINEE ACCOUNT

Beneficial owners of the Shares registered in a nominee account (through brokers, banks, dealers or other third parties) could be unable to exercise their voting rights for such Shares unless their ownership is re-registered in their names with the ESO prior to any general meeting. There can be no assurance that beneficial owners of the Shares will receive the notice of any general meeting in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote their Shares in the manner they desire.

STABILISATION

In connection with the Offering, the Stabilisation Manager, or its agents, may engage in transactions that stabilise, maintain or otherwise affect the price of the Shares for up to 30 days commencing at the time at which trading in the Shares commences on Euronext Oslo Børs. Specifically, the Stabilisation Manager may effect transactions with a view to supporting the market price of the Offer Shares at a level higher than that which might otherwise prevail. The Stabilisation Manager and its agents are not required to engage in any of these activities and, as such, there is no assurance that these activities will be undertaken; if undertaken, the Stabilisation Manager or its agents may end any of these activities at any time and they must be brought to an end at the end of the 30-day period mentioned above. Save as required by law or regulation, the Stabilisation Manager does not intend to disclose the extent of any stabilisation transactions under the Offering.

Any stabilisation activities will be conducted based on the principles as set out in Article 5 of Regulation (EU) No 596/2014 (the Market Abuse Regulation) ("**MAR**") and Commission Delegated Regulation (EU) 2016/1052 regarding buy-back programmes and stabilisation of financial instruments.

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Company's shares will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions. The majority of the members of the Company's board of directors (the "**Board**" or "**Board of Directors**") and the members of the senior management of the Group (the "**Management**") are not residents of the United States, and the majority of the Company's assets are located outside the United States. As a result, it may be difficult for investors in the United States to effect service of process on the Company or its board members and members of Management in the United States or to enforce in the United States judgments obtained in U.S. courts against the Company or those persons, including judgments based on the civil liability provisions of the securities laws of the United States or any State or territory within the United States. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its board members or members of the Management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its board members or members of the Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway. The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters.

Similar restrictions may apply in other jurisdictions.

AVAILABLE INFORMATION

The Company has agreed that, for so long as any of the Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, it will during any period in which it is neither subject to sections 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) under the U.S. Exchange Act, provide to any holder or beneficial owners of Shares, or to any prospective purchaser designated by any such registered holder, upon the request of such holder, beneficial owner or prospective owner, the information required to be delivered pursuant to Rule 144A(d)(4) of the U.S. Securities Act.

DATA PROTECTION

As data controllers, each of the Joint Global Coordinators processes personal data to deliver the products and services that are agreed between the parties and for other purposes, such as to comply with laws and other regulations, including the General Data Protection Regulation (EU) 2016/679 (the "**GDPR**") and the Norwegian Data Protection Act of 15 June 2018 No. 38. The personal data will be processed as long as necessary for the purposes, and will subsequently be deleted unless there is a statutory duty to keep it. For detailed information on each Manager's processing of personal data, please review such Manager's privacy policy, which is available on its website or by contacting the relevant Manager. The privacy policy contains information about the rights in connection with the processing of personal data, such as the access to information, rectification, data portability, etc. If the applicant is a corporate customer, such customer shall forward the relevant Manager's privacy policy to the individuals whose personal data it discloses to the Joint Global Coordinators.

PRE-EMPTIVE RIGHTS TO SUBSCRIBE FOR SHARES IN FUTURE ISSUANCES COULD BE UNAVAILABLE TO SHAREHOLDERS

Under Norwegian law, unless otherwise resolved at the Company's general meeting, existing shareholders have pre-emptive rights to participate on the basis of their existing ownership of Shares in the issuance of any new Shares for cash consideration. Shareholders in the United States, however, could be unable to exercise any such rights to subscribe for new Shares unless a registration statement under the U.S. Securities Act is in effect in respect of such rights and Shares or an exemption from the registration requirements under the U.S. Securities Act is available. Shareholders in other jurisdictions outside Norway could be similarly affected if the rights and the new Shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction. The Company is under no obligation to file a registration statement under the U.S. Securities Act or seek similar approvals under the laws of any other jurisdiction outside Norway in respect of any such rights and Shares, and doing so in the future could be impractical and costly. Accordingly, there is no assurance that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings. To the extent that the Company's shareholders are not able to exercise their rights to subscribe for new Shares, their proportional interests in the Company will be diluted.

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1 SUMMARY

INTRODUCTION

Warning……	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. An investment in the Shares involves inherent risk and the investor could lose all or part of its invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
Securities……	The Company has one class of shares in issue. The Shares are registered in book-entry form with the ESO and have ISIN NO 0013713115.
Issuer……	The Company's registration number in the Norwegian Register of Business Enterprises is 927 002 264 and its Legal Entity Identifier (LEI) is 984500F024BDA76D7H08. The Company's registered office is located at Vangkroken 2, 1351 Rud, Norway. The Company's website can be found at www.generaloceans.com. The Company's management and corporate office is c/o General Oceans Ltd at 4th Floor, 78 Duke Street, London, United Kingdom W1K 6JQ, with phone number +44 07935 376 604.
The offerors……..	The Company is the offeror of the New Shares, while the Selling Shareholders are the offerors of the Sale Shares in the Offering.
Competent authority……	The Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and telephone number (+47) 22 93 98 00 has reviewed and, on 16 March 2026, approved this Prospectus.

KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

Corporate information……	The Company is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act. The Company was incorporated in Norway on 7 April 2021 as a private limited liability company and transformed to a public limited liability company following the annual general meeting held on 27 February 2026, its registration number in the Norwegian Register of Business Enterprises is 927 002 264 and its Legal Entity Identifier (LEI) is 984500F024BDA76D7H08.
Principal activities……..	General Oceans is a global provider of advanced underwater technology, delivering sensors, systems and robotic solutions used in demanding marine environments. General Oceans is organised as an industrial company comprised of individual brands within the underwater technology space, including Nortek, Tritech, Reach Robotics, Klein, RS Aqua and SRS. The Group develops and supplies instrumentation technology for measuring and understanding the ocean and its dynamics, imaging and navigation systems, and remotely operated and autonomous vehicle solutions with associated manipulators and control systems. Underwater acoustics is at the core of the Group's technology, complemented by optical technology, environmental sensors, integrated underwater vehicles, and software capabilities.

Major shareholders…… Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. As of the date of this Prospectus, the following table sets forth shareholders owning 5% or more of the shares in the Company:

Table 1 – Major shareholders

#	Shareholders	Number of Shares	Percent
1	Atle Lohrmann	96,923,076*	57.54%
2	Ferd Go Holding AS	55,898,370	33.18%

**Approximately 2.1 million of the 96,923,076 shares held by Atle Lohrmann (representing approximately 1.25% of the total Shares in the Company) are subject to an ongoing legal dispute, which is considered to be without merit.*

Key managing directors…… The Company's executive management consists of two individuals. The names of the members of the management and their respective positions are presented in the below table.

Table 2 – Overview of the executive management

Name	Current position within the Company
President and CEO	Atle Lohrmann
CFO	Anton Van Heerden

Independent auditor…… The Company's independent auditor is BDO AS, with company registration number 993 606 650 and registered business address at Bygdøy allé 2, 0257 Oslo, Norway.

The tables below set out key financial information extracted from the Company's consolidated financial statements as of and for the years ended 31 December 2025, 2024 and 2023 (prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the IASB and Interpretations as adopted by the EU (collectively "**IFRS**"), as well as additional Norwegian reporting requirements pursuant to the Norwegian Accounting Act.

Table 3 – Key Financials – Consolidated statement of profit or loss	**Year ended 31 December**		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
Operating profit/(loss)	185,458	68,171	(39,252)
Profit / (loss) before tax	187,252	60,657	(55,486)
Profit / (loss)	165,081	39,182	(72,525)

Table 4 – Key Financials – Consolidated statement of financial position	**Year ended 31 December**		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
Total assets	1,352,413	1,316,261	1,046,478
Total liabilities	644,570	597,872	421,198
Total equity	707,843	718,389	625,280

The table below sets out key financial information extracted from the Company's consolidated statement of cash flow as of and for the years ended 31 December 2025, 2024 and 2023.

Table 5 – Key Financials – Consolidated statement of cash flow	**Year ended 31 December**		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
Net cash generated from operating activities	208,416	130,170	47,736
Net cash generated from / (used in) investing activities	23,469	(41,455)	(148,663)
Net cash generated from / (used in) financing activities	(167,203)	14,027	110,301

What are the key risks that are specific to the issuer?

Material risk factors……

- The Group operates in the highly competitive subsea landscape, facing competition from both established manufacturers and emerging subsea technology companies, which may limit the Group's ability to maintain or increase its market share.
- The Group also faces competition within and across its own subsidiaries. Certain subsidiaries operate in overlapping market segments and may compete, directly or indirectly, for similar customers, suppliers, or projects.

- The Group may not be able to successfully implement or optimise its strategy, as the execution of its acquisition-driven growth model is subject to significant integration challenges, governance complexities, and execution risks across multiple simultaneous acquisitions and jurisdictions, which could have a material adverse effect on its business, financial condition, cash flows and prospects.
- The Group is exposed to risks related to revenue concentration in key markets and geographic regions. A decline in demand or other adverse developments in one or more of these markets, or a failure to further diversify the Group's portfolio, could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.
- The Group's key markets are cyclical and sensitive to macroeconomic, political and trade developments beyond its control. The cyclical nature of these markets, combined with macroeconomic volatility and trade policy uncertainty, creates significant revenue and profitability risk for the Group.
- Defence- and security is the Group's second-largest revenue market, and concentration of customers within this sector exposes the Group's revenue to government budget cycles, defence procurement policies, and public sector funding constraints that can affect multiple customers simultaneously across different regions.
- There are risks that customers may reduce or discontinue purchases due to the lack of long-term contractual commitments with the Group.
- The Group may from time to time enter into contracts containing penalty clauses for non-delivery, late delivery, or failure to meet specified performance criteria. Failure to meet contractual delivery or performance obligations could result in the imposition of penalties, damage to customer relationships, loss of future contract opportunities, and reputational harm for the Group, particularly in the defence sector where reliability and timely delivery are critical selection criteria.
- The Group's international operations and defence sector activities expose it to complex regulatory requirements.
- Non-compliance or regulatory changes in relation to export control, sanctions, anti-corruption and other compliance could have a material adverse effect on the Group's business, prospects, operational results, cash flows, financial position, and overall market competitiveness.

KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

Type, class and ISIN……..	All of the Shares are ordinary shares in the Company and have been created under the Norwegian Public Limited Liability Companies Act. The Shares are registered in book-entry form with the ESO and have ISIN NO 0013713115.
Currency, par value and number of securities……	The Shares will be traded in NOK on Euronext Oslo Børs. As of the date of this Prospectus, the Company's share capital is NOK 5,726,816.622 divided on 168,435,783 Shares, each with a nominal value of NOK 0.034.
Rights attached to the securities……..	The Company has one class of shares in issue, and in accordance with the Norwegian Public Limited Companies Act, all shares in that class provide equal rights in the Company, including the rights to dividends. Each of the Shares carries one vote.
Transfer restrictions……...	The Shares are freely transferable. The Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal for the Shares. Share transfers are not subject to approval by the Board of Directors. Members of the Board of Directors and the Managament, the Selling Shareholders and the Company have entered into customary lock-up agreements with the Joint Global Coordinators that, subject to certain exceptions, will restrict their ability to issue, sell or dispose of shares, as applicable, without the prior written consent of the Joint Global Coordinators, for a restricted period after the commencement of trading in the Shares on Euronext Oslo Børs.
Dividend and dividend policy……	As part of the Company's long-term ambition, the Company aims to distribute 40–60% of net profit as dividends over time, with flexibility to deviate based on M&A and other value-accretive investment opportunities.

Where will the securities be traded?

The Company will apply for the Listing of its Shares on Euronext Oslo Børs on 17 March 2026, and expects commencement of trading in the Shares on or about 26 March 2026. The Company has not applied for admission to trading of its Shares on any other stock exchange, regulated market or multilateral trading facility.

What are the key risks that are specific to the securities?

Material risk factors……...

- Future expected or actual sales of the Shares can affect the market price of the Shares and liquidity in the Share may be affected by ownership concentration and lock-up arrangements for certain stakeholders.
- The Company's ability to pay dividends in the future may be limited and is dependent on multiple factors.
- Future issues of shares or other instruments, including instruments as part of incentive programmes, may dilute existing shareholders' holdings and have an adverse impact on the market price of the shares.

KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND THE ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in this security?

Terms and Conditions for the Offer	The Offering consists of (i) a primary offer of up to 23,809,523 New Shares to raise gross proceeds of approximately NOK 500 million and (ii) an offer of up to 26,190,477 Sale Shares offered by the Selling Shareholders, all of which will be existing, validly issued and fully paid-up registered Shares with a nominal value of NOK 0.034 each. The Managers may elect to over-allot up to 7,500,000 Additional Shares, equal to up to approximately 15% of the final number of New Shares and Sale Shares sold in the Offering. In order to facilitate such over-allotments, the Company and each of the Selling Shareholders are expected to grant ABG Sundal Collier ASA, acting as Stabilisation Manager, an option to borrow a number of existing Shares (with respect to the Company, Shares held in treasury) equal to the number of Additional Shares (the Lending Option), whereby the Company shall lend up to 2,500,000 Shares held in treasury and the Selling Shareholders shall lend up to 5,000,000 Shares, split with up to 2,421,121 Shares from Atle Lohrmann and up to 2,578,879 Shares from Ferd, as well as an option to purchase a number of Shares equal to the number of Additional Shares, at a price per Share equal to the Offer

Price, to cover any over-allotments made in connection with the Offering (the Greenshoe Option). The Greenshoe Option shall first be utilized in full towards the Company. The Greenshoe Option from the Selling Shareholders shall be exercised pro-rata based on the number of Shares lent by each Selling Shareholder.

The Greenshoe Option is exercisable, in whole or in part by the Stabilisation Manager, on behalf of the Managers, within a 30-day period commencing on the first day of trading on Euronext Oslo Børs, on the terms and subject to the conditions described in this Prospectus.

The Offering comprises:

- **The Institutional Offering**, in which Offer Shares are being offered to (a) institutional investors outside the United States, subject to applicable exemptions from applicable prospectus and registration requirements, and (b) persons reasonably believed to be QIBs in the United States as defined in, and in reliance on, Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act. The Institutional Offering is subject to a lower limit per application of NOK 2,500,000.

- **The Retail Offering**, in which Offer Shares are being offered to the public in Norway and Sweden subject to the terms described herein, subject to a lower limit per application of NOK 10,500 and an upper limit per application of NOK 2,499,999 for each investor. Investors who intend to place an order in excess of NOK 2,499,999 must do so in the Institutional Offering. Multiple applications by one applicant in the Retail Offering will be treated as one application with respect to the maximum application limit.

All offers and sales outside the United States will be made in compliance with Regulation S of the U.S. Securities Act.

This Prospectus does not constitute an offer of, or an invitation to purchase, the Offer Shares in any jurisdiction in which such offer or sale would be unlawful.

Timetable in the Offering…….. Key indicative dates in the Offering are set out below:

Bookbuilding Period (Institutional Offering) commences	17 March 2026 at 09:00 CET
Bookbuilding Period (Institutional Offering) ends	24 March 2026 at 14:00 CET
Application Period (Retail Offering) commences	17 March 2026 at 09:00 CET
Application Period (Retail Offering) ends	24 March 2026 at 12:00 CET
Allocation of the Offer Shares	On or about 24 March 2026
Publication of the results of the Offering	On or about 24 March 2026
Distribution of allocation notes/contract notes (electronically)	On or about 25 March 2026
Registration of new share capital and issuance of New Shares	On or about 25 March 2026
Accounts from which payment will be debited in the Retail Offering to be sufficiently funded	On or about 25 March 2026
Payment date in the Retail Offering	On or about 26 March 2026
First day of Listing of the Shares	On or about 26 March 2026
Delivery of the Offer Shares in the Retail Offering	On or about 27 March 2026
Payment versus delivery of the Offer Shares in the Institutional Offering	On or about 27 March 2026

1) For applicants in the Retail Offering who are residents of Sweden, the Application Period will not commence until the Prospectus has been duly passported to Sweden.

2) Investors applying for Offer Shares in the Retail Offering through the Nordnet webservice must ensure that sufficient funds are available in the stated bank account by 12:00 CET on 24 March 2026.

Note that the Company and the Selling Shareholders, in consultation with the Joint Global Coordinators, reserve the right to shorten the Bookbuilding Period or extend the Bookbuilding Period and/or the Application Period at any time at its sole discretion, but will in no event be extended beyond 14:00 CET on 24 March 2026. In the event of an extension of the Bookbuilding Period and the Application Period, the allocation date, the payment due date and the date of the listing on Euronext Oslo Børs may be changed accordingly.

Admission to trading ……	The Company will, on or about 17 March 2026, apply for a listing of its Shares on Euronext Oslo Børs. It is expected that Oslo Børs will approve the listing application of the Company on or about 20 March 2026, conditional upon the Company obtaining a minimum of 500 shareholders, each holding Shares with a value of more than NOK 10,000 and there being a minimum free float in the Shares of 25%. It is expected that trading in the Shares on Euronext Oslo Børs will commence at 09:00 on 26 March 2026. The Shares are expected to trade under the ticker code "GENO".
Dilution……..	Assuming that 23,809,523 New Shares are issued in the Offering, which corresponds to a dilution for the existing shareholders of approximately 14%.[1] The issuance of the New Shares in the Offering may result in a maximum number of Shares in the Company of 192,245,306, which will correspond to a dilution for the existing shareholder of approximately 14%. This is based on the assumption that the Company issues the maximum number of New Shares, and that the existing Shareholders does not subscribe for any New Shares in the Offering or sell any Sale Shares, and does not take into account any sales of Shares held in treasury by the Company pursuant to the Greenshoe Option nor the Company's remaining holding of Shares held in treasury. The existing shareholder's pre-emptive right to subscribe for the New Shares will be deviated from in connection with the resolution to increase the share capital in connection with the Offering.
Total expense of the issue/offer……..	Total expenses for the Offering and the Listing of the Shares are estimated to be approximately NOK 37.5 million. These costs and expenses consist of commissions and expenses to the Managers, fees and expenses of legal and other advisors, and other transaction costs. The Company will receive gross proceeds in the amount of approximately NOK 500 million from the Offering. No expenses or taxes will be charged by the Company, the Selling Shareholders or the Managers to the applicants in the Offering.

Who is the offeror and/or the person asking for admission to trading?

Brief description of the offeror(s)……..	The Company is the offeror of the New Shares and the Selling Shareholders are the offerors of the Sale Shares. Reference is made to "the offerors" under the introduction above for details.

Why is this prospectus being produced?

Reasons for the offer/admission to trading ……	This Prospectus is being produced in connection with the Offering and the Listing of the Shares on Euronext Oslo Børs.
Use of proceeds……..	The proceeds from the primary offering up to NOK 500 million are intended to position the Company for further potential acquisitions and subsequently strengthen the balance sheet, as well as general corporate purposes.
Underwriting……	The Offering is not underwritten.
Conflicts of interest……	The Managers or their affiliates have provided from time to time, and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers do not intend to disclose the extent of any such investments or transactions other than in accordance with any legal or regulatory obligation to do so. The Managers will receive a management fee in connection with the Offering and, as such, have an interest in the Offering. In addition, the Selling Shareholders may, at their sole discretion, pay to the Managers an additional discretionary fee in connection with the Offering. The Selling Shareholders will receive the net proceeds from the sale of the Sale Shares. Except as set out above, the Company is not aware of any interest, including conflicting ones, of any natural or legal persons involved in the Offering.

[1] Dilution based on total shares outstanding excl. treasury shares (approx. 12% including treasury shares).

2 RISK FACTORS

An investment in the Company and the Shares involves inherent risk. Investors should carefully consider the risk factors, and all information contained in this Prospectus, including the financial statements and related notes. The risks and uncertainties described in this Section 2 "Risk factors" are the material known risks and uncertainties faced by the Group as of the date hereof that the Company believes are the material risks relevant to an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.

The risk factors included in this Section 2 "Risk factors" are presented in a limited number of categories, with each risk factor sought placed in the most appropriate category based on the nature of the risk it represents. Within each category, the risk factors deemed most material for the Group are set out first, taking into account their potential negative effects on the Company and its subsidiaries and the probability of their occurrence. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence. The absence of negative previous experiences associated with a given risk factor does not mean that the risks and uncertainties in that risk factor are not genuine and potential threats, and they should therefore be considered prior to making an investment decision.

If any of the following risks were to materialise, either individually, cumulatively or together with other circumstances, it could have a material adverse effect on the Group and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Shares, resulting in loss of all or part of an investment in the Shares.

2.1 Risks related to the business of the Group and the industry in which it operates

2.1.1 *The Group operates in a highly competitive industry and faces external competitive pressures*

The Group operates in the highly competitive subsea landscape, facing competition from both established manufacturers and emerging subsea technology companies, which may limit the Group's ability to maintain or increase its market share. Some current and future competitors may benefit from greater financial resources or operational scale, enabling them to invest more heavily in research and development ("**R&D**"), offer extensive customer support networks, compete aggressively on pricing, or develop alternative technologies that could render the Group's products less competitive. Although the market is characterised by high technological and operational entry barriers, competition among qualified international suppliers may nevertheless be significant. Certain foreign competitors with lower operating cost bases may be able to submit more competitive bids in procurement processes, which could put pressure on the Group's margins and market position.

Key competitive factors include product performance and reliability, technological innovation, pricing, customer service, brand reputation, and geographical presence. The Group's three primary markets, marine construction, defence, and ocean science, each present distinct competitive dynamics, such as reliability, track record, varying procurement cycles, different technical requirements, and distinct customer priorities. In the defence sector specifically, the Group faces long sales cycles, with naval contracts often requiring years of engagement, qualification, and negotiation before award. Throughout these extended procurement processes, the Group competes against established defence contractors and emerging technology providers, many with greater financial resources or advantages. Should the Group be unsuccessful in winning a contract after years of competitive pursuit, it may face material revenue shortfalls, stranded business development costs, and strategic setbacks as competitors capture key market opportunities. This competitive environment necessitates continued investment to maintain the Group's technological capabilities and competitive position. The Group has previously experienced material impacts from such competitive pressures, for example, Strategic Robotic Systems ("**SRS**") lost a contract to a competitor, which resulted in a subsequent impairment of NOK 117.3 million in 2023. Such external pressures could have a material adverse effect on the Group's business, revenue, profitability and financial condition.

2.1.2 *The Group faces internal competitive pressures across its subsidiaries*

In addition to external market competition, the Group also faces competition within and across its own subsidiaries. Certain subsidiaries operate in overlapping market sectors and may compete, directly or indirectly, for similar customers, suppliers, or projects. For instance, a critical supplier to SRS is a key competitor of the Group's subsidiary Tritech International, offering directly competing products in the imaging sonar technology sector. SRS also manufactures and sells the Fusion hybrid ROV, which competes directly with vehicles produced by a major customer of several Group companies, including Nortek and Reach Robotics. This structure creates inherent conflicts of interest that can affect customers in several ways. Customers of or suppliers to one Group subsidiary who are competing with another Group subsidiary may perceive a conflict in their commercial relationship with the Group, potentially leading to concerns about information sharing, pricing strategies, or preferential treatment. For example, the customer that produces vehicles competing with SRS's Fusion hybrid ROV may question whether Group subsidiaries that supply them would favour SRS in pricing, product development, or access to new technologies, potentially eroding trust and causing customers to seek alternative suppliers. Similarly, supplier relationships may be strained where a Group subsidiary relies on a supplier that competes with another Group company. Such internal competition complicates the Group's ability to balance customer and supplier expectations, potentially resulting in loss of business, reduced customer loyalty, or limitations on growth opportunities with key accounts. These internal competitive pressures could have a material adverse effect on the Group's business, revenue, profitability and financial condition.

2.1.3 *The Group may not be able to successfully implement or optimize its strategy*

The Group's strategy, as described in Section 8.4 "*Strategy and objectives*" below, combines organic development with strategic acquisitions to build a global platform within advanced underwater sensors, systems and robotics. The Group's future growth and performance will depend on its ability to execute across several strategic pillars: (i) continued investment in core technology R&D and product development; (ii) bolstering its position in diversifying technologies; (iii) enhancing capabilities to address defence applications; (iv) realising revenue benefits from cross-brand collaboration; (v) expanding its position within integrated systems; and (vi) pursuing value-accretive M&A targeting new platforms, add-ons, growth enhancers and selected restructurings.

Strategic acquisitions form an integral part of the Group's growth strategy, enabling the Group to expand its product portfolio, enter new markets, and strengthen its technological capabilities. The Group has completed several significant acquisitions in recent years as part of this strategy, such as the acquisition of RS Aqua in November 2024 and Klein Marine Systems in August 2023, representing significant investments in expanding the Group's capabilities and market position. In addition, the Group has identified several potential M&A targets to further strengthen its market position, some of which are current competitors. Acquiring competitors may present additional integration complexities, including potential conflicts with existing customer or supplier relationships within the Group's portfolio. The Group's ability to successfully integrate acquired businesses and realize anticipated synergies whilst executing its broader strategic objectives is critical to long-term performance. However, successful integration of acquired businesses is complex and uncertain, requiring significant management attention and resources. Integration challenges may include difficulties in combining different corporate cultures, systems, and operational processes, potential loss of key personnel from acquired companies, and failure to achieve expected cost savings or revenue synergies. Recent developments within the Group illustrate the scale of these challenges: in 2024, three acquired subsidiaries underwent significant operational restructuring, including new management appointments at SRS to execute a new strategy, rebranding and new leadership at Klein Marine Systems with business transformation and relocation in 2025, and new management installation and business reorganisation at Reach Robotics. In particular, the full scale of the transformation required at Klein Marine Systems was not fully appreciated until after acquisition and during integration, necessitating the engagement of a third-party consultant to lead the initial stages of the transformation process, resulting in additional costs beyond those initially anticipated. Similarly, at Tritech, while early integration efforts yielded success in transforming sales performance, longer-term transformation of product development and engineering has required investment in new leadership and a cultural change programme, with product rationalisation now complete and a new generation of products expected in 2026. Such experiences illustrate that restructuring may require substantial organisational changes and ongoing management focus before the intended benefits are achieved.

The Group's structure may further complicate coordination of strategic initiatives across its portfolio. The Group's decentralised operating model creates inherent governance and control challenges. Each subsidiary operates with significant independence in areas including product development, customer relationships, supplier selection, quality assurance, and operational processes. During early integration into the Group following acquisition, this structure may result in inconsistent application of Group policies, varying quality standards across brands, and fragmented compliance frameworks.

In addition to integration challenges, acquisitions carry additional risks that may impact returns on investment. Acquired businesses may carry inherent valuation risks, with impairment testing revealing limited headroom in certain cash-generating units, indicating vulnerability to changes in business performance or market conditions. For example, a post-acquisition loss of a key customer at SRS resulted in a goodwill impairment of NOK 117.3 million in 2023. Acquisition structures may include contingent consideration arrangements based on future financial performance, creating ongoing integration pressure and potential additional costs. Furthermore, transaction costs associated with acquisitions can be substantial, potentially representing a significant proportion of total consideration, impacting the overall return on investment and near-term profitability. The combination of ongoing integration requirements, operational restructuring needs, and the complexity of managing a multi-brand portfolio creates execution risk that could materially impact long-term growth and profitability. This risk is of particular relevance to the Group due to its active acquisition strategy and the fact that current recent and ongoing acquisitions are being integrated simultaneously across multiple jurisdictions. Furthermore, if the integration process takes longer than anticipated, management may need to devote additional time and resources to the integration, which could reduce its ability to focus on other operational and strategic priorities. These integrations may increase the risk of operational disruptions. Should the Group fail to successfully implement its strategy, it could have a material adverse effect on its business, financial condition, cash flows and prospects.

2.1.4 *The Group is exposed to risks related to revenue concentration in key markets*

While the Group has a diversified portfolio across sectors and regions, its revenue remains concentrated within a few key areas. In 2024, approximately 60.2% of the Group's revenue was derived from marine construction (including offshore renewables), approximately 24.1% from defence and security, and approximately 15.7% from ocean science. The marine construction market, which includes oil and gas and offshore wind, represents the Group's largest revenue source. A downturn in this market, or delays in major projects by operators, engineering companies or service companies, could therefore have a material impact on the Group's overall performance and cash flow. The Group's revenue from the defence market primarily derives from contracts with government customers, including navies, coastguard agencies, border security and other public institutions within NATO member countries. While these contracts contribute to revenue stability, they also expose the Group to changes in defence budgets, procurement priorities and approval processes. Reduced defence spending or shifts in strategic focus away from underwater technologies could therefore impact future order intake. The long lead times to secure defence contracts presents a risk of large variations in year-to-year revenue. The ocean science market represents a smaller portion of the Group's business but depends on public and institutional funding for ocean science (see Section 7.2.3 "*Ocean science*" for details on R&D funding trends and

major research programmes). Changes in funding priorities or budget allocations at universities and research organisations could affect the level and timing of new projects.

The Group's revenue is also geographically concentrated, with Europe representing approximately 51% of total revenue in 2025 (2024: 44%), Asia and Oceania approximately 27% (2024: 30%), and the Americas approximately 19% (2024: 26%). Although this reflects the Group's broad international presence, downturns or disruptions in one region could still affect overall performance. In particular, geopolitical events, including armed conflicts or regional instability, may disrupt geographic markets and affect demand, supply chains, and the Group's ability to operate in affected regions. The Group's exposure to contracts and large customers in certain regions further amplifies this risk, as a reduction in demand or the loss of a major customer in one region could have a disproportionate effect on revenue. This is particularly pronounced for smaller entities within the Group that rely on a limited number of defence customers (see Section 2.1.6 "*The Group is subject to customer concentration risk in the defence and public market"* below). A decline in demand or other adverse developments in one or more of these regions, or the Group's failure to achieve further diversification of its portfolio, could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

2.1.5 *The Group is subject to cyclical fluctuations and broader changes in global economic and market conditions*

The Group's key markets are cyclical and sensitive to macroeconomic, political and trade developments beyond its control. Investment levels in offshore infrastructure, renewable energy, defence and research are influenced by global economic growth, inflation, interest rates, public budgets and access to capital. Periods of economic slowdown, inflationary pressure or reduced public spending may lead to postponed or cancelled projects and lower procurement activity.

The Group's end markets are affected by cyclical fluctuations to varying degrees and at different times. For example, the offshore wind sector has faced challenging conditions in recent years, including rising capital costs, supply chain constraints and policy uncertainty. By contrast, the defence sector has recently experienced increased focus on underwater situational awareness and greater investment in autonomous sensing technologies, with several long-term contracts awarded to industry participants. However, defence spending remains subject to political cycles and fiscal constraints that could reverse current trends.

As the Group operates internationally with manufacturing facilities, suppliers and customers across multiple jurisdictions, it is also exposed to tariffs, customs duties and trade restrictions. Global sourcing of components and raw materials, combined with international sales, creates cost and competitiveness exposure to changes in trade policy. Tariffs on imported components could increase manufacturing costs, compress margins or require pricing adjustments that reduce competitiveness. Export tariffs or trade restrictions in key markets could limit market access, increase costs for customers or disadvantage the Group relative to domestic competitors. In addition to the current dynamic tariff environment in 2025, the Group remains exposed to potential future trade restrictions or retaliatory measures. Currently, US tariffs on imported goods impact the competitiveness of European products against domestic US competitors. Whilst exemptions are available, smaller customers are logistically not always able to access them, which may affect demand for the Group's products in the US market and place the Group at a competitive disadvantage compared to domestic manufacturers. The Group's ability to mitigate such impacts through supplier diversification, manufacturing relocation or pricing adjustments may be limited by technical requirements, customer specifications or competitive dynamics.

Policy changes in key markets have also created uncertainty for certain customers. For example, recent shifts in US offshore wind policy following the change in the US administration in 2025, including the cancellation of federal tax credits, the imposition of tariffs and the suspension of new project permits and leases, have led to, and may continue to lead to, project cancellations and delays amongst some of the Group's customers in the offshore wind supply chain. Tritech had one order cancellation of approximately £38,000 in September 2025 which was subsequently reversed, whilst Nortek has observed slowing market momentum, with some customers redirecting operations to other offshore wind geographies (such as Asia) or alternative sectors (such as oil and gas in Brazil). However, as the US offshore wind market remains in its early stages with fewer than 200 turbines currently in operation, the full commercial impact of these policy changes on the Group's customers and supply chain may not yet be apparent. The extent and timing of any material impact on the Group's revenue remain uncertain.

The cyclical nature of these markets, combined with macroeconomic volatility and trade policy uncertainty, creates significant revenue and profitability risk. Downturns may coincide with adverse trade policy developments, compounding negative effects. The Group's ability to adjust its cost base during cyclical downturns may be constrained by the need to retain technical expertise, maintain manufacturing capabilities and continue product development to remain competitive when market conditions improve. Any material deterioration in economic conditions, sustained downturn in key markets or adverse changes in trade policy could have a material adverse effect on the Group's business, revenue, profitability and financial condition.

2.1.6 *The Group is subject to customer concentration risk in the defence and public market*

The Group's customer base is primarily entities within the defence sector, public institutions, commercial companies servicing the energy and defence sectors or publicly funded organisations. Defence- and security is the Group's second-largest revenue market, and concentration of customers within this sector exposes the Group's revenue to government budget cycles, defence procurement policies, and public sector funding constraints that can affect multiple customers simultaneously across different regions. Certain entities within the Group, including SRS and Klein, are dependent on a limited number of key customers within

the defence and security sector that account for a significant portion of their respective revenues. Existing customer agreements within the defence sector are of limited duration and provide limited visibility beyond the next 12 months, and there is a risk that such agreements will not be renewed upon expiry or that new contracts will not be secured for 2027 and beyond. The loss of, or a significant reduction in orders from, one or more key customers upon contract expiry or failure to secure contract renewals could have a negative impact on the revenues of the affected entities, and consequently on the Group's overall financial performance.

2.1.7 *There are risks that customers may reduce or discontinue purchases due to the lack of long-term contractual commitments with the Group*

The Group's main operating subsidiaries, such as Nortek, fulfil customer orders through purchase orders issued on an ad hoc basis throughout the fiscal year, based on quotations from the Group's sales team. The customer relationship is typically governed by the purchase order and the Group's standard terms and conditions, with very few long-term contracts in place. The Group has, however, increasingly entered into certain long-term and multi-year contracts in 2025, which present different risks as described in Section 2.1.8 "*The Group is exposed to contractual penalty clauses in contracts*". Nonetheless, the majority of the Group's revenue is generated through ad hoc purchase orders without long-term contractual commitments. Purchase orders are typically issued for individual deliveries or projects and do not entail any contractual duration beyond such delivery or project. Many of the Group's customer relationships, including long-term commercial relationships with key customers, are therefore not secured by legally binding long-term contractual commitments, exposing the Group to fluctuations in order volumes and the risk that customers reduce or discontinue purchases at short notice.

The absence of contractual commitments may limit revenue visibility and makes production planning and capacity utilisation more challenging. The lack of contractual barriers means that the Group is particularly vulnerable to reputational damage or perceived quality issues. If a product defect, delivery failure, or other negative event occurs at one subsidiary, customers across multiple subsidiaries may reduce or cease purchases without contractual obligation to continue, potentially causing revenue losses across the Group, if there is reputational damage that affects the whole Group. Similarly, if key customers interrupt or curtail their activities, change their strategic focus or reduce purchasing levels, the Group's business, financial condition and results of operations may be adversely affected. As the Group's growth depends on, inter alia, the growth of its customers, any slowdown or shift in their strategy may negatively affect the Group's performance. As such, the lack of contractual barriers to exit means that customer relationships provide limited protection against revenue volatility, and the Group's business, financial condition and results of operations may be negatively affected.

2.1.8 *The Group is exposed to contractual penalty clauses in contracts*

The Group may from time to time enter into contracts containing penalty clauses for non-delivery, late delivery, or failure to meet specified performance criteria. Such contracts are particularly prevalent in the defence sector, where the Group supplies underwater technology systems to customers including allied navies and defence organisations. These types of contracts typically impose stringent delivery schedules and technical specifications, with contractual penalties designed to compensate customers for delays or performance failures that may impact their operational capabilities. In particular, the Group has entered into a material contract with an allied navy with a delivery deadline in medio 2026 with potential extension options. This contract contains penalty provisions and certain covenants that the Group must comply with throughout the contract term. Penalty provisions under this contract may amount to up to 10% of the contract value. Breach of these obligations could result in penalties for the Group.

The contractual penalties in such agreements can be substantial and may be calculated as a percentage of contract value, daily penalties for delays, or fixed amounts for specific breaches. The risk of incurring contractual penalties is heightened by factors outside the Group's direct control, including delays in receiving critical components from suppliers, unexpected technical challenges during product development or manufacturing, regulatory approval delays, or force majeure events.

Any failure to meet contractual delivery or performance obligations could result in the imposition of penalties, damage to customer relationships, loss of future contract opportunities, and reputational harm, particularly in the defence sector where reliability and timely delivery are critical selection criteria. The imposition of significant contractual penalties could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and prospects.

2.1.9 *The Group is exposed to the risk of supply chain disruptions, which may affect the Group's ability to deliver products to its customers*

The Group sells sensors, operational platforms, and subsea vehicles to customers, and these products are at times extensively customised to meet specific customer requirements. Such customisation may increase dependence on certain specialised components or suppliers and reduce flexibility in sourcing alternatives. In particular, the production of underwater equipment depends on the timely procurement of raw materials, such as titanium and specialised components from third party suppliers. Following supply chain disruptions during the COVID-19 pandemic, larger entities within the Group sought to diversify their supplier base to reduce reliance on single sources. However, smaller entities within the Group remain reliant on specialised suppliers for certain key components. If such suppliers experience disruptions, quality issues, or capacity constraints, this could have a roll-on effect on the smaller entities' ability to deliver products to customers.

Certain of the entities within the Group, such as Tritech and Klein, are dependent on key components, such as electronic components and acoustic transducers which are critical components for the Group's acoustic products. To address supply chain

risks for acoustic transducers specifically, the Group founded Echosonics, an advanced transducer research and development company, with the aim of internalising the design and manufacturing of acoustic transducers. Echosonics is a start-up company and remains in an early stage of development. There is a risk that this initiative may not successfully reduce supply chain dependencies, may encounter technical or operational challenges, may require additional capital investment beyond initial expectations, or may fail to deliver the anticipated benefits within the expected timeframe or at all. If Echosonics does not develop as planned, the Group will remain dependent on third-party suppliers for critical transducer components. Consequently, there is a risk that this initiative may not successfully reduce supply chain dependencies or deliver the anticipated benefits within the expected timeframe. In addition, the Echosonics initiative does not address supply chain risks for other specialised components.

Any failure by key suppliers to deliver required materials could lead to production delays, increased costs, or reputational harm. Disruptions in the supply chain, including but not limited to supplier insolvency, quality issues, geopolitical events (such as the war in Ukraine, which previously impacted titanium supplies, or the ongoing armed conflict in the Middle East, which may cause delays to the establishment of the Group's planned United Arab Emirates ("**UAE**") office due to travel restrictions if the conflict persists), or delivery delays, could impair the Group's ability to manufacture products, fulfil customer orders, or complete projects on schedule. Certain specialised items may also be subject to limited availability and low supply-chain visibility. Given that the Group's customers are typically defence, commercial, public-sector, or public-sector-sponsored entities, delays in fulfilling customer contracts due to component shortages could result in contractual penalties, strained customer relationships, or exclusion from future tenders. Such disruptions may in turn affect production scheduling and increase the risk of order cancellations or lost business opportunities. Any significant shortage of critical components, extended lead times, or loss of key suppliers could therefore have a material adverse effect on the Group's business, results of operations, financial condition, and prospects.

2.1.10 *Risks related to loss of key personnel or failure to obtain or retain highly skilled personnel*

The Group's success depends on the expertise, experience, and performance of its management team and key technical personnel across its portfolio of brands. The underwater technology sector requires highly specialised engineering capabilities, and the Group's ability to develop innovative products and maintain its competitive position relies on attracting and retaining skilled employees with expertise in areas such as technology, robotics, sensor development, and software engineering. The Group also operates in niche areas with less common specialist knowledge, such as underwater acoustics, where specialist knowledge is scarce. Additionally, the Group's organisational structure concentrates significant responsibilities in its founder and President, creating dependency on a single key individual whose unexpected loss or incapacity could disrupt strategic continuity and operational oversight. The loss of key personnel, whether through retirement, resignation, or recruitment by competitors, could disrupt operations, delay product development, or result in the loss of valuable technical knowledge. In particular, the departure of key technical specialists may cause short-term disruptions to ongoing projects where specialist knowledge is concentrated in a limited number of individuals. Recruitment processes to replace departing personnel takes time and may not fully prevent project delays during transition periods.

The Group has established a decentralized structure in order to enable brand autonomy, which requires strong local management teams at each subsidiary. Difficulties in recruiting suitable replacements for key positions, particularly in specialized technical roles or in locations where the Group faces geographic constraints, could impair the Group's ability to execute its strategy. The Group's ability to successfully integrate acquired businesses and realize anticipated synergies depends significantly on retaining key personnel from acquired companies during transition periods. Failure to retain critical employees following acquisitions could undermine integration efforts and reduce the value of completed transactions. The loss of key personnel, or failure to attract and retain highly skilled employees, could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

2.1.11 *The Group's R&D investments may not result in commercially viable products or may be subject to delays*

The Group operates in a technology-intensive sector where continuous innovation is essential to maintaining competitive position. The Group invests significant resources in R&D of advanced underwater technologies, including acoustic sensors, sonar systems, navigation equipment, and remotely operated vehicles ("**ROVs**"). The Group's innovation activities span both early-stage R&D focused on exploring new technologies and concepts, and product development activities aimed at commercialising proven technologies into market-ready products. The successful commercialisation of new products depends on multiple factors, including technical feasibility, market acceptance, regulatory approval, and timely completion of development cycles.

The Group's R&D projects in advanced underwater technology are inherently long-term in nature, with development cycles typically ranging from one to three years for product development and potentially longer for early-stage "blue skies" technology research, and may not always result in commercially viable products, particularly in early-stage technology development. For instance, as at 31 December 2024, the Group had capitalised development costs of NOK 6,024 thousand substantially relating to a new version of the Vector product. Whilst this project has been subject to impairment testing and no impairment was deemed necessary, the project experienced delays and took longer than anticipated to complete, illustrating the inherent uncertainty in development projects. There is a risk that R&D projects may not progress as planned, may encounter unforeseen technical challenges, or may result in products that do not meet performance specifications or customer requirements. Development timelines may be extended due to technical complexity, resource constraints, or changes in customer specifications, delaying market entry and revenue generation. Products under development may be rendered obsolete by competing technologies or changes in market demand before commercialisation is achieved. The Group may also face challenges in scaling production of newly developed products or integrating new technologies into existing product lines.

The Group's decentralised structure may further complicate R&D coordination across subsidiaries, potentially resulting in duplicated efforts, inconsistent technology platforms, or missed opportunities for cross-brand innovation. Failure to successfully develop and commercialise new products, or significant delays in bringing products to market, could result in lost revenue opportunities, reduced competitive position, and inability to recover R&D investments, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

2.1.12 *Risks related to cybersecurity, information technology and data protection*

The Group's operations depend on information technology systems for product development, manufacturing, customer communications, and business operations. The Group develops advanced underwater technology including acoustic sensors, sonar systems, navigation equipment, and ROVs that incorporate sophisticated software and digital systems. The Group also relies on cloud-based infrastructure provided by third-party vendors, including Microsoft, for critical business functions. Outages, service disruptions, or cyberattacks affecting these cloud service providers could directly impact the Group's operations, even if the Group's own systems remain secure.

The Group operates a decentralised IT and cybersecurity structure, with each entity responsible for its own cybersecurity measures and data protection compliance in accordance with relevant regulations in their respective locations, which results in varying levels of cybersecurity maturity and inconsistent protection standards across the Group, potentially creating vulnerabilities that could be exploited. Furthermore, as the Group's profile increases, the Group has experienced a corresponding rise in phishing attacks and other cyber threats targeting the organisation. Cyber threats are evolving rapidly, including the increasing use of artificial intelligence, which may enhance the capabilities of threat actors or other third parties to analyse, replicate or interfere with advanced technological systems, including software-driven underwater and sensor technologies. Given the Group's work with defence sector customers, including naval forces, its systems handle sensitive technical information, operational data, and customer-related information that may be particularly attractive targets for cyberattacks, including from state-sponsored threat actors and sophisticated adversaries seeking access to defence-related technology and intelligence. A successful cyberattack or IT system failure could result in theft of intellectual property, trade secrets or confidential information (including personal data); disruption of operations including inability to access critical cloud-based systems; damage to products or systems; notification obligations to affected parties and regulators; regulatory penalties; and reputational harm, including potential loss of customer confidence among defence and security clients. Cybersecurity risks may also arise through the Group's supply chain, third-party vendors or cloud service providers. The Group's reliance on external cloud infrastructure creates vulnerability, as incidents affecting these cloud providers could impact multiple aspects of operations simultaneously.

Any significant cybersecurity incident, data breach or IT system failure could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

2.1.13 *Risks related to technology and know-how*

The Group's competitive position and future success depend in part on its ability to protect its proprietary technology, processes, and know-how developed through its R&D activities in ocean technologies (see Section 8.2.5 "*Research and product development*"). The Group operates in highly specialised technical fields, developing advanced underwater technology including but not limited to acoustic doppler current profilers ("**ADCPs**"), doppler velocity logs ("**DVLs**"), imaging sonars, side scan sonar systems, electric manipulators, and hybrid ROVs.

The Group's competitive position is largely based on accumulated know-how, technical expertise, and the specialised experience required to design, manufacture, and deploy these complex systems. The Group also maintains an intellectual property portfolio consisting of five granted patents and one pending patent application, as well as software, trademarks, design rights and trade secrets. These technologies are applied across marine construction, defence and security, and ocean science sectors, where technological innovation and performance are essential competitive differentiators. Due to the nature of the technologies and the cost and geographical limitations of obtaining and maintaining patent protection across the markets in which the Group operates, most of the innovations are not patented. Patenting may also require disclosure of underlying technology. The Group therefore relies on safeguarding its know-how through confidentiality arrangements, restricted access to information and internal procedures, which may not adequately prevent unauthorised use or disclosure. The Group's confidentiality agreements relating to intellectual property are typically short-term in nature, with durations of approximately two years, which heightens the risk of inadequate know-how protection. Given the specialised and portable nature of the Group's know-how, much of which is concentrated in a limited number of individuals, the departure of key employees, or their subsequent engagement with competitors, may result in valuable know-how being transferred to competitors. The Group operates across multiple jurisdictions with differing rules on post-employment non-compete and non-solicitation undertakings, and enforceability may be limited, further increasing this risk.

In addition, the Group's ability to protect its know-how and intellectual property is affected by the scope and enforceability of its rights in the jurisdictions in which it operates, which vary significantly, as well as its ability to detect and prevent unauthorised use or misappropriation by third parties. Third parties may claim that the Group's products or technologies infringe their intellectual property rights, potentially resulting in costly litigation, licensing obligations, or restrictions on the Group's ability to commercialise its products. Conversely, unauthorised use or misappropriation of the Group's know-how or other intellectual property by third parties may require the Group to undertake enforcement actions to protect its proprietary technologies. The Group may also face

challenges to the validity or enforceability of its intellectual property rights, particularly in international markets with varying levels of protection and enforcement. If the Group is unable to protect its intellectual property and know-how effectively, or if it faces successful infringement claims from third parties, this could have a material adverse effect on the Group's business, results of operations, cash flows, financial condition and/or prospects.

2.1.14 *Damage to the Group's reputation and business relationships may have an adverse effect*

The Group's business depends on customer goodwill, the Group's reputation, and maintaining strong relationships with its customers, partners, suppliers, employees, and regulators. The Group operates in sectors where reputation, reliability, and trust are critical to securing and retaining business. In the subsea and energy industry, brand reputation and established track record are particularly important competitive advantages, as customers typically demonstrate strong loyalty to proven suppliers with technical expertise and operational reliability. In the defence sector, the Group works closely with navies, special operations teams, and coastguards globally, where performance track record, and reputation are essential to maintaining customer relationships and winning future contracts.

The Group has invested significant time and resources in building a well-recognised brand reputation for quality and reliability and has observed industry peers suffer significant and lasting damage to their market position following failures to deliver on commitments or performance issues, demonstrating how quickly reputation can be eroded in these sectors. Once lost, customer confidence is difficult to regain, as customers who switch to competitors due to reputational concerns tend to remain with alternative suppliers even after issues have been resolved. The time and investment required to rebuild a damaged reputation may be substantially greater than that required to establish it initially, and the lost customers or market position may not be recovered. Any circumstances that publicly damage the Group's goodwill, injure the Group's reputation, or damage the Group's business relationships may lead to a broader adverse effect on its business and prospects than solely the monetary liability arising directly from the damaging events. Such circumstances could include product failures or defects that result in operational disruptions or safety incidents, delays in delivery or failure to meet contractual commitments, data breaches or cybersecurity incidents that compromise customer information or classified information, environmental incidents or regulatory violations, negative publicity arising from litigation or disputes with customers or employees, ethical misconduct or compliance failures, or association with controversial projects, customers or suppliers. As an example, the Company's subsidiary Nortek has an ambition to reduce its dependency on Israeli suppliers to address concerns by employees and customers on ethical grounds, and is actively working to identify suitable alternative suppliers and substituting existing suppliers upon qualification of alternatives.

Reputational damage could result in loss of existing customers, difficulty in securing new contracts and orders, exclusion from procurement opportunities particularly in the defence sector, loss of key employees or difficulty in attracting talent, deterioration of relationships with suppliers or partners, increased regulatory scrutiny, or adverse media coverage that affects stakeholder confidence. The Group's ability to operate across multiple jurisdictions and markets could amplify the impact of reputational damage, as negative events in one market or region could affect the Group's reputation and business opportunities in other markets. Any material damage to the Group's reputation or business relationships could have a material adverse effect on the Group's business, results of operations, cash flow, financial condition, and prospects.

2.1.15 *Insurance coverage may be limited or inconsistent across the Group*

The Group maintains directors' and officers' (D&O) liability insurance at the parent company level, while other operational insurances, including property, product liability, business interruption, professional indemnity, public liability and other operational risks, are arranged separately by individual subsidiaries. This decentralised insurance structure may lead to variations in coverage limits, exclusions, deductibles, and renewal terms across the Group. As a result, certain risks may not be adequately insured, or insurance coverage may prove insufficient or unavailable in the event of a claim. In particular, losses that affect more than one subsidiary, or arise from cross-entity activities, may not be fully covered under separate local policies. If a subsidiary fails to maintain adequate insurance, or if an insurer disputes or denies coverage, the Group may be required to bear such losses directly. In addition, differences in local insurance arrangements may complicate claims handling and delay recovery of insurance proceeds. Any significant uninsured or underinsured loss, delay in recovering insurance proceeds, or dispute with insurers could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

2.1.16 *Risks related to property leases*

The Group leases a number of properties in the jurisdictions from which it operates, creating exposure to various lease-related risks that could materially affect its operations and financial condition. As at 31 December 2025, the Group had total lease liabilities of NOK 87.8 million (2024: NOK 92.4 million) with NOK 34.1 million (39%) maturing beyond five years (2024: NOK 39.9 million (43%)), creating long-term fixed cost obligations that minimise the Group's exposure to inflation risk and market rental risk.

Lease contracts in some jurisdictions provide for payments to increase each year by inflation, others to be reset periodically to market rental rates, and in some jurisdictions property leases have periodic rent that is fixed over the lease term. This variation in lease structures exposes the Group to different types of risks, including inflation risk where rental payments automatically increase with inflation indices, and market risk where lease renewals or periodic resets could result in significantly higher rental costs if property markets have increased in value.

The Group faces risks related to lease renewals, as lessors may not agree to renew leases on favourable terms or at all, potentially forcing costly relocations or disrupting operations. Lease terms may require the Group to incur costs for repairs, maintenance, and restoration to return properties to their original condition at lease end, creating additional financial obligations and estimation uncertainties. Additionally, the Group's operations across multiple jurisdictions expose it to varying local property market conditions, regulatory changes affecting lease terms, and currency fluctuations that could affect the cost of foreign property leases. The materialisation of any of these risks could have a material adverse effect on the Group's business, operational flexibility, and financial condition.

2.2 Risks related to laws, regulations and disputes

2.2.1 *The Group's international operations expose it to complex regulatory requirements*

As outlined in Section 8 "*Business of the Group*", the Group operates internationally with subsidiaries in foreign jurisdictions, such as in Europe, North America, Asia, South America, and Australia. Additionally, as described in Section 8.1 "*Overview and introduction to the Group*", the majority of the Group's revenues are expected to originate from jurisdictions outside of Norway. This international presence exposes the Group to inherent risks associated with its business, including compliance with the laws and regulations of various jurisdictions, overlapping and differing tax structures, challenges related to managing an organisation spread across multiple countries, unexpected changes in regulatory requirements, compliance with various local laws and regulations, and longer accounts receivable payment cycles in certain countries.

Given the sensitive nature of its defence-related products and meaningful volume of international customers, the risk of non-compliance with laws and regulations is of material and specific importance for the Group. Non-compliance can result in severe criminal and civil penalties, including substantial fines, suspension of business licences, loss of key contracts, restricted market access, exclusion from public tenders, and reputational damage that could effectively exclude the Group from the defence market. Even inadvertent violations can trigger investigations, legal costs, and business disruption. Furthermore, changes to export control classifications, new sanctions designations, or shifts in foreign policy could suddenly restrict the Group's ability to serve existing customers or enter new markets, materially impacting revenues and growth prospects. Any such non-compliance or regulatory changes could have a material adverse effect on the Group's business, prospects, operational results, cash flows, financial position, and overall market competitiveness.

2.2.2 *The Group's business activities expose it to export control, sanctions, anti-corruption and other compliance risks*

Some of the Group's underwater technology products, including sonar systems, underwater vehicle systems, and robotic manipulators, constitute dual-use technology and defence articles subject to export control regulations. These regulations are particularly stringent for the Group's defence sector and impose restrictions on the Group's ability to sell certain products into specific markets. For example, Reach Robotics is currently restricted from selling certain items into China due to export control laws. Loss of access to additional major markets, such as China's ocean science market, could result in material revenue loss for the sensors segment and enable domestic competitors or manufacturers based in those regions to gain market share at the Group's expense.

Additionally, geopolitical activity in the Black Sea, Middle East, and South-East Asia has driven increased demand for the Group's defence technology, which heightens the Group's exposure to these regions. Increased demand may also increase the Group's exposure to these regions and related compliance risks, including the risk that customers, end-users or counterparties become subject to sanctions, export restrictions, or enhanced due diligence requirements. The Group may also become subject to more extensive customer requirements and compliance obligations, including flow-down provisions from larger defence contractors and customers. For example, certain defence customers may require compliance with cybersecurity standards, such as Cybersecurity Maturity Model Certification (CMMC) in the United States.

The regulatory environment is dynamic and continuously evolving, with rapidly changing sanctions regimes, export restrictions, and new compliance requirements. Increased sales into or involving regions affected by geopolitical tensions may increase the risk that transactions are delayed, suspended or cancelled due to compliance concerns or regulatory restrictions. For instance, Nortek conducts enhanced due diligence on Israeli customers to ensure export compliance and sanctions checks, illustrating the complex and multifaceted nature of the regulatory landscape the Group must navigate across different markets and geopolitical contexts. Given the sensitive nature of defence-related products, the risk of non-compliance with laws and regulations is of material and specific importance for the Group. This applies especially to export control laws, sanctions regulations, and anti-corruption laws. The increasing enforcement and prosecution by authorities in these regions further heightens the risk of non-compliance. Furthermore, changes to export control classifications, new sanctions designations, or shifts in foreign policy could suddenly restrict the Group's ability to serve existing customers or enter new markets, materially impacting revenues and growth prospects. Any such non-compliance or regulatory changes could have a material adverse effect on the Group's business, prospects, operational results, cash flows, financial position, and overall market competitiveness.

2.2.3 *The Group faces the risk of disputes, litigation or other proceedings*

The Group may from time to time be involved in disputes, litigation or other proceedings. The Group's operations involve the delivery of complex technical products and services deployed in demanding underwater environments and subject to strict performance requirements. Such deliveries may give rise to disputes relating to technical performance, contractual interpretation,

delivery timelines, acceptance testing, intellectual property rights, warranties and liability allocation. The Group's focus on defence and other critical marine applications means that product performance is subject to high standards, as failures could affect mission-critical systems or safety. In addition, the Group's products and services are used in applications where performance failures may have significant operational consequences for customers. This may increase the risk of claims, including claims for rectification, damages, liquidated damages or termination of contracts, and may also lead to disputes with subcontractors or suppliers.

As the Group has expanded through acquisitions, it may also be exposed to legacy liabilities, contractual claims or other issues relating to past conduct of acquired entities. Prior to acquisitions, the Group performs the level of assessment it deems appropriate and necessary given the circumstances of each transaction, such as discussions with management of target companies and review of available information or more comprehensive formal legal, financial and technical due diligence processes. The extent of such assessments varies depending on transaction-specific factors, and more limited reviews may not capture all potential risks. In all cases, assessments and reviews may not identify all existing or potential liabilities. Claims or obligations relating to acquired businesses may arise after completion and could give rise to disputes, remediation costs or reputational impact.

Disputes and litigation remain an inherent risk given the nature of the Group's business and ongoing acquisition activity, and may result in significant costs, including legal expenses, settlement payments, damages, operational disruption and diversion of management's attention and resources. The Group cannot predict with certainty the outcome of any claim or other litigation matter. Given the Group's reliance on long-term customer relationships and reputation, including in the defence sector, disputes and/or litigation could damage customer confidence and affect the Group's ability to secure future contracts, even if the Group ultimately prevails in such matters. The ultimate outcome of any litigation matter and the potential costs associated with prosecuting or defending such lawsuits, including the diversion of management's attention to these matters, or the emergence of new or legacy liabilities following prior acquisitions, could have a material adverse effect on the Group's business, revenue, profit and financial condition.

2.2.4 *The Group may be exposed to product liability and warranty claims*

The Group is exposed to risks arising from undetected errors or defects in its products, systems, or solutions. The Group's products are deployed in defence, marine construction, and ocean science sectors, often operating in harsh underwater environments where failures may be difficult to detect or rectify. Product defects in such critical applications could result in operational failures, safety incidents, or mission failures for customers, potentially leading to liability claims, contractual penalties, and reputational damage. Some products are customized extensively, which may increase the complexity of testing and quality assurance procedures and introduce additional failure risks. Any failure of products to meet required standards or perform as intended, could result in warranty claims, product recalls, or liability for damages.

The Group provides warranties covering the repair of equipment defects existing at the time of sale, typically for a 12-month period or over the agreed service term, while Tritech in 2024 announced a three-year extended warranty on all Tritech manufactured products if the product is returned to the seller for a full service and repair within two years of purchase. The Group's warranty provisions are based on historical experience and management estimates, and actual warranty costs may exceed provisions if product failure rates are higher than anticipated or if repair costs increase. The Group's decentralised structure may result in inconsistent warranty administration, varying quality control standards, and fragmented data on product performance across brands, complicating accurate estimation of warranty liabilities. For example, at the beginning of 2024, two of the Group's smaller entities faced challenges, struggling with product quality issues that resulted in increased warranty claims and operational disruptions. These issues, although subsequently addressed and resolved, illustrate the potential for quality issues to disrupt operations, increase costs, and affect customer confidence, and highlights the importance of maintaining consistent quality standards across the Group's brands.

Additionally, product quality problems can severely damage the Group's reputation in markets where reliability and performance are critical purchasing criteria. Product quality issues can trigger multiple forms of liability and regulatory consequences. The Group may face product liability claims, breach of warranty claims, and contractual damages from customers. There is a risk that the amount of the Group's insurance will not be sufficient to satisfy claims made against the Group in the future. This risk increases if the Group faces unusually large or unexpected warranty claims, a high volume of claims within a short period, or if coverage is limited, such as in cases of gross negligence or misconduct, product liability or warranty claims could result in significant litigation costs, and a successful claim brought against the Group in excess of available insurance coverage, or any claim that results in significantly adverse publicity, could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.2.5 *Changes in tax laws and regulations may negatively affect the Group's business, profit and financial condition*

The Group operates across several jurisdictions, including Norway, USA, Australia and the UK, each with distinct tax frameworks, reporting obligations and enforcement practices. As a result, the Group and is subject to varying tax laws and regulations in those jurisdictions. More specifically, the Group's tax position is affected by local differences in tax rates, the allocation of income and expenses under transfer pricing rules, and the tax treatment of intercompany loans and service arrangements.

Recent acquisitions and plans to open offices in new jurisdictions, such as the UAE, have increased the complexity of the Group's tax profile and compliance requirements. The opening of a new office in the UAE introduces a tax system and regulatory

environment with which the Group has no prior operational experience, requiring the Group to build new compliance capabilities and engage local tax advisers. This expansion into an unfamiliar jurisdiction increases operational complexity, administrative burden, and the risk of inadvertent non-compliance as the Group navigates previously unfamiliar tax rules and reporting obligations. Each new jurisdiction may operate under significantly different tax regimes, requiring the Group to familiarise itself with varying tax expectations and regulations. The introduction of new entities through acquisitions has added to the complexity of its tax profile and increased compliance requirements and tax expenses, reflecting higher taxable income, the full-year inclusion of newly acquired entities operating under various local tax regimes, and the impact of losses incurred by SRS, Reach Robotics, and Klein. The ability to utilise tax losses from underperforming entities may be restricted by local tax rules, and the Group may not be able to offset losses in one jurisdiction against profits in another, resulting in a higher overall effective tax rate than would apply if all operations were consolidated in a single jurisdiction.

Moreover, tax authorities in the countries in which the Group operates may introduce additional tax measures than those that exist today and which the Group has accounted for. The introduction of any such provisions may require the Group to pay higher additional taxes than anticipated or adversely affect the Group's overall tax exposure, which could have a material adverse effect on the Group's business, profit and financial condition. Furthermore, there is a risk that tax authorities may challenge the Group's transfer pricing documentation and policies regarding intercompany transactions between companies in the Group. Changes in rules related to transfer pricing documentation and policies in any of the jurisdictions in which the Group operates, or adverse outcomes from tax audits that the Group may be subject to in any of the jurisdictions in which it operates could result in additional tax assessments, penalties, and interest charges, which could have a material adverse effect on the Group's effective tax rate, cash flows, financial condition and/or prospects.

2.2.6 *The Group is subject to stringent environmental regulations and ESG reporting requirements, with potential for significant compliance costs and liabilities*

The Group's production of underwater equipment involves environmental impacts arising from raw material sourcing, energy consumption, waste generation and emissions from its manufacturing activities. The Group's operations are subject to environmental laws and regulations in the jurisdictions where it operates, including requirements related to emissions, waste management, energy efficiency, and the use and disposal of hazardous substances. For example, the Group's primary environmental compliance focus relates to the responsible disposal of controlled waste generated during manufacturing processes, including ceramics, lithium batteries, and other hazardous materials and waste. The Group engages specialist waste disposal companies to handle such waste but remains responsible for ensuring compliance with applicable waste disposal regulations. Failure to comply with waste disposal regulations could result in financial penalties, operational restrictions, or remediation liabilities.

Environmental and climate-related regulations continue to tighten globally, increasing the Group's exposure to potential non-compliance or unexpected costs. The Group monitors evolving ESG regulations, such as the Corporate Sustainability Reporting Directive (CSRD), which may impose additional reporting and compliance obligations in the future. Stricter environmental standards may require the Group to modify manufacturing processes, enhance waste handling and recycling practices, invest in cleaner technologies, or implement additional reporting measures. Such changes could result in material capital expenditures, increased operational costs, and administrative expenses. Similar regulatory developments affecting the Group's suppliers or customers could lead to supply chain disruptions or increased input costs, indirectly impacting the Group's operations and financial performance. The Group may also face increasing pressure and scrutiny from customers, investors, and regulators to reduce its environmental impact and demonstrate progress towards sustainability targets. Failure to meet evolving environmental standards or stakeholder expectations could affect the Group's reputation and ability to compete for contracts, particularly with government and institutional customers who increasingly incorporate environmental criteria into procurement decisions. Incidents related to emissions, waste treatment, or the use of hazardous materials could trigger investigation or remediation liabilities.

Any failure to comply with applicable environmental regulations, or environmental incidents arising from the Group's operations, could result in fines, penalties, remediation costs, operational disruptions, or reputational damage, which could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

2.2.7 *Risks relating to compliance with the GDPR*

As part of its business operations, the Group receives, stores and processes customer information, employee data and other user data in multiple jurisdictions. The Group operates primarily in a business-to-business environment and handles personal data relating to employee information, such as payroll data, as well as certain customer data, which makes the Group subject to data protection and data privacy laws and regulations, such as GDPR, which impose stringent data protection requirements and provides high possible penalties for non-compliance, in particular relating to storing, sharing, use, processing, disclosure and protection of personal information and other user data on its platforms. As an international Group with operations across 10 countries, operating both within and outside the EU/EEA, the Company processes personal data to employees, customers and suppliers, which may be transferred from within the EU/EEA to jurisdictions outside the EU/EEA, for example by EU/EEA-stored personal data being accessed by other companies of the Group from outside the EU/EEA. Additionally, the Group's defence sector activities introduce heightened data protection risks, as defence contracts may involve handling sensitive personal data relating to government personnel or operational information, where data breaches or non-compliance could have particularly adverse consequences including contract termination and exclusion from future defence procurement opportunities. The Group is liable for incorrect processing of the personal data and damages caused by unauthorised processing and disclosure of personal data.

Any failure to comply with data protection and data privacy policies, privacy-related obligations to customers or third parties, privacy-related legal obligations, or any compromise of security that results in an unauthorised release, transfer or use of personally identifiable information or other customer data, may result in governmental enforcement, actions, litigation or public statements against the Group. Any significant change to applicable laws, regulations or industry practices regarding the collection, use, retention, security or disclosure of users' personal data, or regarding the manner in which the express or implied consent of users for the collection, use, retention or disclosure of such personal data is obtained, could increase the Group's costs and require the Group to modify its services and features, possibly in a material manner, which the Group may be unable to complete and may limit its ability to store and process user data or develop new services and features.

2.3 Financial risks

2.3.1 *The Group's acquisition strategy and turnaround cases may require significant additional capital and may increase funding and refinancing risk*

The capital structure of the Group consists of net debt and equity. M&A is a core element of the Company's strategy, and the Group's business model is based on strategic investments in growth-oriented opportunities, combined with active support of its portfolio through both organic development and acquisitions. Since 2021, the Group has completed six acquisitions, thereby expanding its technological capabilities and market presence (see Section 8.4.2 "*M&A Strategy*"). Accordingly, the Group's primary capital requirements relate to its acquisition strategy and associated post-acquisition investments.

The Group's acquisition strategy has included both established businesses and turnaround opportunities requiring operational restructuring and investment. Acquisitions, particularly turnaround cases, represent the most significant driver of the Group's capital requirements. For example, the acquisition of Klein represented a turnaround case requiring management attention and capital investment to restore profitability. The Group had to invest substantial funds in Klein beyond the initial purchase price to implement necessary operational improvements and restructuring measures. Such turnaround cases are inherently more capital-intensive and carry greater execution risk than acquisitions of already profitable businesses. Additionally, the Group's historical acquisitions have resulted in significant financial impacts, including a goodwill impairment of NOK 117.3 million in 2023 related to the SRS business, which resulted in a loss of NOK 72.5 million for that year (compared to a profit of NOK 39.2 million in 2024). Future acquisitions may similarly require additional capital for integration, restructuring, or operational improvements beyond the initial purchase price, and may not deliver the anticipated returns or strategic benefits.

To continue executing its growth strategy and to fund capital expenditure, the Company may need to raise additional funds through debt or additional equity financing, particularly if it does not generate sufficient cash from operations to fund both its ongoing obligations and strategic opportunities. The capital requirements for turnaround acquisitions and post-acquisition integration may be difficult to predict accurately and could exceed initial estimates, creating unexpected funding needs. The Company's ability to obtain additional capital or financing will depend in part upon prevailing market conditions as well as conditions of its business and its operating results, and those factors may affect its efforts to arrange additional financing on satisfactory terms. If acquired businesses underperform or require more extensive restructuring than anticipated, this could negatively impact the Group's financial results and creditworthiness, making it more difficult or expensive to raise additional capital. Adequate sources of capital funding may not be available when needed or may not be available on favourable terms. If the Company raises additional funds by issuing additional shares or other equity or equity-linked securities, it may result in dilution of the holdings of existing shareholders. If funding is insufficient at any time in the future, the Company may be unable to fund maintenance requirements and acquisitions, take advantage of business opportunities or respond to competitive pressures, any of which could adversely impact the Group's business, results of operations, cash flow, financial condition and/or prospects.

2.3.2 *The Group may fail in reaching its financial and strategic targets*

The Group has, in line with its strategic priorities, communicated certain financial targets for the medium term, including inter alia a revenue target of NOK 2,800m (including organic growth and M&A), an EBIT margin of approximately 20%, a working capital of approximately 15-20% of the Group's revenues and an adjusted return on capital employed (ROCE) of >30% (see Section 8.4.3 "*Financial targets*" for further information). These targets are indicative of the Group's strategic direction and do not constitute forecasts, projections or commitments of future performance. There is a risk that the Group may not achieve one or more of these financial targets. Factors that could contribute to such risk include challenges related to securing sales order pipeline on a timely basis, securing and executing projects in line with strategic priorities, and adapting to changing market conditions, many of which in turn are subject to numerous risks, including those described in Section 2.1 "*Risks related to the business of the Group and the industry in which it operates*", Section 2.2 "*Risks related to laws, regulations and disputes*" and 2.3 "*Financial risks*", many of which are outside of the Group's control. Failure to achieve, or to make expected progress towards, one or more of these communicated targets could weaken investor and stakeholder confidence, and negatively affect the Group's financial development, limit its strategic flexibility, and impact its overall ability to execute its business strategy.

2.3.3 *The Group is subject to risks related to restrictions and financial covenants in its financial arrangements*

The Group's financing structure comprises both external bank facilities and an extensive internal lending arrangement across its subsidiaries. The Company acts as the primary lender to several subsidiaries through internal loans denominated in multiple currencies (GBP, USD, NOK, SGD), whilst also maintaining external borrowing relationships. The Group is subject to restrictive covenants and other provisions under its external debt facilities, including financial covenants and change of control provisions

(see Section 11.6 "*Liquidity and capital resources*" for further information). These covenants include, inter alia, requirements relating to the Company's leverage ratio and equity ratio. As of 31 December 2025, the Company's leverage ratio was -1:1 compared to the applicable covenant threshold of 3:1, representing a headroom of 4. As of the same date, the Company's equity ratio was 52% compared to the applicable covenant threshold of 40%, representing a headroom of 12 percentage points.

The Company's ability to comply with such restrictions and covenants, including meeting financial ratios and measures, is dependent on its future performance. Covenant breaches could occur as a result of, inter alia, reduced revenues or profitability, contract delays, margin pressure, increased working capital requirements, acquisition-related debt, restructuring costs, foreign exchange fluctuations, impairment losses or other accounting adjustments reducing equity, or other adverse market developments.

If the Company breaches any financial covenants or other obligations under its debt facilities, the lenders may have the right to cancel commitments, impose additional restrictions, increase borrowing costs, or accelerate repayment of the outstanding debt. If a change of control event occurs, the lenders may also have the right to cancel the facilities and accelerate repayment of all outstanding amounts. Should any such breach occur, the Company may be required to negotiate waivers or amendments with its lenders, which may result in increased borrowing costs, additional restrictions, or demands for security. If any of these events occur, the Group's assets may not be sufficient to repay in full all of its outstanding indebtedness, and the Group may be unable to find alternative financing. Even if the Group could obtain alternative financing, that financing might not be on terms that are favourable or acceptable. The occurrence of such events could have a material adverse effect on the Group's business, results of operations, cash flow, financial condition and/or prospects.

2.3.4 *Risks related to the Group's liquidity*

The Group's ability to fund its operations and meet financial obligations depends on operating cash flow, available cash and cash equivalents, and access to committed credit facilities. The Group's liquidity requirements are primarily driven by working capital needs, capital expenditure, debt servicing, employee-related expenses, interest payments and tax obligations. In addition, the Group's increasing use of long-term and multi-year contracts, which involve complex revenue recognition over extended periods may require significant working capital commitments, adds to liquidity management complexity and increases vulnerability to supply chain disruptions, cost inflation, and interest rate fluctuations over the contract term. Furthermore, the Group may be required to make contingent consideration payments in connection with prior acquisitions, including a potential earn-out of up to GBP 1.5 million relating to the RS Aqua-acquisition in 2024, payable subject to the financial performance of the acquired business over the period ending 31 August 2026 (see Section 11.9.1 "*Historical Investments*"), which could increase the Group's liquidity needs and reduce available cash.

The Company is a holding company, with external debt facilities with Nordea at the parent company level. As a holding company, the Company is dependent on dividends, intercompany loans, and other distributions from its operating subsidiaries to generate the cash flows necessary to meet its debt service obligations. The Group operates an extensive internal lending structure with the Company acting as the primary lender to several subsidiaries, creating interdependencies in cash flows throughout the Group structure. However, the ability of subsidiaries to make distributions to the parent company may be restricted by local laws, regulatory requirements, contractual restrictions, or the financial performance of the individual operating entities. For example, subsidiaries may be restricted from making distributions if they do not have sufficient distributable reserves, if they do not meet applicable solvency requirements, or if local corporate law requirements require profits to be retained. In addition, subsidiaries may be required to retain liquidity to fund working capital needs, capital expenditure, tax payments, employee-related expenses, or other operational requirements. Furthermore, delayed customer payments, contract delays, reduced profitability, increased costs, foreign exchange fluctuations or other adverse developments may reduce the subsidiaries' cash generation and limit their ability to upstream cash. Any inability of subsidiaries to upstream cash to the parent company could impair the Company's ability to service its external debt obligations, and, consequently, adversely affect the Group's overall liquidity position.

Additionally, the term loan facility requires quarterly repayments when the leverage ratio exceeds 2.50:1, and the revolving credit facility requires repayment of each loan at the end of each three-month interest period. These scheduled repayments place continuous demands on the Group's cash generation capabilities and reduce the funds available for working capital, capital expenditure, or strategic initiatives.

The Company's policy on overall liquidity is to ensure that there are sufficient cash and other liquid funds available which, when combined with committed credit facilities, are sufficient to meet short-term funding requirements. However, the combination of minimum cash covenants and quarterly repayment obligations creates heightened liquidity risk. The Company may not be able to meet its liabilities as they fall due. An insufficient liquidity position may have a material adverse effect on the operations and development of the Company, which in turn may have a material adverse effect on the Company's business, results of operations, cash flows, financial condition and/or prospects.

2.3.5 *Risks related to foreign exchange exposure*

The Group's consolidated financial statements are presented in Norwegian kroner ("**NOK**"), which is also the Company's functional currency. The Group nevertheless operates internationally, with a portfolio of brands covering Norway, the UK, Australia, and the US, serving a global customer base. Most of the operating entities generate revenues in United States dollars ("**USD**") while

incurring costs in local currencies such as euro ("**EUR**"), Australian dollars ("**AUD**") and pound sterling ("**GBP**"). Additionally, the Group operates an extensive internal lending structure across multiple currencies including GBP, USD, NOK, and Singapore Dollar ("**SGD**"), creating complex multi-currency exposure throughout the Group structure. As such, the Group is exposed to foreign currency exchange movements both in transactions denominated in currencies other than NOK and through the translation of consolidated subsidiaries whose functional currency is not NOK, as well as through its significant obligations in foreign currencies.

Fluctuations in exchange rates may therefore affect the Group's financial position and results, leading to currency gains or losses. The Group's increasing use of long-term and multi-year contracts amplifies this exposure, as exchange rate movements over extended contract periods can materially impact profitability where revenues are denominated in foreign currencies whilst costs are incurred in local currencies. The Group is particularly exposed to USD; for example, a 10% increase in the USD exchange rate would decrease profit before tax by approximately NOK 10.7 million based on 2025 figures. Given the Group's particular exposure to USD fluctuations, both through operational activities and debt obligations, it seeks to limit the impact of currency movements by entering into foreign exchange forward contracts. Furthermore, the Group may be exposed to basis risk and rollover risk, including if hedging instruments expire before the underlying cash flows are realised or if the Group is required to enter into new hedging contracts at less favourable rates. The Group may also be exposed to counterparty risk, including the risk that a hedging counterparty fails to perform its obligations. In periods of significant exchange rate volatility, hedging instruments may also require increased collateral or liquidity to meet margin requirements, which may adversely affect the Group's liquidity position. However, the value of these derivative positions may fluctuate significantly, reflecting the inherent volatility of foreign exchange exposures. Consequently, foreign exchange gains and losses may vary between periods, affecting the Group's reported financial performance. Should any current or future hedging arrangements prove ineffective, fluctuations in the exchange rates could have a negative impact on the Group's cash flow and overall financial performance.

2.3.6 *The Group is exposed to credit risk*

The Group is exposed to credit risk, which represents the risk of financial loss if a customer or counterparty fails to meet its contractual obligations. This risk primarily arises from the Group's operating activities, including trade receivables and contract assets, as well as from cash deposits with banks and other financial institutions. As at 31 December 2025, total trade and other receivables amounted to NOK 233.9 million (2024: 188.4 million) with net trade receivables accounting for NOK 180 million after a provision for expected credit losses of NOK 0.6 million. The majority/portion of receivables were current or less than 60 days past due.

The Group executes a large volume of transactions involving daily settlement of substantial amounts, exposing it to the risk of contractual default by customers or other counterparties. The customer base includes defence related and public sector entities, where delays in payment may occur due to administrative processes, changes in budget allocations or the timing of project approvals. Any such delays or defaults in payment could result in financial losses and adversely affect the Group's liquidity and financial performance.

2.3.7 *The Group is exposed to interest rate risks*

The Group's financing structure exposes it to interest rate risk across several currencies, as a significant portion of the Group's borrowings carries floating interest rates. As of 31 December 2025, the Group had floating rate borrowings of approximately NOK 36.6 million (2024: NOK 42.7 million). The Group's exposure spans multiple benchmark rates across different jurisdictions, which may not move in correlation, thereby creating complexity in the Group's overall interest rate risk profile.

The Group is primarily exposed through its term loan facilities, which are based on floating rates linked to SONIA and SOFR, plus a margin. The margin on external facilities is currently set at 2.00% per annum, exposing the Group to increased borrowing costs in a rising interest rate environment across both external and internal financing arrangements. Changes in market interest rates or any significant increase in benchmark rates could have an adverse effect on the Group's results, cash flow, and overall financial position. The Group has entered into an interest rate swap with Nordea with a principal amount of USD 14 million, under which the Group pays a fixed rate of 4.649% whilst receiving floating USD SOFR-OIS compound. The use of such instruments provides only partial protection against movements in USD interest rates and does not cover the Group's total floating rate exposure across all currencies and facilities. The effectiveness of such arrangements depends on the relationship between hedged and unhedged portions of the debt portfolio, and any mismatch could result in incomplete protection against interest rate fluctuations.

2.3.8 *The Group is exposed to inventory obsolescence risk*

The Group carries significant inventory to service its products and support customer operations across multiple sectors. This inventory includes spare parts, components, and finished goods necessary to fulfil warranty obligations, maintenance contracts, and customer orders. The Group maintains this inventory to ensure timely delivery and after-sales support, which are critical to customer satisfaction and retention in the marine technology sector. Given the technical nature of the Group's underwater technology products and the evolving requirements of customers in defence, marine construction, and ocean science sectors, there is a risk that certain inventory items may become obsolete. Obsolescence can occur due to technological advancements, changes in customer specifications, product discontinuations, shifts in market demand, or the introduction of newer product generations that render older components incompatible or undesirable. The risk of obsolescence is particularly acute for discontinued products that the Group continues to support (which may span several years following discontinuation of sale) and

for products nearing end-of-life that utilise older components, as the cost of upgrading such inventory may be prohibitive. Products with long development cycles or those serving niche applications may also be particularly vulnerable to obsolescence if customer requirements change or if the Group discontinues certain product lines.

The Group monitors inventory movement and impairs inventory where there has been no movement for 18 months. However, acquired businesses may not have historically followed the same impairment policies, which could result in the Group inheriting obsolete or slow-moving inventory upon acquisition, potentially leading to material write-downs. The Group has previously experienced inventory write-offs due to obsolescence, and similar events may occur in the future as product lines evolve, and customer requirements change. The financial impact of inventory obsolescence can be substantial, particularly if the Group holds significant quantities of specialised components or finished goods that cannot be repurposed or sold. Inventory write-downs or write-offs reduce profitability and may indicate inefficiencies in inventory management or forecasting. Consequently, any significant inventory write-offs due to obsolescence could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and prospects.

2.4 Risk factors related to the Shares, the Offering and the Listing

2.4.1 *The price of the Shares could fluctuate significantly, and investors can lose all or parts of their investments*

The trading volume and price of the Shares could fluctuate significantly, and the market price of the Shares may decline such that the Shares trade at prices significantly below the Offer Price. As a first-time issuer, there is currently no established market for the Shares, and the Shares may experience considerable volatility from their initial trading price at Listing. There is a risk that the Shares may not appeal as attractive investments in the public market. As outlined in Section 2.4.5 "*The Company's major shareholders may exercise a significant influence over the Group*" below, a substantial portion of the Shares is held by certain major shareholders, which may limit the volume of Shares available for trading in the public market, potentially reducing their activity and liquidity. Securities markets in general have been volatile in the past. Some of the factors that could negatively affect the Share price or result in fluctuations in the price or trading volume of the Shares include, for example, changes in the Company's actual or projected results of operations or those of its competitors, changes in earnings projections or failure to meet investors' and analysts' earnings expectations, investors' evaluations of the success and effects of the strategy described in this Prospectus, as well as the evaluation of the related risks, changes in general economic conditions or the equities markets generally, changes in the industries in which the Company operates, changes in shareholders and other factors. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate based upon factors that have little or nothing to do with the Company and these fluctuations may materially affect the price of the Shares.

2.4.2 *Future expected or actual sales of the Shares can affect the market price of the Shares and liquidity in the Share may be affected by ownership concentration and lock-up arrangements for certain stakeholders*

The market price of the Company's Shares could decline if there are, or are expected to be, substantial sales of shares, particularly by major shareholders, board members, or senior executives. In connection with the Offering, certain of the Company's board members and the Company's major shareholders, Atle Lohrmann and Ferd (the Selling Shareholders), have entered into customary lock-up agreements, as further described in Section 14.23 "*Lock-up*" of this Prospectus. These agreements restrict, inter alia, their ability to sell, transfer, or otherwise dispose of their shares for a specified period following the Offering or in any other way enter into transactions with similar effect without the prior written consent of the Joint Global Coordinators. However, following expiry of the relevant lock-up periods, such persons will be free to sell their shares in the Company. Should such share sales result in an ownership interest falling below the 33% or 15% thresholds for the Selling Shareholders, this may constitute a change of control event under the Nordea facility, which could have material adverse consequences for the Company and its financing arrangements. For example, the Nordea facility includes a post-Listing change of control threshold of 33.33% applicable to Atle Lohrmann, which is higher than the pre-Listing threshold of 33.00%, meaning that any dilution resulting from the Offering could bring his ownership interest closer to or below this threshold and thereby trigger a change of control event. Sales of large quantities of shares by shareholders after the expiration of the respective lock-up periods, or the expectation that such sales may occur, could also cause the price of the Company's Shares to decline.

Furthermore, Shares covered by lock-up will be subject to restrictions on disposal and trading in the Shares on Euronext Oslo Børs will be limited which could result in reduced liquidity. As a consequence, this may lead to increased price volatility and make it more difficult for investors to buy or sell shares at prevailing market prices. Additionally, the expiration of lock-up agreements could result in a loss of market confidence, particularly if investors perceive that insiders may sell their shares in large quantities. This perception could place downward pressure on the share price, even before the lock-up period ends. The lock-up arrangement and ownership concentration could affect the liquidity in the Shares and expiration of lock-up agreements and any resulting increase in share supply could materially and adversely affect the trading price of the Shares.

2.4.3 *The Company's ability to pay dividends in the future may be limited and is dependent on multiple factors*

The Company aims to, over time, distribute 40–60% of net profit as dividends over time, with flexibility to deviate based on M&A and other value-accretive investment opportunities (see Section 6 "*Dividend and dividend policy*"). Those investors who acquire shares in the Company's in the Offering will be entitled to any dividends resolved upon after the admission to trading of the Company's shares on Euronext Oslo Børs. The occurrence and amount of any future dividends to the Company's shareholders

will, however, depend upon a number of factors, such as future net sales, operating profits, financial position, cash flows, working capital requirements, investment costs and other factors. In particular, the Company's ability to pay dividends may be limited by its acquisition strategy and related investment needs, its dependence on upstreaming of funds from subsidiaries, and restrictions or obligations under its external debt facilities, including financial covenants (see Section 11.6 "*Liquidity and capital resources*"). The board of directors of the Company may be of the opinion that the Company does not have sufficient distributable funds to resolve on any dividends, or that the entire profit for a certain financial year shall be invested in growth initiatives, and may therefore propose that the general meeting does not resolve upon any dividends. If no dividends are distributed, any return on investment for an investor depends on the future development of the market price of the share.

2.4.4 *Future issues of shares or other instruments, including instruments as part of incentive programmes, may dilute existing shareholders' holdings and have an adverse impact on the market price of the shares*

If the Company is not able to meet its financing needs, for example ahead of growth initiatives, through new indebtedness or cash flows from the operating business, the Company may instead need to raise capital through, for example, issuances of new shares. Any issuance of shares or other securities, convertible or exchangeable into shares, would, if carried out with deviation from the shareholders' preferential rights, dilute the economic and voting-related rights for existing shareholders and could also have an adverse effect on the market price of the shares in the Company. The Company has established a share option program as further described in Section 12.6 "*Incentive programs*", comprising a pool of 3,150,000 options, of which 675,000 are stock options (cash-settled) and 2,475,000 are share options. The exercise of the share options would result in the issuance of up to 2,475,000 new Shares, which could have a dilutive effect on existing shareholders' holdings. As the timing and terms of any future issues will depend on the Company's situation and the general market conditions at that time, the Company cannot predict or estimate the amount, timing or other terms of any such future issues. The Company's shareholders thus bear the risk of any future issues that can negatively affect the price of the Company's share and/or dilute their holdings in the Company.

If the Company henceforth issues new shares or other share-related securities, shareholders have, as a general rule, pre-emptive rights to subscribe for the new securities proportionally to their existing holdings. Shareholders in certain jurisdictions may, however, be subject to restrictions pursuant to the securities legislation in their respective countries, which prevent them from participating in such rights issues or which otherwise make participation in such rights issues difficult or limited. For example, shareholders in the United States may be unable to exercise any such pre-emptive rights unless the securities and subscription rights have been registered under the U.S. Securities Act or unless an exemption from the registration requirements under the U.S. Securities Act is applicable. Shareholders in other jurisdictions outside of Norway may be similarly affected if the securities or subscription rights have not been registered with, or approved by, the relevant authorities in such jurisdictions. The Company is under no obligation to file a registration statement under the U.S. Securities Act or seek similar approvals under the laws of any other jurisdiction outside of Norway and doing so may be impracticable and costly. To the extent that the Company's shareholders in jurisdictions outside of Norway are not able to exercise their rights to subscribe for new securities in any future rights issues, their holdings in the Company will be diluted.

2.4.5 *The Company's major shareholders may exercise a significant influence over the Group*

Following completion of the Offering, the Company's major shareholders Atle Lohrmann and Ferd will, in aggregate, hold approximately 63 percent of the total number of Shares and votes in the Company's (assuming that the Offering is fully subscribed and that the Greenshoe Option is exercised in full). Accordingly, they will continue to have significant influence over matters submitted to the Company's shareholders for approval, for example elections of board members, amendments to the articles of association, issues of shares, dividends, any material transactions and other corporate measures and, accordingly, in matters related to the Company's corporate governance and operations. The interests of the Company's major shareholders may deviate from, or conflict with, the interests of the Company or the Company's shareholders, and the Company's major shareholders may exercise their influence over the Company in a way that is not in line with the interests of the Company's other shareholders.

2.4.6 *Exchange rate fluctuations could adversely affect the value of the Shares and any dividends paid on the Shares for an investor whose principal currency is not NOK*

The Shares will be priced and traded in NOK on Euronext Oslo Børs and any future payments of dividends on the Shares will be denominated in the currency of the bank account of the relevant shareholder and will be paid to the shareholders through Equro Issuer Services AS, with business registration number 915 465 544, being the Company's ESO registrar (the "**ESO Registrar**"). In case NOK depreciates against foreign currencies, shareholders outside Norway may experience adverse effects on the value of their shareholding in the Company and any distributed dividends. The exchange rate(s) that is applied when denominating any future payments of dividends to the relevant shareholder's currency will be the ESO Registrar's exchange rate on the payment date. Exchange rate movements of NOK will therefore affect the value of these dividends and distributions for investors whose principal currency is not NOK. Further, the market value of the Shares as expressed in foreign currencies will fluctuate in part as a result of foreign exchange fluctuations. This could affect the value of the Shares and of any dividends paid on the Shares for an investor whose principal currency is not NOK.

2.4.7 *The transfer of shares is subject to restrictions under the securities laws of the United States and other jurisdictions*

The Shares have not been registered under the U.S. Securities Act or any U.S. state securities laws or any other jurisdiction outside of Norway and are not expected to be registered in the future. As such, the Shares may not be offered or sold except

pursuant to exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act and other applicable securities laws. See Section 15 "*Selling and Transfer Restrictions*". The Company has shareholders resident or domiciled in the United States, and such restrictions may therefore be relevant for a portion of the shareholder base. In addition, shareholders residing or domiciled in the United States may not be able to participate in future capital increases or rights offerings.

2.4.8 *The rights of the Company's shareholders may differ from the rights typically offered to shareholders of a jurisdiction outside Norway*

Under Norwegian corporate law, shareholders enjoy rights and protections that may differ from the rights and protections typically provided to shareholders of certain jurisdictions outside Norway, for instance a United States or a U.K. domestic company and to some extent the protections afforded to shareholders may be lower than the protections typically offered to shareholders of a United States or a U.K. domestic company. For example, under Norwegian corporate law, it may be difficult, and dependent on the fulfilment of certain narrow requirements for a shareholder to receive access to the Company's corporate records, to enforce a right of the Company or claims on behalf of the Company in case the Company fails to enforce such rights themselves. Additionally, distribution of dividends from Norwegian companies to foreign companies and individuals can be subject to non-refundable withholding tax, and not all receiving countries allow for deduction (see Section 17 "*Taxation*" for a more detailed description of the withholding tax). Also, the rights as a creditor may not be as strong under Norwegian insolvency law as under United States law, U.K. law or other insolvency law, and consequently creditors may recover less in the event that the Company is subject to insolvency compared to a similar case including a United States or a U.K. debtor.

2.4.9 *Claims of United States civil liabilities may not be enforceable against the Company*

The Company is incorporated under Norwegian law. The members of the Company's board of directors and group management are non-residents of the United States, and a substantial portion of the Company's assets and the assets of such persons are located outside the United States. As a result, it may not be possible to serve process on such persons or the Company in the United States or to enforce judgments obtained in United States courts against them or the Company based on civil liability provisions of the securities laws of the United States.

The United States and Norway do not currently have a treaty providing for recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon United States securities laws, would not automatically be recognised or enforceable in Norway. Any final and conclusive monetary judgment for a definite sum obtained against the Company in United States courts would not be automatically recognised. Instead, new proceedings would need to be initiated before the competent court in Norway. However, a judgment obtained in the United States may still have a strong evidentiary weight in Norwegian proceedings, depending on the circumstances and the assessment of the court. If a Norwegian court gives judgment for the sum payable under a United States judgment, the Norwegian judgment will be enforceable by methods generally available for this purpose. These methods generally permit the Norwegian Enforcement Authority discretion to prescribe the manner of enforcement. As a result, United States investors may not be able to enforce against the Company or the Company's board of directors or senior executives any judgments obtained in the United States courts in civil and commercial matters, including judgments under the United States federal securities laws.

3 RESPONSIBILITY FOR THE PROSPECTUS

This Prospectus has been prepared by General Oceans ASA, with business address Vangkroken 2, 1351 Rud, Norway, solely in connection with the Offering and Listing of the Shares on Euronext Oslo Børs as described herein.

The Board of Directors of General Oceans ASA accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and makes no omission likely to affect its import.

16 March 2026

The Board of Directors of General Oceans ASA

Trond Brandsrud
Chair

Asta Ellingsen Stenhagen
Board member

Gustav Martinsen
Board member

Siw Ødegaard
Board member

Tor Kim Steinsland
Board member

4 GENERAL INFORMATION

4.1 Other important information

This Prospectus has been approved by the Norwegian FSA, as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Shares and which arises or is noted between the time when the Prospectus is approved by the Norwegian FSA and the listing of the Shares on Euronext Oslo Børs, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus, nor the sale of any Shares, shall under any circumstance imply that there has not been any change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

The Company has furnished the information in this Prospectus. The Managers makes no representation or warranty, express or implied, as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon, as a promise or representation in this respect, whether as to the past or the future. The Managers disclaims, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Prospectus or any such statement.

None of the Company or the Managers, or any of their respective affiliates, representatives, advisers or selling agents, is making any representation, express or implies, to any offeree or purchaser of the Shares regarding the legality of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

Investing in the Shares involves a high degree of risk. See Section 2 "*Risk Factors*".

4.2 Presentation of financial and other information

4.2.1 *Financial information*

Included in this Prospectus are the Company's audited consolidated financial statements for the financial years ended 31 December 2025, 2024 and 2023 (the "**Annual Financial Statements**"), prepared in accordance with the International Financial Reporting Standards as adopted by the EU and implemented in Norway ("**IFRS**").

The Annual Financial Statements have been audited by BDO AS ("**BDO**"). The auditor's reports cover the financial years ended 31 December 2025, 2024 and 2023, and do not contain any modifications of emphasis on matters. BDO has not audited, reviewed or produced any report or any other information provided in this Prospectus.

4.2.2 *Functional currency and foreign currency*

In this Prospectus, all references to "NOK" are the lawful currency of Norway, all references to "USD" is the official currency of the United States and its territories and all references to "EUR" are to the official currency and monetary unit of the European Union.

The Annual Financial Statements are presented in NOK, which is also the Company's functional currency.

4.2.3 *Rounding*

Certain figures included in this Prospectus have been subject to rounding adjustments (by rounding to the nearest whole number or decimal or fraction, as the case may be). Accordingly, figures shown for the same category presented in different tables may vary slightly. As a result of rounding adjustments, the figures presented may not add up to the total amount presented.

4.2.4 *Alternative performance measures*

The APMs presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results. The Group believes however that the APMs included herein are useful supplemental indicators that may be used to assist in evaluating a Group's future operating performance, and its ability to serve debt. Accordingly, this information has been disclosed to permit a more complete and comprehensive analysis of the Group's operating performance, consistent with how the Group's business performance is evaluated by the management.

The Group's APMs are not measurements of financial performance under IFRS and should not be considered as alternatives to other indicators of our operating performance, cash flows or any other measures of performance derived in accordance with IFRS.

The Group's APMs have important limitations as analytical tools, and they should not be considered in isolation or as substitutes for analysis of the Group's results of operations as reported under IFRS.

The Group reports on the following financial APMs to assess profitability, financial position, and operational performance to provide insights into the Company's historic financial performance as well as future revenue potential and market demand. The APMs are presented in the order the APMs are reconciled to the Annual Financial Statements.

- **"Gross Profit"** and **"Gross Margin"**: Gross Profit is defined as revenue and lease and other income less raw materials. Gross Margin is defined as Gross Profit divided by revenue and lease and other income. These measures provide additional information for management and investors to evaluate the profitability of revenues after deducting costs of goods sold.
- **"EBITDA"** and **"EBITDA margin"**: EBITDA is an abbreviation of "earnings before interest, taxes, depreciation and amortisation" and is defined as operating profit / (loss) excluding depreciation and amortisation expense and impairment of goodwill. EBITDA Margin is defined as EBITDA divided by revenue and lease and other income. These measures provide additional information for management and investors to evaluate the underlying profitability generated from operating activities.
- **"EBITA"** and **"EBITA Margin"**: EBITA is an abbreviation of "earnings before interest, taxes and amortisation" and is defined as EBITDA less depreciation of property, plant and equipment, depreciation of right-of-use assets and impairment of goodwill. EBITA Margin is defined as EBITA divided by revenue and lease and other income. These measures provide additional information for management and investors to evaluate the underlying profitability generated from operating activities excluding amortisation of intangible assets.
- **"Adj. EBITA"** and **"Adj. EBITA Margin"**: Adj. EBITA is defined as EBITA excluding impairment of goodwill and other items. Other items comprise write-off of obsolete inventory in Klein Marine Systems, changes in fair value of contingent considerations, IPO transaction fees and gain on sale of the Klein Marine Systems building. Adj. EBITA Margin is defined as Adj. EBITA divided by revenue and lease and other income. These measures provide additional information for management and investors to evaluate the underlying profitability generated from operating activities excluding amortisation of intangible assets and after adjusting for impairment of goodwill.
- **"EBIT"** and **"EBIT Margin"**: EBIT is an abbreviation of "earnings before interest and taxes" and is defined as operating profit / loss excluding impairment of goodwill. EBIT Margin is defined as EBIT divided by revenue and lease and other income. These measures provide additional information for management and investors to evaluate the underlying profitability generated from operating activities after adjusting for impairment of goodwill.
- **"ROCE"**: ROCE is an abbreviation of "return on capital employed" and is defined as EBIT divided by average capital employed. Average capital employed is the average of total equity and total non-current liabilities excluding goodwill and cash and cash equivalents as of 1 January and 31 December. This measure provides additional information for management and investors to evaluate how efficiently capital employed is generating operating profits.
- **"Net Working Capital"**, or **"NWC"**, and **"NWC % of Revenue"**: NWC is defined as inventories, trade and other receivables and contract assets less trade payables, other current liabilities and contract liabilities, excluding treasury shares liability. NWC % of Revenue is defined as NWC divided by revenue and lease and other income. These measures provide additional information for management and investors to evaluate the Group's ability to meet short-term obligations and support ongoing operational needs.
- **"Equity Ratio"**: Equity Ratio is defined as total equity divided by total assets. This measure provides additional information for management and investors to evaluate the underlying financial position of the Group. Equity Ratio is also used by management to monitor compliance with its financial covenants.
- "**NIBD/EBITDA**" or "**Leverage ratio**": NIBD/EBITDA is defined as non-current loans and borrowings, current loans and borrowings less cash and cash equivalents, divided by EBITDA. This measure provides additional information for management and investors to evaluate the underlying financial position of the Group. NIBD/EBITDA is also used by management to monitor compliance with its financial covenants.
- "**Net Cash**": Net Cash is defined as cash and cash equivalents less interest-bearing debt ("IBD"). IBD is defined as non-current loans and borrowings, current loans and borrowings, non-current lease liabilities and current lease liabilities. This measure provides additional information for management and investors to evaluate the overall indebtedness of the Group after taking into account cash and cash equivalents that can be utilised to pay down outstanding borrowings.
- **"CAPEX"** and **"CAPEX % of Revenue"**: CAPEX is an abbreviation of "capital expenditure" and is defined as purchase of intangible assets and purchases of plant and equipment. CAPEX % of Revenue is defined as CAPEX divided by revenue and lease and other income. This measure provides additional information for management and investors to evaluate the underlying investment activity of the Group to maintain operational capacity and support future growth.

- "**Free Cash Flow**" or **"FCF"** and "**Free Cash Flow Conversion**" or **"FCF Conversion"**: Free Cash Flow is defined as Adj. EBITA less CAPEX. Free Cash Flow Conversion is defined as Free Cash Flow divided by Adj. EBITA. These measures provide additional information for management and investors to evaluate the underlying financial flexibility of the Group, and the ability to allocate cash from operations to conduct acquisitions and distribute dividends to shareholders.
- "**EBITDA less CAPEX**" and "**EBITDA less CAPEX as % share of EBITDA**": EBITDA less CAPEX is defined as EBITDA less CAPEX. EBITDA less CAPEX as % share of EBITDA is defined as EBITDA less CAPEX divided by EBITDA. These measures provide additional information for management and investors to evaluate the underlying financial flexibility of the Group, and the ability to allocate cash from operations to conduct acquisitions and distribute dividends to shareholders.
- "**EBITDA less CAPEX less ΔNWC**" and "**EBITDA less CAPEX less ΔNWC as % share of EBITDA**": EBITDA less CAPEX less ΔNWC is defined as EBITDA less CAPEX, (increase) decrease in inventories, (increase) decrease in trade receivables, (increase) decrease in other receivables, (increase) decrease in contract assets, increase (decrease) in trade payables, increase (decrease) in other current liabilities and increase (decrease) in contract liabilities. EBITDA less CAPEX less ΔNWC as % share of EBITDA is defined as EBITDA less CAPEX less ΔNWC divided by EBITDA. This measure provides additional information for management and investors to evaluate the underlying financial flexibility of the Group, and the ability to allocate cash from operations to conduct acquisitions and distribute dividends to shareholders.

Below is a reconciliation of Gross Profit and Gross Margin for the years ended 31 December 2025, 2024 and 2023.

Table 1 – Gross Profit and Gross Margin	**Year ended 31 December**		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
Revenue	1,280,410	957,068	808,769
Lease and other income	23,452	4,406	7,209
(a) Total revenue and lease and other income	**1,303,862**	**961,474**	**815,978**
Raw materials	(459,060)	(319,815)	(247,986)
(b) Gross Profit	**844,802**	**641,659**	**567,992**
(b/a) Gross Margin	**64.8%**	**66.7%**	**69.6%**

Below is a reconciliation of EBIT, EBIT Margin, EBITDA, EBITDA Margin, EBITA, EBITA Margin, Adj. EBITA and Adj. EBITA Margin for the years ended 31 December 2025, 2024 and 2023.

Table 2 – EBIT, EBIT Margin, EBITDA, EBITDA Margin, EBITA, EBITA Margin, Adj. EBITA and Adj. EBITA Margin	**Year ended 31 December**		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
Operating profit / (loss)	185,458	68,171	(39,252)
Excluding:			
Impairment of goodwill	-	-	117,321
(a) EBIT	**185,458**	**68,171**	**78,069**
Excluding:			
Depreciation and amortisation expense[1]	64,818	60,197	50,149
(b) EBITDA	**250,276**	**128,368**	**128,218**
Depreciation of property, plant and equipment	(21,229)	(18,836)	(14,957)
Depreciation of right-of-use assets	(16,969)	(15,743)	(13,136)
Impairment of goodwill	-	-	(117,321)
(c) EBITA	**212,078**	**93,789**	**(17,196)**
Excluding:			
Impairment of goodwill	-	-	117,321
Other items	23,332	-	-
(d) Adj. EBITA	**235,410**	**93,789**	**100,125**
Revenue	1,280,410	957,068	808,769
Lease and other income	23,452	4,406	7,209
(e) Total revenue and lease and other income	**1,303,862**	**961,474**	**815,978**

(a/e) EBIT Margin	**14.2%**	**7.1%**	**9.6%**
(b/e) EBITDA Margin	**19.2%**	**13.4%**	**15.7%**
(c/e) EBITA Margin	**16.3%**	**9.8%**	**(2.1%)**
(d/e) Adj. EBITA Margin	**18.1%**	**9.8%**	**12.3%**

1 As presented in the consolidated statement of cash flows in the Annual Financial Statements.

Below is a reconciliation of ROCE for the years ended 31 December 2025, 2024 and 2023.

Table 3 – ROCE	**Year ended 31 December**		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
As of 1 January:			
Total equity	718,389	625,280	487,093
Total non-current liabilities	171,482	240,117	279,259
Goodwill	(116,262)	(79,609)	(183,930)
Cash and cash equivalents	(281,632)	(172,652)	(153,824)
Capital employed as of 1 January	**491,977**	**613,136**	**428,598**
As of 31 December:			
Total equity	707,843	718,389	625,280
Total non-current liabilities	111,186	171,482	240,117
Goodwill	(110,393)	(116,262)	(79,609)
Cash and cash equivalents	(341,356)	(281,632)	(172,652)
Capital employed as of 31 December	**367,280**	**491,977**	**613,136**
(a) Average capital employed	**429,629**	**552,557**	**520,867**
(b) EBIT	**185,458**	**68,171**	**78,069**
(b/a) ROCE	**43.2%**	**12.3%**	**15.0%**

Below is a reconciliation of NWC and NWC % of Revenue for the years ended 31 December 2025, 2024 and 2023.

Table 4 – NWC and NWC % of Revenue	**Year ended 31 December**		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
Inventories	243,819	234,534	205,744
Trade and other receivables[2]	-	188,412	153,401
Trade receivables[2]	180,048	-	-
Contract assets	339	3,787	506
Other current receivables[2]	53,920	-	-
Trade and other payables[2]	-	(130,658)	(114,826)
Trade payables[2]	(45,652)	-	-
Contract liabilities	(166,807)	(96,243)	(20,982)
Other current liabilities[2]	(180,200)	-	-
Excluding:			
Treasury shares liability	103,586	-	-
(a) Net Working Capital (NWC)	**189,053**	**199,832**	**223,843**
Revenue	1,280,410	957,068	808,769
Lease and other income	23,4529	4,406	7,209
(b) Total revenue and lease and other income	**1,303,862**	**961,474**	**815,978**
(a/b) NWC % of Revenue	**14.5%**	**20.8%**	**27.4%**

1 In the consolidated financial statements for the financial year ended 31 December 2025, the Company changed its presentation of the financial statement line item trade and other receivables by separating it into two new line items: trade receivables and other current receivables.

2 In the consolidated financial statements for the financial year ended 31 December 2025, the Company changed its presentation of the financial statement line item trade and other payables by separating it into two new line items: trade payables and other current liabilities.

Below is a reconciliation of Equity Ratio for the years ended 31 December 2025, 2024 and 2023.

Table 5 – Equity Ratio	Year ended 31 December		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
(a) Total equity	**707,843**	**718,389**	**625,280**
(b) Total assets	**1,352,413**	**1,316,261**	**1,046,478**
(a/b) Equity Ratio	**52.3%**	**54.6%**	**59.8%**

Below is a reconciliation of NIBD/EBITDA for the years ended 31 December 2025, 2024 and 2023.

Table 6 – NIBD/EBITDA	Year ended 31 December		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
Non-current loans and borrowings	70,964	38,407	126,480
Current loans and borrowings	-	144,424	14,065
Cash and cash equivalents	(341,356)	(281,632)	(172,652)
(a) Net interest-bearing debt (NIBD)	**(270,392)**	**(98,801)**	**(32,107)**
(b) EBITDA	**250,276**	**128,368**	**128,218**
(a/b) NIBD/EBITDA	**(1.1)**	**(0.8)**	**(0.3)**

Below is a reconciliation of Net Cash for the years ended 31 December 2025, 2024 and 2023.

Table 7 – Net Cash	Year ended 31 December		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
(a) Cash and cash equivalents	**341,356**	**281,632**	**172,652**
Non current loans and borrowings	-	38,407	126,480
Current loans and borrowings	70,964	144,424	14,065
Non current lease liabilities	70,349	77,282	67,187
Current lease liabilities	17,490	15,118	13,326
(b) Interest-bearing debt (IBD)	**158,803**	**275,231**	**221,058**
(a-b) Net Cash	**182,553**	**6,401**	**(48,406)**

Below is a reconciliation of CAPEX and CAPEX % of Revenue for the years ended 31 December 2025, 2024 and 2023.

Table 8 – CAPEX and CAPEX % of Revenue	Year ended 31 December		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
Purchase of intangible assets[1]	678	2,221	7,065
Purchases of plant and equipment[1]	35,891	15,666	23,909
(a) CAPEX	**36,569**	**17,887**	**30,974**
Revenue	1,280,410	957,068	808,769
Lease and other income	23,452	4,406	7,209
(b) Total revenue and lease and other income	**1,303,862**	**961,474**	**815,978**
(a/b) CAPEX % of Revenue	**2.8%**	**1.9%**	**3.8%**

1 As presented in the consolidated statement of cash flows in the Annual Financial Statements.

Below is a reconciliation of Free Cash Flow and Free Cash Flow Conversion for the years ended 31 December 2025, 2024 and 2023.

Table 9 – Free Cash Flow and Free Cash Flow Conversion	Year ended 31 December		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
(a) Adj. EBITA	**235,410**	**93,789**	**100,125**
Purchases of plant and equipment[1]	(35,891)	(15,666)	(23,909)
(b) Free Cash Flow (FCF)	**199,519**	**78,123**	**76,216**
(b/a) FCF Conversion	**84.8%**	**83.3%**	**76.1%**

1 As presented in the consolidated statement of cash flows in the Annual Financial Statements.

Below is a reconciliation of EBITDA less CAPEX and EBITDA less CAPEX as % share of EBITDA for the years ended 31 December 2025, 2024 and 2023.

Table 10 – EBITDA less CAPEX and EBITDA less Capex as % share of EBITDA	**Year ended 31 December**		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
(a) EBITDA	**250,276**	**128,368**	**128,218**
CAPEX	(36,569)	(17,887)	(30,974)
(b) EBITDA less CAPEX	**213,707**	**110,481**	**97,244**
(b/a) EBITDA less CAPEX as % share of EBITDA	**85.4%**	**86.1%**	**75.8%**

Below is a reconciliation of EBITDA less CAPEX less ΔNWC and EBITDA less CAPEX less ΔNWC as % share of EBITDA for the years ended 31 December 2025, 2024 and 2023.

Table 11 – EBITDA less CAPEX less ΔNWC and EBITDA less CAPEX less ΔNWC as % share of EBITDA	**Year ended 31 December**		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
EBITDA less CAPEX	213,707	110,481	97,244
(Increase) in inventories[1]	(9,285)	(26,888)	(37,664)
Decrease in trade and other receivables[1,2]	-	11,110	20,877
(Increase) decrease in trade receivables[1,2]	(28,238)	-	-
(Increase) decrease in other receivables[1,2]	(17,318)	-	-
(Increase) decrease in contract assets[1]	3,448	(3,281)	2,720
(Decrease) in trade and other payables[1,3]	-	13,604	(28,006)
(Decrease) in trade payables[1,3]	(6,497)	-	-
(Decrease) in other current liabilities[1,3]	(1,895)	-	-
Increase (decrease) in contract liabilities[1]	70,471	75,261	(68)
(a) EBITDA less CAPEX less ΔNWC	**224,393**	**152,998**	**55,103**
(b) EBITDA	**266,058**	**128,368**	**128,218**
(a/b) EBITDA less CAPEX less ΔNWC as % share of EBITDA	**84.3%**	**119.2%**	**43.0%**

1 As presented in the consolidated statement of cash flows in the Annual Financial Statements.

2 In the consolidated financial statements for the financial year ended 31 December 2025, the Company changed its presentation of the financial statement line item (increase) decrease in trade and other receivables by separating it into two new line items: (increase) decrease in trade receivables and (increase) decrease in other receivables.

3 In the consolidated financial statements for the financial year ended 31 December 2025, the Company changed its presentation of the financial statement line item (increase) decrease in trade and other payables by separating it into two new line items: (increase) decrease in trade payables and (increase) decrease in other current liabilities.

4.2.5 *Third-party information*

In this Prospectus, the Group has used industry and market data derived from (i) a paid third-party external counsel (Rystad Energy) and (ii) publicly available sources. The analyses from Rystad Energy are obtained from a report from November 2025, based on proprietary databases and research available to Rystad Energy. Rystad Energy is a paid service and not publicly available. On the basis of their databases and research, Rystad Energy makes numerous calculations and estimates in their report. Unless stated otherwise, all market data in the Prospectus, including estimates and calculations has been obtained from Rystad Energy's 2025 report. Where other sources have been assessed, this is clearly stated, either directly in the text or as footnotes.

Publicly available sources used in this Prospectus include: i) Allianz (a global financial services group providing publicly available market research), (ii) Market Intelo (an independent market research firm providing publicly available industry reports and market assessments), (iii) Markets and Markets (a global market research and consulting firm providing publicly available industry reports and market forecasts), (iv) United States Department of Defense Budget (official budget documentation published by the U.S. government, used as a source of publicly available information on defence-related expenditures), and (v) National Oceanic and Atmospheric Administration (NOAA) (publicly available budget documentation published by a U.S. federal agency, used as a source of information on governmental spending related to oceanic and atmospheric activities).

References to such sources are included in the footnotes to Section 7 "*Industry and Market Overview*" and Section 8 "*Business of the Group*".

While the Group has compiled, extracted and reproduced industry and market data from external sources, the Group has not independently verified the correctness of such data. Unless otherwise indicated, such information reflects the Group's estimates based on analysis of multiple sources, including data compiled by professional organisations, consultants and analysts and information otherwise obtained from other third party sources, such as annual financial statements and other presentations published by listed companies operating within the same industry as the Group may do in the future. Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Group's competitive position in the future is based on the Group's own assessment and knowledge of the potential market in which it operates.

The Group confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Group is aware and is able to ascertain from information published by these third party providers, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified. The Group does not intend, and does not assume any obligations to update industry or market data set forth in the Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Group has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently unpredictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

The Group cautions prospective investors not to place undue reliance on the above mentioned data. Unless otherwise indicated in the Prospectus, any statements regarding the Group's competitive position are based on the Company's own assessment and knowledge of the market in which it operates.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Group's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 *"Risk Factors"* and elsewhere in this Prospectus.

4.3 Cautionary note regarding forward-looking statements

This Prospectus includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements are not historic facts. They appear, among other areas, in the following Sections in this Prospectus; Section 7 *"Industry and Market Overview"*, Section 9 *"Capitalisation and Indebtedness"*, Section 10 *"Selected Financial and Other Information"*, and 11 *"Operating and Financial Review"*, and include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, financial strength and position of the Group, operating results, liquidity, prospects, growth, the implementation of strategic initiatives, as well as other statements relating to the Group's future business development and financial performance, and the industry in which the Group operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Prospectus. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. For a non-exhaustive overview of important factors that could cause those differences, important factors that could cause those differences include, but are not limited to:

- competitive pressures in the subsea technology industry,
- failure to successfully implement or optimise the Group's strategy, including integration of acquired businesses,
- cyclical fluctuations and changes in global economic and market conditions, including trade policy and tariffs,

- revenue and customer concentration in key markets and sectors,
- supply chain disruptions,
- loss of key personnel or failure to retain highly skilled personnel,
- fluctuations of exchange rates and interest rates,
- changes in laws and regulations in the jurisdictions in which the Group operates, and
- inadequate insurance coverage.

The risks that could affect the Group's future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in Section 2 *"Risk Factors"*.

These forward-looking statements speak only as at the date on which they are made. The Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

5 REASONS FOR THE LISTING AND THE OFFERING

The contemplated Listing of shares on Euronext Oslo Børs will provide the Company with a regulated marketplace for the trading of its shares and facilitate future growth and development in the Company.

The Company believes the Offering and the Listing will:

- provide access to public capital markets and facilitate the use of Shares as currency in any potential future mergers and acquisitions ("**M&A**") transactions;
- provide a liquid market for the Shares;
- enhance the Company's visibility and market profile with investors, business partners, suppliers and customers;
- further improve the Group's ability to attract, retain and motivate talented management and personnel, including by increasing the Group's visibility towards the local talent pool and facilitating employee ownership; and
- diversify the shareholder base and enable other investors to take part in the Company's future growth and value creation.

The gross proceeds from the sale of the New Shares in the Offering are expected to amount to approximately NOK 500 million and net proceeds of approximately NOK 462.5 million, based on estimated total transaction costs of approximately NOK 37,5 million related to the New Shares and all other directly attributable costs in connection with the Listing and the Offering to be paid by the Company.

The Company will primarily use the proceeds of the primary offering, up to NOK 500 million, for further potential acquisitions and, subsequently, to strengthen the balance sheet, as well as for general corporate purposes.

6 DIVIDEND AND DIVIDEND POLICY

6.1 Dividend policy

In deciding whether to propose a dividend and in determining the dividend amount, the Board of Directors will comply with the legal requirements set out in the Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45 (the "**Norwegian Public Limited Liability Companies Act**") (see Section 6.2 "*Legal constraints on the distribution of dividends*") and take into account the Company's capital requirements, including capital expenditure requirements, the Company's financial condition, general business conditions and any restrictions that its contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintenance of appropriate financial flexibility. Except in certain specific and limited circumstances set out in the Norwegian Public Limited Liability Companies Act, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

The proposal to pay a dividend in any year is, in addition to the legal restrictions set out in Section 6.2 "*Legal constraints on the distribution of dividends*", further subject to any restrictions in the Company's borrowing arrangements or other contractual arrangements in place at the time.

Further, the tax legislation of an investor's Member State and of the Company's country of incorporation (Norway) may have an impact on the income received from the Shares, see Section 17 "*Taxation*".

As part of the Company's long-term ambition, the Company aims to distribute 40–60% of net profit as dividends over time, with flexibility to deviate based on M&A and other value-accretive investment opportunities (see Section 8.4.3 "*Financial targets*").

The Company paid dividends of NOK 19.7 million, NOK 10 million and NOK 25 million for the financial years ended 31 December 2025, 2024 and 2023, respectively.

6.2 Legal constraints on the distribution of dividends

Dividends may be paid in cash, or in some instances as dividends in kind. The Norwegian Public Limited Liability Companies Act provides the following constraints on the distribution of dividends applicable to the Company:

- Section 8-1 of the Norwegian Public Limited Liability Companies Act provides that the Company may distribute dividends to the extent that the Company's net assets following the distribution are sufficient to cover (i) the Company's share capital, (ii) the Company's reserve for valuation variances and (iii) the Company's reserve for unrealised gains. Any receivables of the Company which are secured through a pledge over the Company's Shares and the aggregate amount of credit and security which, pursuant to Sections 8-7 through to 8-10 of the Norwegian Public Limited Liability Companies Act fall within the limits of distributable equity are to be deducted from the distributable amount;

- the calculation of the distributable equity shall be made on the basis of the balance sheet included in the approved annual accounts for the previous financial year, provided, however, that the registered share capital as at the date of the resolution to distribute dividends shall be applied. Following approval of the annual accounts for the last financial year, the general meeting of shareholders may also authorise the Board of Directors to declare dividends on the basis of the Company's annual accounts;

- dividends may also be resolved by the general meeting of shareholders based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date no older than six months before the date of the general meeting's resolution; and

- dividends can only be distributed to the extent that the Company's equity and liquidity following the distribution is considered sound in light of the risk and scope of the Company's business.

Pursuant to the Norwegian Public Limited Liability Companies Act, the time when an entitlement to dividend arises depends on what was resolved by the general meeting of shareholders when it resolved to issue new shares in the company. A subscriber of new shares in a Norwegian public limited company will normally be entitled to dividends from the time when the relevant share capital increase is registered with the Norwegian Register of Business Enterprises. The Norwegian Public Limited Liability Companies Act does not provide any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends.

6.3 Manner of dividend payments

The Company's equity capital is denominated in NOK and all dividends on the Shares will therefore be declared in NOK. As such, investors whose reference currency is a currency other than the NOK may be affected by currency fluctuations in the value of the NOK relative to such investor's reference currency in connection with a dividend distribution by the Company. Any future payments of dividends on the Shares will be made in the currency of the bank account of the relevant shareholder registered with the ESO

and will be paid to the shareholders through the ESO. Shareholders registered in the ESO who have not supplied the ESO with details of their bank account, will not receive payment of dividends unless they register their bank account details with the Company's ESO registrar, and transfer fees may apply for payments made in such manner. The exchange rate(s) that is applied when denominating any future payments of dividends to the relevant shareholder's currency will be the exchange rate of the relevant bank on the payment date. Dividends will be credited automatically to the ESO registered shareholders' accounts, or in lieu of such registered account, at the time when the shareholder has provided the ESO Registrar with their bank account details. Shareholders' right to payment of dividend will lapse three years following the resolved payment date for those shareholders who have not registered their bank account details with the ESO Registrar.

7 INDUSTRY AND MARKET OVERVIEW

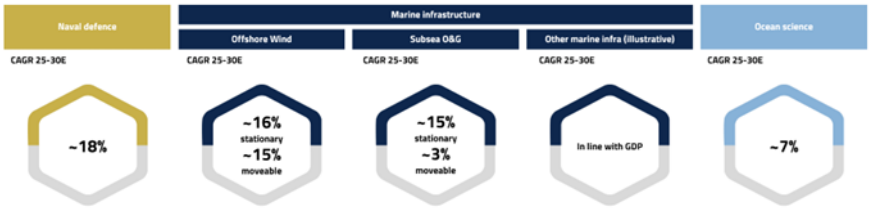
7.1 Market introduction

General Oceans is exposed to the structurally growing end-markets for advanced underwater technology, with strong tailwinds in market fundamentals across various end-market segments[2]: naval defence, marine infrastructure, and ocean science. The Company is a supplier to customers whose operations are often of mission-critical character with high stakes and substantial cost of failure. As such, these customers prefer trusted partners known to deliver reliable products, in turn creating barriers to enter the market General Oceans serve. General Oceans has obtained an attractive position in this market, with a revenue CAGR for Nortek and Tritech of 14.2% between 2023 2025[3]. The Company considers the overall market growth outlook to be highly appealing, driven by long-term structural drivers across the end-market segments.

Exposed to a wide range of end-markets, the use-cases for General Oceans' products are many. Within the defence segment, the Company provides and supports autonomous and remote naval defence operations and systems, in turn used for e.g., underwater object detection and monitoring, and autonomous surveys. To the marine infrastructure segment, the Company supports underwater operations in connection with building and maintenance of bridges, ports, renewables, oil and gas, coastal engineering, and other maritime infrastructure, e.g., enabling underwater mapping of structures, and determining environmental design criteria. The science segment includes research of marine resources, and environmental studies, delivering products that e.g., enable tracking of ocean circulation and beach erosion.

The growth outlook within the defence segment is driven by accelerated defence spending and focus on technology enabling autonomous underwater operations, battlespace awareness, and surveillance and tactical reconnaissance, while the marine infrastructure segment expects continued tailwind from investment and operations and maintenance activities related to marine engineering, offshore wind development, and subsea infrastructure[3]. The science segment is expected grow as e.g., higher water temperature and rising sea levels call for continuous need for high-resolution ocean data collection[4].

Figure 1: CAGR across end-markets (2025-2030E)



Source: Rystad Energy (paid service) (see Section 4.2.5 "Third-party information"), Allianz[5]

The market potential for General Oceans is large as the size of end markets continues to grow[3]. This is exemplified by looking at the global Acoustic Doppler Current Profilers (ADCPs) market which is a growing submarket within underwater sensing and autonomy, in which General Oceans has an established position. The global ADCP market was valued at approximately USD 410m in 2024 and is projected to grow to around USD 820m by 2033, corresponding to a CAGR of 8%[6]. Further, the global autonomous underwater vehicle ("**AUV**") market demonstrates even stronger momentum, expanding from around USD 2.0bn in 2024 to an estimated USD 4.3bn by 2029, implying a CAGR of 16%[7].

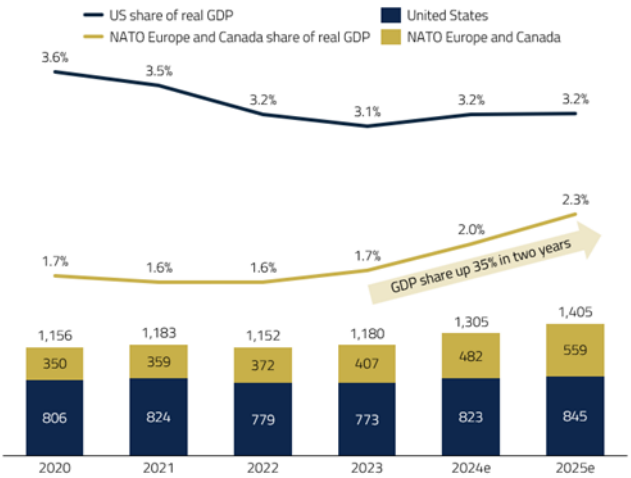
7.2 Core markets for ocean technology

7.2.1 *Naval defence*

Global defence spending has been increasing, with European countries raising investments in response to ongoing geopolitical volatility[3]. NATO members are expanding their defence budgets, and by 2025 all 32 members are expected to meet the 2% of Gross Domestic Product ("**GDP**") target, compared to 10 members in 2023[3]. While the U.S. remains the largest contributor to NATO defence spending, European and Canadian expenditure has grown, increasing average GDP share from 1.7% in 2023 to an estimated 2.3% in 2025[3].

[2] Not reporting segments of the Group. For information about the Group's reporting segments, please refer to Section 8.1 "*Overview an introduction to the Group*".
[3] Based on 2023 - 2025 financials for Nortek and Tritech
[4] Rystad Energy (paid service) (see Section 4.2.5 "*Third-party information*")
[5] Allianz *Obtained November 2025*
[6] Market Intelo *Obtained October 2025*
[7] Markets and Markets *Obtained October 2025*

Figure 2: Defence expenditures (USDbn. Prices and exchange rates kept constant from 2021) and share of real GDP

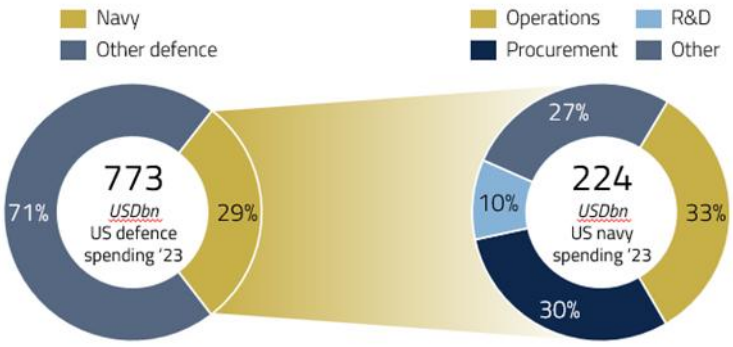


Source: Rystad Energy (paid service) (see Section 4.2.5 "Third-party information")

Looking ahead, NATO's target to move toward 5% of GDP by 2035 (supported by the EU's €800bn ReArm procurement initiative) is expected to contribute to a broader rise in defence investment across Europe. Several NATO countries, including the UK, Norway, Sweden, the Netherlands, Canada and Lithuania, have already outlined higher defence outlays, and Germany is planning to reach 3.5% of GDP by 2029[3]. Exemplified by the U.S. Navy's investment of USD 5.3bn[3] in unmanned maritime vehicles, and the UK-France GBP 184m[3] initiative introducing autonomous mine-countermeasure platforms and hybrid subsea capabilities, these trends are expected to increase spending on General Oceans' products, as production of such technology require components delivered by General Oceans.

In the United States, total defence spending reached USD 773bn in 2023, of which USD 224bn (~30%) was allocated to the Navy[3]. Navy spending has grown over the past decade, increasing from about 25% of U.S. defence expenditure in 2014, to 27% in 2022 and 29% in 2023[3]. This puts Navy spending roughly on par with the Air Force, and moderately above the Army.

Figure 3: US defence spending 2023 (USDbn)



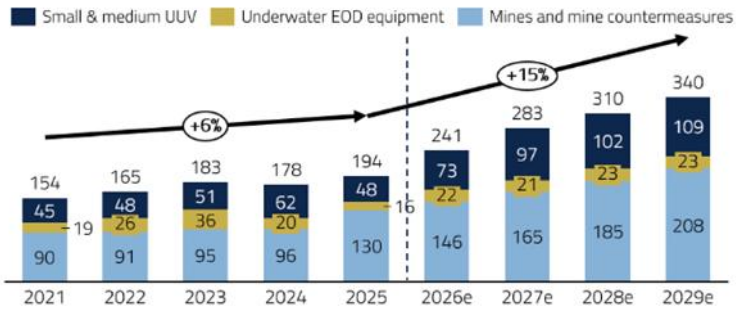
Source: Rystad Energy (paid service) (see Section 4.2.5 "Third-party information")

Of the Navy budget, 30%[3] is dedicated to procurement, including contracted purchases of ROVs, AUVs and subsea sensors on top of major naval assets. Although unmanned and sensing systems currently represent a relatively small portion of total Navy expenditure, they have become an area of consistent growth.

Since 2021, the U.S. Department of Defense has established a dedicated budget line for small and medium AUVs, signalling their increasing operational importance, expected to see a funding growth rate of approximately 23% annually through 2029[3]. On top of procurement, the 2026 R&D budget for small and medium unmanned underwater vehicles ("**UUVs**") increases to USD 142m, up from USD 53 million in 2025[8]. As a result, the overall expansion in unmanned and sensing programmes is increasingly reflected in procurement and R&D activity that increase spend on products within General Oceans' offering.

[8] US Department of Defense *Obtained November 2025*
[3] Rystad Energy (paid service) (see Section 4.2.5 "*Third-party information*")

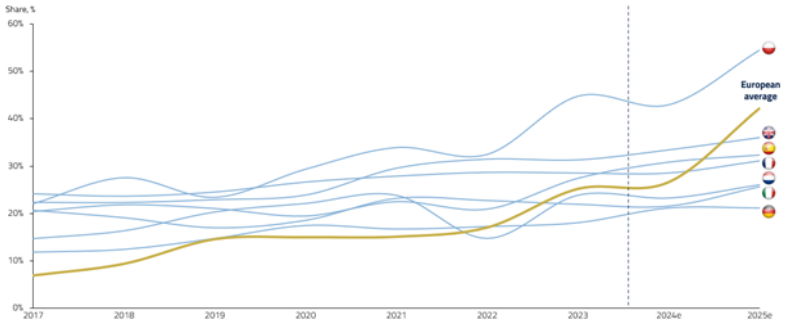
Figure 4: Structural step-change in relevant U.S. navy budget items (USDm)



Source: Rystad Energy (paid service) (see Section 4.2.5 "Third-party information")

A similar development is emerging in Europe, where shifts in budget allocation indicate a growing emphasis on equipment and advanced technological capabilities. Following the 2014 Wales Defence Investment Pledge, European NATO members committed to directing at least 20% of defence spending to equipment and related R&D[4]; a structural modernisation of Europe's armed forces, prioritizing advanced systems and technology over manpower-heavy models. This has contributed to a gradual rise in the equipment share of defence budgets across Europe from 2017 onward, with several countries now exceeding the 20% threshold and the European average increasing[4]. As a result, the increasing share of equipment expenditure directly supports increased demand for technologies and products offered within General Oceans' portfolio.

Figure 5: Equipment expenditure as a share of total defence expenditure for European NATO countries, 2017 - 2025



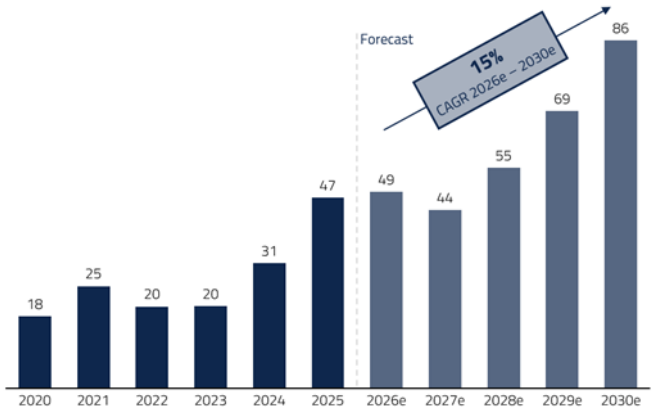
Source: Rystad Energy (paid service) (see Section 4.2.5 "Third-party information")

7.2.2 *Marine infrastructure*

Marine infrastructure is entering a period of strong growth, supported by large investment pipelines in both offshore wind and subsea oil and gas[4]. Together, these sectors are expected to drive steady growth in demand for the survey, inspection, monitoring, and intervention technologies that General Oceans offers.

Global offshore wind capital expenditure is forecast to grow from approximately USD 49bn in 2026 to USD 86bn by 2030[4], reflecting a compound annual growth rate of around 15% and close to a doubling of spending from 2025 to 2030. This expansion is being driven by rapid growth in e.g., (1) sanctioned offshore wind areas, (2) an increasing number of turbines being installed, and (3) a significant rise in subsea cable activity[4].

Figure 6: Historical and forecasted offshore capex growth (USDbn)



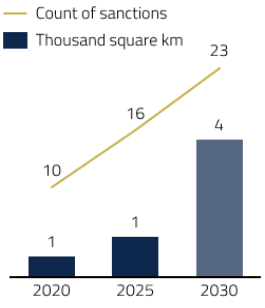
Source: Rystad Energy (paid service) (see Section 4.2.5 "Third-party information")

(1) Sanctioned offshore wind areas are projected to more than double by 2030, increasing both the number of approved development zones and the total area available for construction[3] (see Figure 7). This growth in sanctioned areas increases project realization rates and leads to greater demand for detailed oceanographic surveys, environmental studies, and early-phase site assessments. As wind farms scale in size and move into more complex environments, they will rely more on AUVs and stationary sensor systems to gather high-quality data before construction begins[3].

(2) The installed base of offshore wind turbines is also set to grow rapidly. In 2024, the number of offshore turbines was 7,170, increasing to 7,680 in 2025[3]. By 2030, the number of turbines in operation is projected to reach roughly 12,000, more than doubling from 2020 levels[3] (see Figure 8). At the same time, turbine size and foundation depth continue to increase, creating a need for more advanced seabed mapping, structural monitoring, and precision installation support. Larger, deeper, and more complex turbines require a higher level of subsea data and intervention capability, further strengthening the role of ocean-survey technologies throughout their development and operational lifecycle.

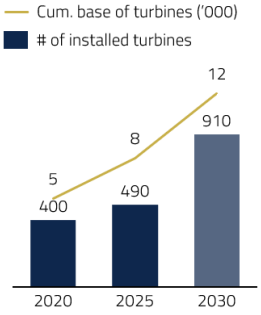
(3) A similar trend is evident in subsea cable installations, which are expected to double by the end of the decade[3] (see Figure 9). In 2024, the total length of subsea cables amounted to 16,318 km and is expected to reach around 36,000 km by 2030[3]. As offshore wind farms expand and connect to national grids, both inter-array and export cables must be installed, surveyed, trenched, inspected, and continuously monitored. The growing volume of cable activity could result in greater reliance on ROVs, sensors, and inspection platforms to ensure safe and efficient installation, as well as long-term operational reliability.

Figure 7



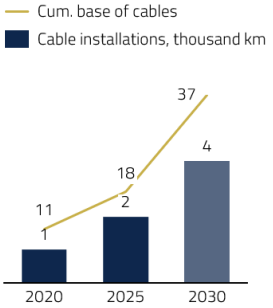
(1) Development in offshore wind areas

Figure 8



(2) Development in installed turbines

Figure 9



(3) Development in installed subsea cables

Source: Rystad Energy (paid service) (see Section 4.2.5 "Third-party information")

Subsea oil and gas are also experiencing an upward trend, driving greater use of ROVs, sensors, and inspection tools[3]. Average annual offshore capex is projected to increase by 27% over the next five-year period[3]. Spending averaged USD 143bn in 2016-2020 and remained broadly flat at USD 163bn in 2021-2025, before rising to USD 199bn in 2026-2030[3]. The investment expectations reflect continued demand for new subsea infrastructure, as well as maintenance and development of established infrastructure.

Further, the installed base of subsea infrastructure is aging, and IMR activity is increasing accordingly[3]. This trend is reflected in the expected rise in IMR vessel demand, which grows from 55 vessels in 2020, 67 vessels in 2025 and to 77 by 2030[3]. With more interventions required, ROVs are becoming crucial for keeping assets in good condition and for operating safely in deeper, tougher conditions, e.g., when installing subsea christmas tree (XMT), and subsea umbilicals, risers and flowlines ("**SURF**") installations, projected to grow at ~30% and ~22% from 2021-2025 to 2026-2030, respectively[3].

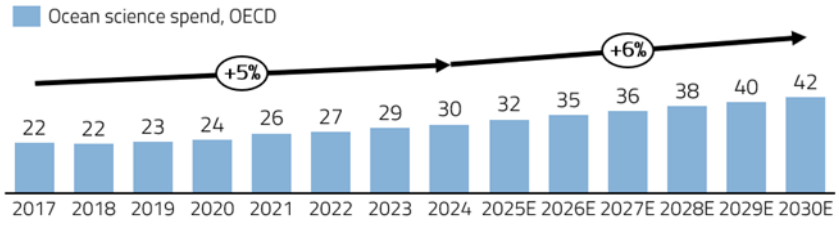
7.2.3 *Ocean science*

Over the past two decades, the ocean has emerged as one of the most closely watched indicators of global climate change. Rising temperatures, increasing sea-level, and growing pressure on marine ecosystems have moved ocean science from a niche research field to a strategic global priority[3].

Ocean measurements show a clear and persistent warming trend. Sea surface temperatures have risen steadily since the early 2000s, increasing by roughly 0.2 degrees Celsius between 2010 and 2023 compared with the 1991-2000 baseline[3]. At the same time, global sea levels have climbed by nearly 70 millimeters since 2000[3].

Rising ocean temperatures and sea levels highlight the urgency of strengthening scientific capability and innovation capacity in marine research. As a result, ocean science R&D is projected to rise from approximately USD 30bn in 2024 to around USD 42bn by 2030[3]. The expansion is supported by national R&D budget increases, broader economic growth, and policy objectives such as the EU's target of raising R&D investment to 3% of GDP[3]. Spending data from 2017 through 2030 illustrate a consistent upward trajectory, signaling long-term commitment rather than short-term reaction (see Figure 10 below).

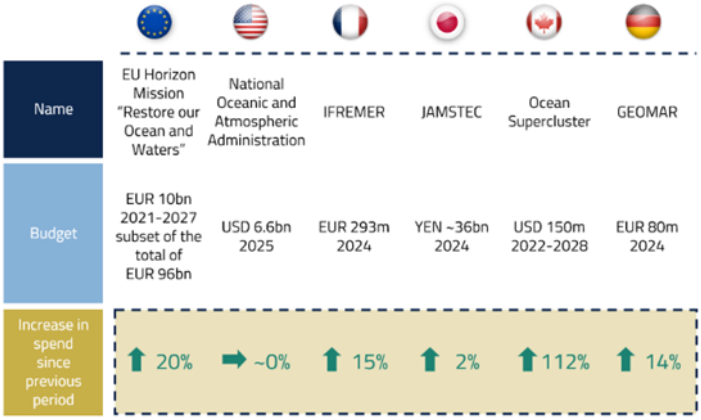
Figure 10: R&D investments in ocean science (USDbn)



Source: Rystad Energy (paid service) (see Section 4.2.5 "Third-party information")

Research programs worldwide further reinforce this trend. The EU's Horizon Mission "Restore our Ocean and Waters" with a budget of EUR 10bn for 2021–2027, demonstrates EU's ambitious ocean research initiative as they increase their spend with 20% since the previous period (part of the larger EUR 96bn Horizon Europe framework)[3]. Institutions such as NOAA in the United States[8], IFREMER in France, JAMSTEC in Japan, Canada's Ocean Supercluster, and GEOMAR in Germany have all either sustained or expanded their funding levels, a change of 0%, 15%, 2%, 112% and 14%, respectively[3]. The overall effect is a strengthening of the global research landscape, supported by coordinated international efforts to address climate-related ocean challenges.

Figure 11: Selected research initiatives with substantial R&D spending

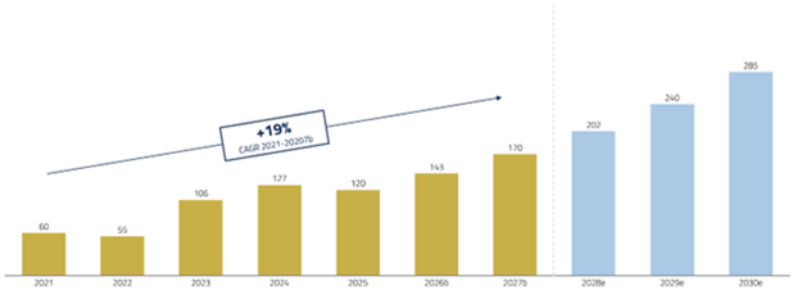


Source: Rystad Energy (paid service) (see Section 4.2.5 "Third-party information"), NOAA[9]

Further, public awareness of ocean issues has grown significantly, amplifying demand for new technologies and scientific capabilities. In Europe, Horizon Europe programs have helped launch large research efforts focused on ocean monitoring, restoration, and digital marine systems[3]. This has increased the demand for practical tools and technologies, including sensors, remotely operated vehicles (ROVs), ocean-mapping equipment, and modern data platforms. Ocean-related funding within Horizon Europe is expected to grow at an annual rate of roughly 19% between 2021 and 2027[3], reflecting both policy momentum and market interest.

[9] NOAA Obtained November 2025
[3] Rystad Energy (paid service) (see Section 4.2.5 "*Third-party information*")

Figure 12: EU Horizon Europe funding related to ocean/maritime research, 2021 to 2023 (EURm)



Source: Rystad Energy (paid service) (see Section 4.2.5 "Third-party information")

EU's Horizon Europe funding program related to ocean and maritime research program funds large-scale research in ocean monitoring, restoration, and digital marine systems. This is in turn driving demand for sensors, ROVs, data platforms and ocean mapping systems across Europe[3]. Looking forward, the upcoming European Union's 10th Framework Programme for Research and Innovation (2028-2034) (the FP10 framework) is set to further accelerate investment. Estimates suggest that the EU's R&D budget could nearly double to about EUR 17bn[3], enhancing the funding base for ocean and maritime research. Projections for 2028-2030 already show a substantial increase in expected allocations, indicating strong political and institutional commitment. Together, these developments point to a robust and expanding demand landscape for ocean-related technologies and research.

7.3 Market barriers

The ocean technology market has high barriers to entry. Customers rely on mission-critical systems where the direct and indirect costs of failure can be significant, creating a strong need for reliable, high-quality technology and experienced partners. To meet these demands, companies like General Oceans draw on extensive industry experience and technical know-how, sustained R&D investment, advanced technology, and a global operating platform. Their operating history, market presence, and long-standing customer relationships suggests that they are well positioned to serve a niche market that is often not a priority for larger industrial players (who in general pursue a broader product offering demanding less specific niche knowledge) and tends to show relatively low-price elasticity and stable margins.

7.4 Competitive landscape

The markets for advanced underwater technology in which General Oceans operate, consist of a wide range of international players. The markets are fragmented, with significant competition among players. The Company faces competition from companies across the globe. As General Oceans has a portfolio of companies delivering different products and services, the competitors they meet vary across brands, although all delivering products/services to the underwater technology market (see Figure 13).

Figure 13: Competitive landscape across General Oceans' brands

Source: Company information

Amongst the Group's main competitors, we find publicly listed companies like Teledyne, Kraken Robotics, and Exail, reporting revenues in 2024 of USD 5,676m, 67m and 404m, accordingly[10]. In addition to publicly listed companies, General Oceans compete

[10] Source: FactSet (paid service) as of November 2025
[3] Rystad Energy (paid service) (see Section 4.2.5 "*Third-party information*")

with a wide range of private companies like Sonardyne, WaterLinked, Impact Subsea, Blueprint Subsea, EdgeTech, Marine Sonic Technology, Planet Ocean, Osil and VideoRay (not exhaustive).

7.5 Regulatory environment

7.5.1 *Introduction*

As a result of the scope of its operations, the Group is subject to a variety of laws and regulations in different countries, including those related to the industry in general. These laws and regulations may be interpreted, implemented or amended in a manner that affects the Group's business negatively as well as positively.

The below Section sets forth a summary of material laws and regulations relevant to the Group's business operations, as well as information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the Group's operations. A more detailed presentation of the risk factors relating to the regulatory environment is given in Section 2.2 "*Risks related to laws, regulations and disputes*" above.

7.5.2 *Other laws, regulations and standards*

The Group operates in business segments that are subject to comprehensive regulatory requirements including with respect to prevention and mitigation of health, safety and environmental (HSE) risk. These include laws, regulations and industry standards concerning product safety (for example rules concerning product marking such as European CE and UKCA), pollution control, waste management, ensuring decent working conditions, etc. The brands maintain HSE compliance procedures aimed at ensuring that HSE risks are identified and appropriately mitigated, and that both general and industry-specific regulatory requirements and standards are complied with.

The brands are also subject to laws requiring it to ensure appropriate follow-up of its supply chain and business partners, including with respect to ensuring respect for human rights and decent working conditions, and are subject to ESG and human rights reporting requirements.

7.5.3 *Data protection regulations*

The Group is subject to GDPR and local data privacy laws in the countries the Group operates in and has implemented data protection procedures and systems to meet these laws and regulation. The Group primarily handles the personal data of its employees, as well as the personnel of the Group's suppliers and customers. This makes the Group exposed to data protection and data privacy laws and regulations it must comply with, which all imposes stringent data protection requirements and could impose penalties for noncompliance, related to storing, sharing, use, processing, disclosure and protection of personal information and other user data on its platforms.

7.5.4 *Tax*

The Group is subject to prevailing tax laws in each jurisdiction the Group operates and will be subject to changes in tax laws, tax treaties or regulations or the interpretation or enforcement thereof in the various jurisdictions, possibly with retrospective effect. Procedures and actions are implemented in the Group to adhere to applicable tax laws wherever the Group is present and conducts its operations. The Group's overall tax charge is dependent on where profits are generated and taxed, where the respective jurisdictions have different tax systems and tax rates.

7.5.5 *International sanctions, export/import control and anti-money-laundering laws and regulations*

The Group's operations make the Group exposed towards restrictions under international sanctions, export/import control and national security-related laws and regulations, in particular sanctions on trade and import/export, through its trade across multiple jurisdictions and through its operations in business segments subject to increased regulatory control in the form of e.g. export/import license requirements. Furthermore, sanctions imposed on certain countries, companies or individuals by international and regional bodies including those administered by the United Nations, the European Union and the U.S. Office of Foreign Assets Control could materially adversely affect the Group's ability to trade with sanctioned countries and/or companies' entities and/or individuals linked with such countries. The Group has policies, procedures and processes in place that aim to ensure that any cross-border transfer of people, products, services, technology and funds are properly screened against all relevant sanctions lists and programs, to ensure that appropriate sanctions and export control licenses are obtained, as well as procedures to prevent and detect red flags related to sanctions, export controls, money laundering and terrorist financing.

7.5.6 *Anti-bribery/anti-corruption laws and regulations*

Operating an international business requires the Group to comply with the laws and regulations of various jurisdictions. In particular, the Group's international operations are subject to anti-corruption laws and regulations, such as UK Bribery Act 2010. The Group is of the view that it has the necessary governance and implemented procedures in place to work in a manner that effectively deals with the corruption risks that are associated with delivery of services in the areas that the Group operates.

7.5.7 *National and international policies*

As of the date of this Prospectus, the Group is not aware of any national or international policies or factors that will materially affect the Group's operation. However, it cannot not be ruled out that changes in governmental, fiscal, monetary or political policies could materially affect, directly or indirectly, the Group's operations.

8 BUSINESS OF THE GROUP

8.1 Overview and introduction to the Group

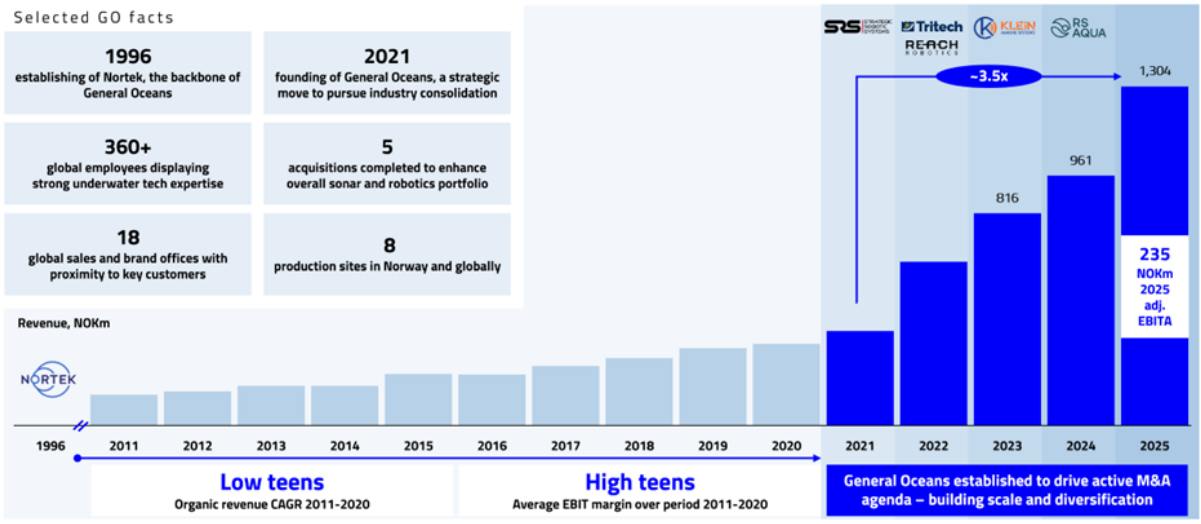
General Oceans is a global provider of advanced underwater technology, delivering sensors, systems and robotic solutions used in demanding marine environments. The Group develops and supplies instrumentation technology for measuring and understanding the ocean and its dynamics, imaging and navigation systems, and remotely operated and autonomous vehicle solutions with associated manipulators and control systems. Underwater acoustics is at the core of the Group's technology, complemented by optical technology, environmental sensors, integrated underwater vehicles, and software capabilities.

The Group's products and solutions are used in marine and subsea operations where equipment failure or operational interruption may result in significant financial cost, safety risks or project delays, including offshore survey activities, subsea inspection and monitoring, defence and security operations, and marine infrastructure construction and maintenance. According to management, customers use the Group's products and solutions to obtain accurate data for critical decision making, support safe operations and perform underwater tasks where access is difficult, visibility is poor and conditions are often harsh, which in turn make operations dependent on high-cost equipment.[11] The markets in which the Group operates are characterised by high operating costs for customers, in particular due to the daily cost of deploying offshore vessels and associated crews, equipment and support services ('vessel days') required to conduct marine offshore operations. Delays or equipment malfunctions may therefore result in additional vessel days and materially increased project costs, which increases the value placed on reliable and high-quality equipment.[12] In management's view, demand tends to favour established and trusted brands with robust track-records, and high technological and operational entry barriers tend to limit the number of suppliers. Due to the significant breadth of underwater operations, which again require specific instrumentation capabilities and often tailored products and integrated solutions, the products and solutions relevant to the Group encompass numerous technologies in attractive niches. In management's view, the Group's long-term competitiveness is supported by its R&D capabilities and technological expertise, enabling continuous improvements and the development of next-generation solutions, enhancing solid value in use for its customers.[13] As one important factor, the typical product cycles within many of its technologies are rather long, which means that products and developments have meaningful economic durations and often long time in between launches of new product generations. In addition, the Group benefits from a global sales and distribution platform, providing direct access to key markets and reinforcing customer relationships.[14] The Group has spent decades establishing its global sales network, both through direct sales offices and a representative network. Consequently, the close control over its go-to-market channels allows for close collaboration with customers and an ability to develop solutions that are in-demand in the market.

General Oceans is organised as an industrial company comprised of individual brands within the underwater technology space and operates through two segments: sensors and robotics. The brands include Nortek, Tritech, Klein, RS Aqua (sensors), and Reach Robotics, and SRS (robotics). Nortek provides acoustic doppler instruments that generate precise measurements of currents, waves, and underwater motion, as well as technology for underwater measurement. Tritech and Klein offer imaging and high-resolution survey sonars that produce real-time subsea imagery and detailed seafloor mapping data, including object detection underwater. Reach Robotics supplies electric manipulators for subsea intervention, including certain optical applications, SRS develops integrated underwater vehicle platforms, and RS Aqua acts as a systems integrator and distributor for ocean monitoring and marine robotics technologies.

[11,10,11,12] Management information

Figure 14: Company history and selected facts[15]



Source: Company information

Nortek, established in 1996, is the original business around which the Group has built from 2021 onwards. General Oceans was established as industrial platform for underwater technology brands, as a strategic move to expand the technology catchment of Nortek and pursue industry consolidation, leveraging a multi-decade history within the underwater technology space. Since then, the Group has completed five acquisitions of brand platforms – SRS, Tritech, Reach Robotics, Klein and RS Aqua. The Group has expanded its scale and geographic reach through organic growth and acquisitions, and today operates across multiple regions with sales, service and distribution capabilities in Europe, North America and Asia-Pacific, as well as an established global reseller network serving customers in additional markets.[16]

The underlying business has delivered sustained growth over time, including with Nortek having delivered low teens growth and high teens profitability from 2011-2020.[17] Between 2023 and 2025, Group revenue increased from NOK 816 million to NOK 1,304 million, corresponding to a compound annual growth rate[18] ("**CAGR**") of approximately 26%. Over the same period, EBITA[19] increased from NOK 100 million to NOK 235 million and the EBITA margin from approximately 12% to approximately 18%. As of 31 December 2025, Nortek and Tritech together accounted for 69% of Group revenue and 87% of EBITA pre management fees, with Klein, Reach Robotics, RS Aqua and SRS contributing complementary revenue streams and technology positions, as well as to diversification with attractive gross margins on its technology combined with defence backlog for Klein and SRS.

The Group's revenue is geographically diversified. Based on 2025 revenue, approximately 51% was generated from Europe, 27% from Asia and Oceania, 19% from Americas and 3% from rest of world. The Group delivered products to customers in 79 countries in 2024, reflecting a broad international footprint. As year-end 2025, the Group had 372 employees (headcount), 18 sales and brand offices and 8 production sites globally. Many of the geographical positions have been established over time through Nortek, which has operated a global footprint for more than a decade. The Group furthermore actively seeks to expand its footprint to cover up geographical whitespace.

General Oceans' end-market exposure is well balanced. For the year ended 31 December 2025, approximately 48% of Group sales were derived from marine infrastructure, 28% from defence and 24% from science. General Oceans defines marine infrastructure to include subsea and offshore oil and gas, offshore wind and other marine civil infrastructure such as ports and coastal protection, and defence primarily covers naval and security applications, including mine countermeasures, underwater surveillance, and unmanned underwater systems. Lastly, science covers oceanographic and environmental monitoring, including academic and governmental research programmes. Across these end-markets, the Group has sold more than 5,000 products during 2024, and has very low concentration risk across customers, with the Group's top 10 customers representing 30% for the year ended 31 December 2025.

The management's strategy is to continue building a fast growing, profitable independent platform within underwater sensors, systems and robotics by combining sustained organic growth with an active approach to M&A.

[15] Adj. EBITA: 2025 EBITA adjusted for write-down of inventory, earn-outs, IPO transaction fees and financial gain from sale of building.
[16] Management information
[17] Management information
[18] CAGR = (ending value / beginning value)^(1/numbers of years)-1
[19] EBITA: earnings before interest, tax and amortisation

8.2 Business and platform overview

8.2.1 *Business model and value proposition*

General Oceans' business model is centered on designing, manufacturing and supplying high-performance underwater technology that addresses complex customer needs related to underwater operations, across various end-markets. The products and solutions served by the Group enable its clients to deliver core operations within their markets, such as for renewable developers to develop offshore wind farms, for survey companies to conduct analyses related to subsea infrastructure, and for defence customers to conduct covert operations or underwater object scans safeguarding the naval marine. The Group primarily generates revenue from (i) design and sale of instruments and integrated systems, (ii) associated software and firmware, (iii) services and support activities and (iv) systems integration work within certain entities. The Group also undertakes project-based engineering work, particularly in connection with defence-related deliveries.

The sensors segment includes instrumentation-focused brands (primarily Nortek, Tritech and Klein) that sell highly engineered product families that can be configured for specific applications in relevant sub-markets. These business models are highly scalable with attractive gross margins and significant repeat purchasing activity from an entrenched customer base.[20] While Nortek and Tritech have large volumes sold to their client base, Klein for now has specifically focused on larger deliveries to customers including for defence applications based on awarded backlog. RS Aqua (sensors) operates as a specialised distributor and systems integrator, combining General Oceans' products with selected third-party technologies to deliver turnkey solutions, and providing access to customers via its client network. For the brands in the robotics segment (Reach Robotics and SRS), revenue is derived from sale of vehicles, manipulators and control systems as well as project-based deliveries into larger defence and infrastructure programmes.

Across the platform, the Group's value proposition is based on:[21]

- mission-critical reliability and performance, reflecting the cost of vessel days and the consequences of equipment failure or data loss in offshore and defence operations;
- advanced technology developed over several decades of R&D in acoustics, hydrodynamics, mechanics, software and robotics;
- global reach with local presence through a network of sales offices, service hubs and distributors; and
- the ability to offer integrated solutions spanning sensors, imaging, navigation, vehicles, manipulators and software.

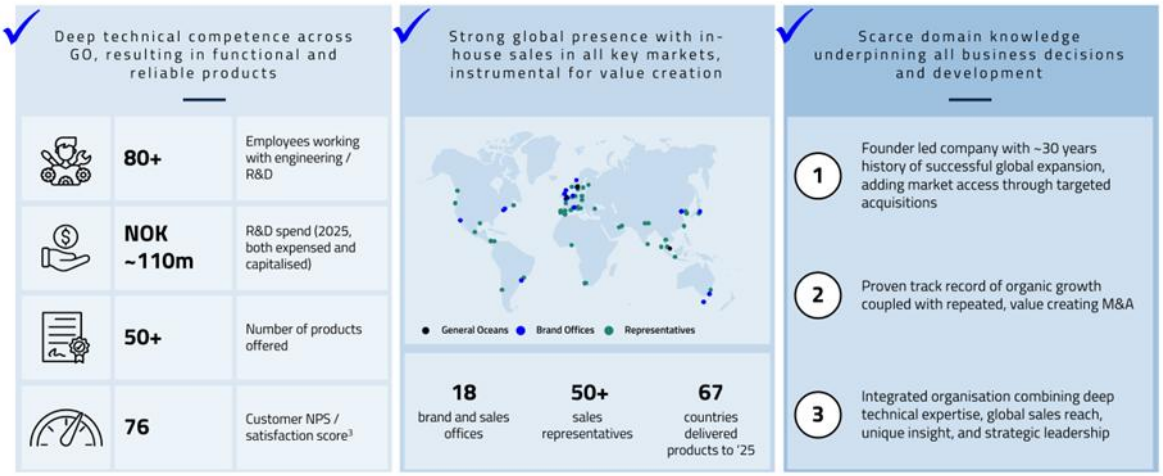
The Group's customer base is diversified with ~1,000 customers in 2025, including naval forces and defence ministries, offshore operators and contractors, engineering and survey companies, research institutes and universities, aquaculture companies and other maritime industries. 78% of revenue in 2025 was derived from customers with prior purchase history and approximately 30% of revenue derived from its 10 largest customers. In addition, the Group maintains a mix of short-cycle repeat orders and longer-duration backlog from larger, mainly defence-related, particularly through Klein and SRS. The combination of repeat purchases and backlog provides revenue visibility for General Oceans, as illustrated by Nortek's decade-long consistent historical revenue growth[22]. As such, the Group's diversification stems from several dimensions: (i) geographically (ii) end-market (marine infrastructure, defence, and science) and (iii) technologically (acoustics, optical, environmental sensors, vehicles, manipulators, and software), which in turn gives an attractive opportunity to manoeuvre end-market dynamics.

8.2.2 *Platform and organisation*

General Oceans has developed into an industrial platform with a broad and integrated technology base, supported by sustained organic growth and a structured M&A strategy. Since 2021, the Group has significantly expanded its technology and product offering across acoustic and optical sensing, environmental sensors, vehicles, manipulators and software, while also strengthening its global presence. Organic growth has been supported by strong margins and solid cash generation, and acquisitions have been executed with an industrial focus on creating long-term positions within complementary technology areas.

[20, 20, 21] Management information

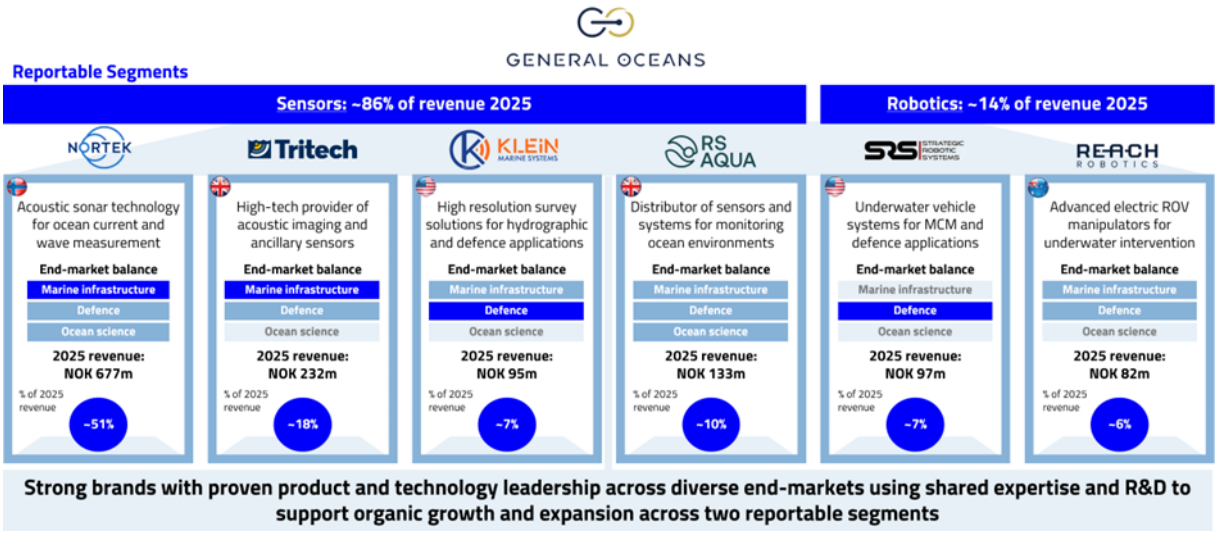
Figure 15: Company core strengths



Source: Company information

As of the date of this Prospectus, General Oceans' core constitutes six autonomous, customer-facing operating brands. Each brand focuses on specific parts of the underwater technology value chain, while collaborating on functions such as R&D, sales and support:

Figure 16: Brand overview



Source: Company information

- **Nortek (sensors):** A provider of acoustic doppler instruments used for oceanographic measurement and underwater navigation, including ADCPs, current and wave systems, turbulence sensors and Doppler Velocity Logs (DVLs). Nortek forms the backbone of the Group and accounts for a significant share of revenue and operating profit. Its instruments are deployed for ocean measurements, coastal engineering studies, offshore wind resource assessment and operational monitoring, as well as navigation of underwater vehicles, where it has increased its presence over the last few years and is currently prioritising development resources.
- **Tritech (sensors, acquired 2022):** A UK-based specialist in acoustic imaging and ancillary equipment, supplying multibeam imaging sonar, scanning sonar, profiling sonar, altimeters and echo sounders, as well as supporting electronics.
- **Klein Marine Systems (sensors, acquired 2023):** A US-based supplier of high-resolution multibeam side-scan sonar systems, used in mine countermeasures, hydrographic and environmental surveys, and infrastructure inspection. Klein contributes both product breadth and relationships with defence and hydrographic customers.
- **RS Aqua (sensors, acquired 2024):** A UK-based distributor and systems integrator of ocean monitoring and marine robotics technologies, offering tailored solutions that combine sensors, acoustic telemetry, autonomous platforms and data systems. RS Aqua serves customers across aquaculture, research, defence, offshore energy and other maritime industries.
- **Strategic Robotic Systems (SRS) (robotics, acquired 2021):** A developer and manufacturer of underwater robotic systems, with the FUSION platform as its flagship. FUSION is a hybrid ROV/AUV system combining vehicle, sensors,

navigation and software and is used by defence and government customers including the US Navy, US Marine Corps, US Coast Guard and the Royal Norwegian Navy.

- **Reach Robotics (Robotics, acquired 2022):** A provider of all-electric underwater manipulators and control systems, offering compact, high-performance robotic arms and associated controllers used on ROVs, and other platforms for inspection and intervention in harsh environments.

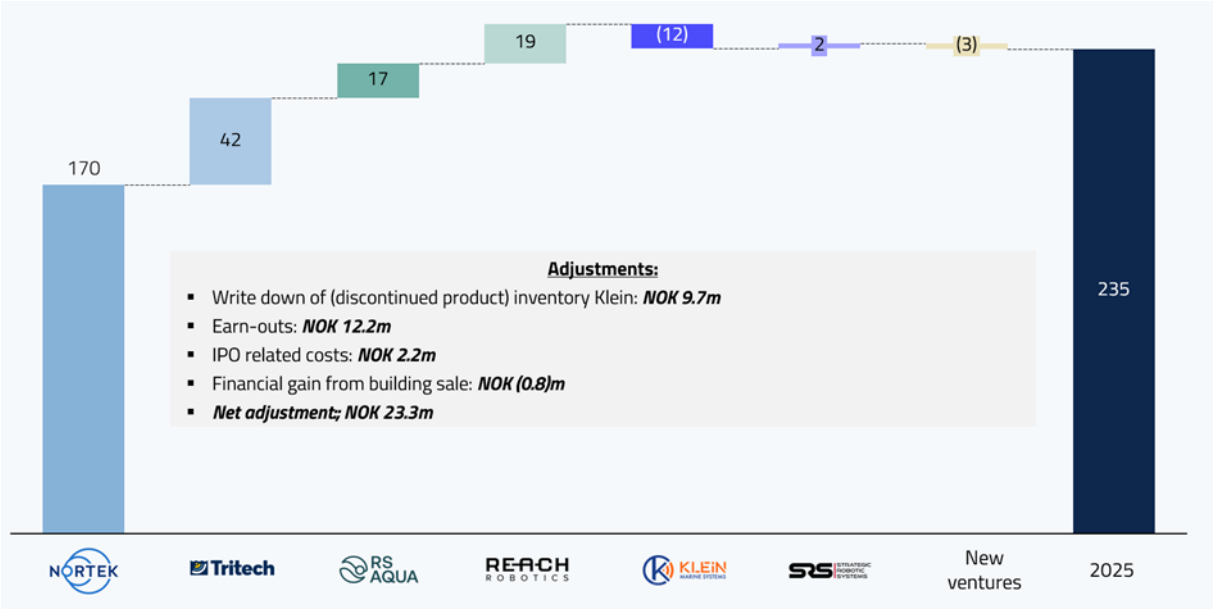
General Oceans operates with a centralised strategic framework combined with decentralised execution and brand autonomy. At the corporate level, owners and the Board of Directors provide alignment on strategic direction, governance and key decision-making, including budgets and M&A approvals. Group management is responsible for executing Group strategy, financial control, capital allocation, and the integration of acquisitions, including value creation plans and synergy realisation. The Group's brands lead market positioning, go-to-market activities and talent development. The Group's brands also hold P&L responsibility and manage product development, R&D and operations within its brand, however, also being involved in potential cross brand collaborations and best-practice-sharing. Brand representatives support commercial execution by serving customers directly in their respective markets and furthermore supplying the various brands with relevant information regarding the technological and competitive landscape. This model allows each brand to maintain its customer relationships and specialist expertise while gaining the advantages of shared technology, operations, and infrastructure, ensuring operating efficiency and scale effects within relevant areas of the Group's activities.

The General Oceans' group organisation consists of seven employees and is intentionally kept lean, while each brand has its own management team and organisation responsible for day-to-day operations, financial performance and local staff. Brand management is responsible for product development, operations, and commercial activities, in line with the Group's operating model. This structure aims to combine local responsiveness and customer proximity with alignment on Group-wide priorities and policies.

Going forward, General Oceans' group organisation is anticipated to maintain its focused structure, while strengthening its capacity within business development, M&A and investor relations. Group-wide functions include finance, treasury, controlling, and HR, together with Group-level quality, software and data and M&A activities, which support the brands and facilitate integration of acquired businesses into the platform.

Figure 17 illustrates how the different brands contribute to Group Adj. EBITA for the financial year 2025. Nortek and Tritech are the largest contributors and form the profitable core of the group. RS Aqua and Reach Robotics add further positive, though smaller, EBITA contributions that strengthen overall earnings. Klein and SRS, as well as new ventures, are contributing negatively in this period.

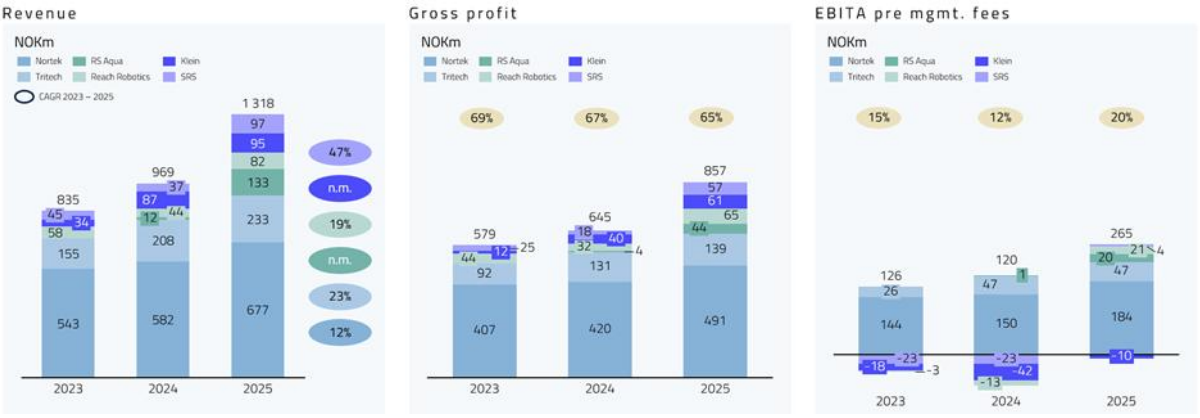
Figure 17: Adj. EBITA 2025, including management fees (NOKm)



Source: Company information

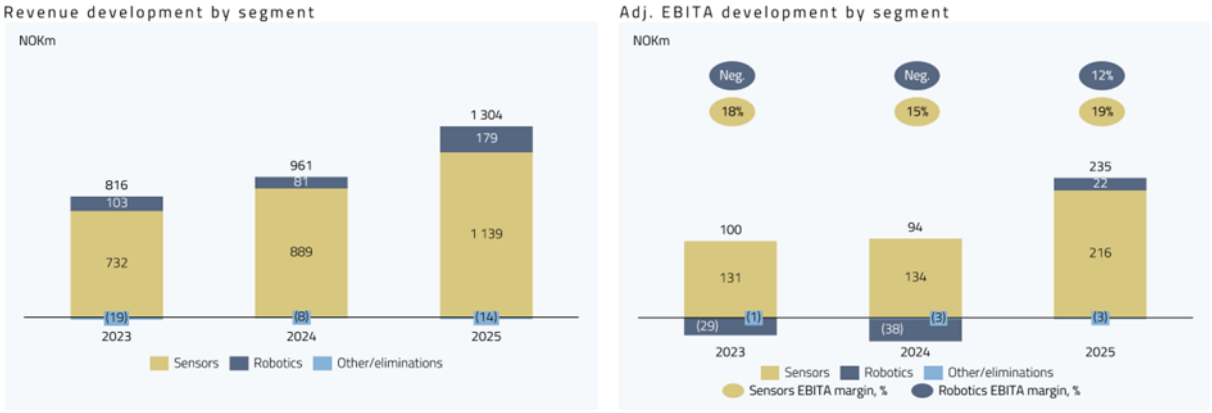
Further, the historical figures show a clear and consistent improvement in the Group's profitability from 2023 to 2025 as shown in Figure 18. Revenue, gross profit and EBITA (pre management fees) have all increased, primarily driven by the continued strong performance and growth of Nortek and Tritech, as well as RS Aqua and Reach Robotics. Furthermore, Figure 18 shows the positive momentum in Klein and SRS, which both are executing awarded backlogs within defence, of which further execution is planned for 2026. The overall improvement in performance for the companies previously contributing negatively reflects the Group's efforts to improve products, strengthen organisations, and establish better operating bases than at acquisition.

Figure 18: Financial performance and development for portfolio brands (NOKm)



Source: Company information

Figure 19: Financial performance for the two segments: sensors and robotics (NOKm)



Source: Company information

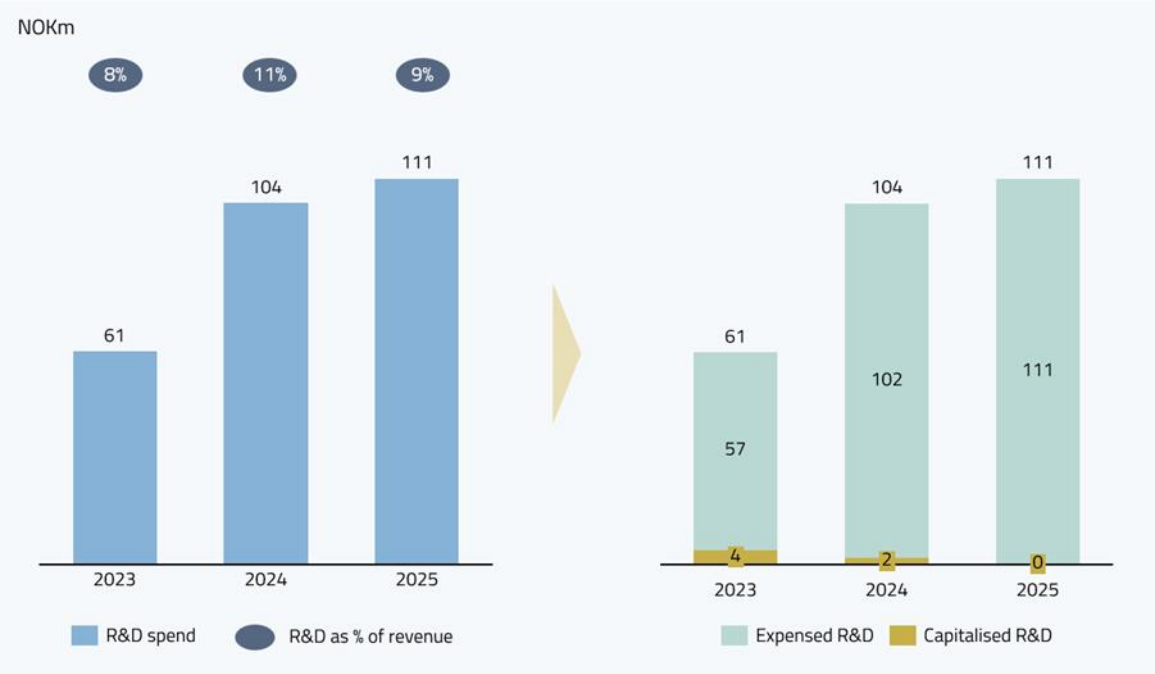
8.2.3 *Sales and distribution*

General Oceans sells its products and solutions to customers globally through a combination of direct sales from local offices, distributors, and systems integrators. The Group operates 18 sales and brand offices and approximately 55 sales full-time equivalent ("**FTEs**"), supported by more than 50 local representatives who extend market coverage and customer reach. Nortek and Tritech operate international sales and support offices, complemented by local representatives and distribution partners. Klein uses both its own channels and the wider Group network, while RS Aqua operates as a distributor and systems integrator in the UK and Ireland. Reach Robotics sells primarily to vehicle manufacturers and integrators, while SRS sells both directly to end-customers and through resellers, particularly within defence and infrastructure projects. The Group ensures that the relevant distribution channels within each brand are made available to those companies that have less sizeable distribution in place and further uses its broad global customer reach to establish access for the smaller companies to such clients, if applicable. As one example, SRS is now distributing its SRS Fusion Hybrid ROV through RS Aqua.

Direct sales accounted for approximately 75% of the Group's total sales in 2025 and represent the primary channel in the Group's strategic markets, where in-house teams ensure close customer engagement, cross-selling opportunities and full control over commercial activities. To further strengthen its global sales reach, the Group opened a new office in Singapore in 2025 and plans to establish an additional sales office in the UAE in 2026. In secondary markets, the Group works with established distributors to provide cost-efficient market access while maintaining strong customer proximity. From time to time the Group evaluates its footprint and whether it shall continue to make use of distributors and establish direct sales offices.

The Group's customers include naval forces and defence ministries, offshore energy companies and contractors, surveying and engineering firms, research institutes and universities, oceanographic and meteorological agencies, aquaculture companies and other maritime industries. 78% of the Group's customers in 2025 were repeat customers, while 22% were new customers. Additionally, 89% of the customer base consists of private customers, while the remainder constitutes public customers. However, the share of government and other public customers would be expected to be higher if measured towards end-customer usage, due to many of these customers acquiring products via private third-party companies (e.g., distributors).

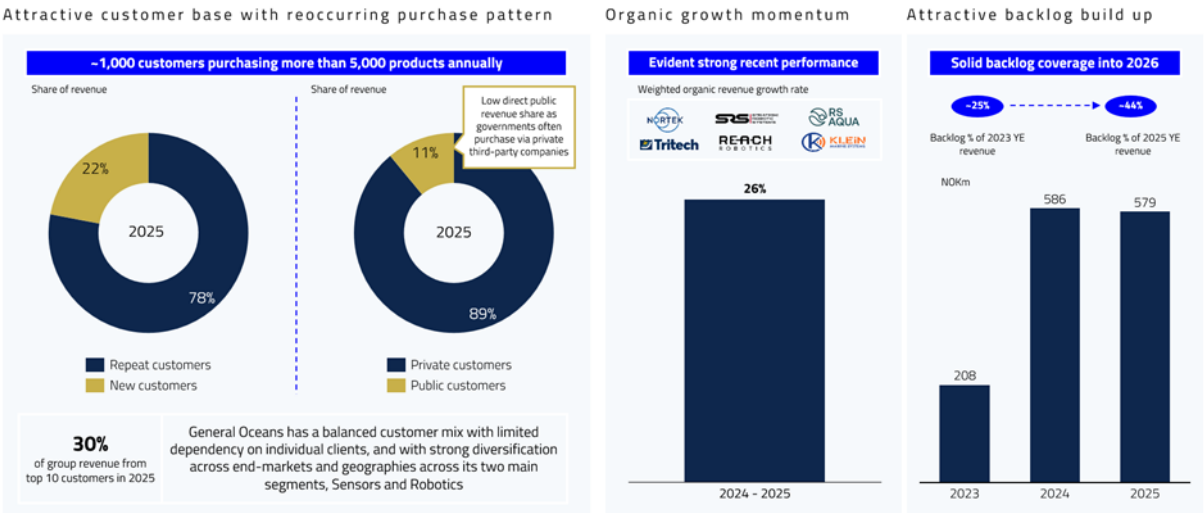
Figure 20: Majority of R&D spend is and has been expensed over the P&L (NOKm)



Source: Company information

General Ocean spend the majority of its R&D costs directly over the P&L, reflecting a conservative accounting approach. While a large portion of these costs could be capitalized under IFRS, this would have no impact on cash flow and would only affect P&L metrics such as EBITDA and EBIT. Accordingly, there is currently no expectation that the Group will change its accounting practice going forward.

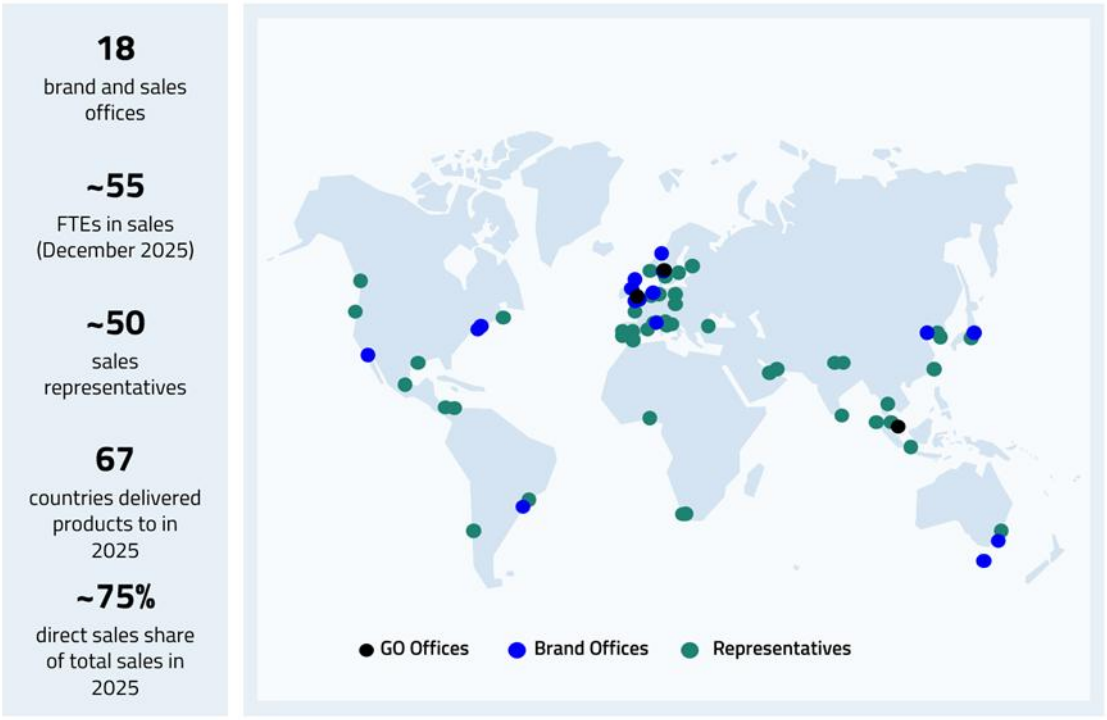
Figure 21: Key pillars supporting revenue visibility, resilience and robustness



Source: Company information

Sales order backlog at year end amounted to NOK 579 million. Sales order backlog represents the aggregated value of firm customer sales orders that have been contractually awarded but not yet fulfilled, delivered or recognised as revenue as of the reporting date.

Figure 22: Sales network



Source: Company information

8.2.4 *Production network and supply chain*

The Group's production model combines in-house manufacturing of critical components and final assembly with selective outsourcing of standard parts and sub-assemblies. General Oceans operates eight production sites globally, with production primarily located at or close to each brand's headquarters for control, expertise, and efficiency. Across these sites it manufactures instruments, sonar systems, vehicles and manipulators. Production is primarily engineering- and assembly-focused, with selective in-house manufacturing of critical components, most notably transducers by Nortek, to ensure product quality and reliable performance. Other components are either sourced from a broad cast of suppliers, or from selected suppliers where more specific design components are required. That said, a key strategic priority of the Group is to maintain strict control over the critical components to ensure access and quality of such, as these are very important in terms of delivering the final value for customers.

Nortek manufactures its instruments at dedicated facilities with advanced assembly, calibration and test capabilities and with in-house production of transducers, a key component of sonar and acoustic instruments, essentially working as an underwater speaker. Tritech and Klein manufacture, test and calibrate sonar systems. Some transducers used by Tritech are supplied by Echosonics, which is owned by the Group.[23] The Group has undertaken significant efforts to ensure a scalable transducer setup within Nortek and Echosonics and has developed routines and procedures enabling scaled manufacturing by implementing automation and other efficiency improvements. As of now, General Oceans has redundancy and capacity to continue scaling its manufacturing, ensuring continued high quality in its products.

Reach Robotics and SRS assemble manipulators and vehicle systems, respectively, and work with selected suppliers for mechanical and electronic sub-components. RS Aqua focuses on systems integration, configuration and testing of multi-vendor solutions, with limited in-house manufacturing. Where relevant, General Oceans will cross-utilise specific components into integrated systems, either within the current brands or potentially with new brands added, if applicable.

The Group sources components and materials from a diversified supplier base, with an emphasis on quality, reliability and long-term relationships. Quality management processes apply across the production network, with testing and calibration procedures designed to ensure that products meet specified performance criteria before delivery. Across all the Group's brands, expertise in supply chain, procurement, manufacturing and engineering is being shared and best practice communicated.

[23] Echosonics is an independent company specialising in the design and manufacture of underwater acoustic transducers, also owned by General Oceans.

Figure 23: Manufacturing network

Source: Company information

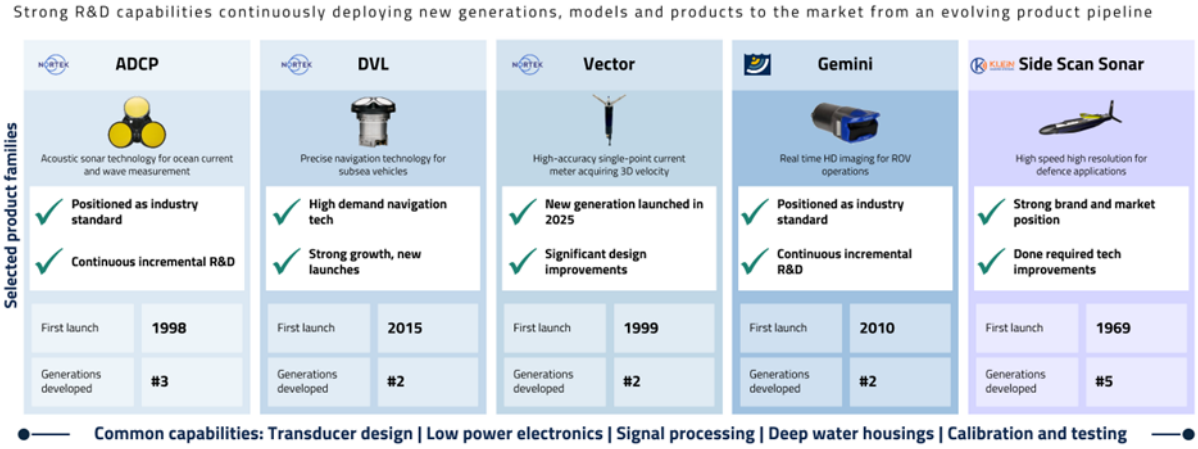
8.2.5 *Research and product development*

Research and development (R&D) is a key strategic priority for General Oceans, supporting its position in the advanced underwater technology market. The Group employs more than 80 engineering and R&D personnel, working on a combination of research, technical development and sustaining engineering. R&D efforts focus on developing long-life products with regular upgrades, addressing customer pain points through market-driven innovation, and ensuring high reliability through rigorous testing and validation.

R&D has been an integral part of the Group's strategic direction ever since the establishment of Nortek. One of the key factors is the Group's ability to develop products that have very long lifetimes, with product cycles being up to 10 years (and some even more). This enables the Group to develop equipment that can generate attractive economics for a multitude of years, particularly combined with the continuous focus on ensuring improved applications, function and features. Several of the Group's products within the component businesses Nortek and Tritech have strong standings with customers and continue to excel as quality platforms within their respective markets. The ability to constantly ensure optimised platforms, and to launch new generations when applicable and required, is one of the fundamental strengths of the Group.

As the Group has grown, R&D activities increasingly leverage cross-brand collaboration to scale core technologies and product platforms. The Group's technological expertise also contributes to value creation in acquisitions by enabling enhancement of acquired product portfolios. Across its brands, the Group offers more than 50 products underpinned by this continuous investment in engineering and development.

Figure 24: Selected product families and R&D track record



Source: Company information

Although group collaboration has increased, R&D is primarily conducted within each brand, close to customers and specific application domains, while the Group coordinates key technology areas such as acoustics, signal processing, hydrodynamics, mechanical design, electronics and embedded and application software. Going forward, the Group will continue to ensure that there is cross-collaboration where relevant, beyond those brands where it is very strong technological overlap (e.g., Nortek, Tritech

and Klein). This is furthermore relevant for future potential expansion and M&A, where technology and R&D fit are one of the key criteria in evaluating future expansion opportunities.

The Group also invests in tools, processes and test facilities to support its R&D activities. Nortek, for example, has established assembly, testing and calibration lines and in-house transducer manufacturing, which management considers important for controlling quality and supply of critical components.

8.3 Brand deep dives

8.3.1 *Nortek (Sensors)*

8.3.1.1 Introduction

Nortek, part of the sensors segment, is a provider of acoustic doppler instruments used for measuring currents, waves and turbulence and for underwater navigation. Nortek's products include ADCPs, current and wave systems, turbulence sensors and DVLs, which are used by scientists, engineers and operators to understand and navigate the marine environment.

Established in 1996 and headquartered in Norway, Nortek is the original business around which General Oceans was built and is currently the largest brand in the Group measured by revenue (51% of 2025 revenue). Nortek's instruments are deployed worldwide in marine infrastructure projects, offshore energy, coastal engineering, environmental monitoring and oceanographic research, as well as for navigation of manned and UUVs.

Within General Oceans, Nortek serves as a core contributor, providing key underwater acoustic technology, scalable manufacturing expertise and a strong supply-chain that is leverage across the platform. Its established direct sales channels and global representative network enhance market access for all Group brands, while its long-standing R&D capabilities and shared infrastructure support cross-company collaboration and operational efficiencies.

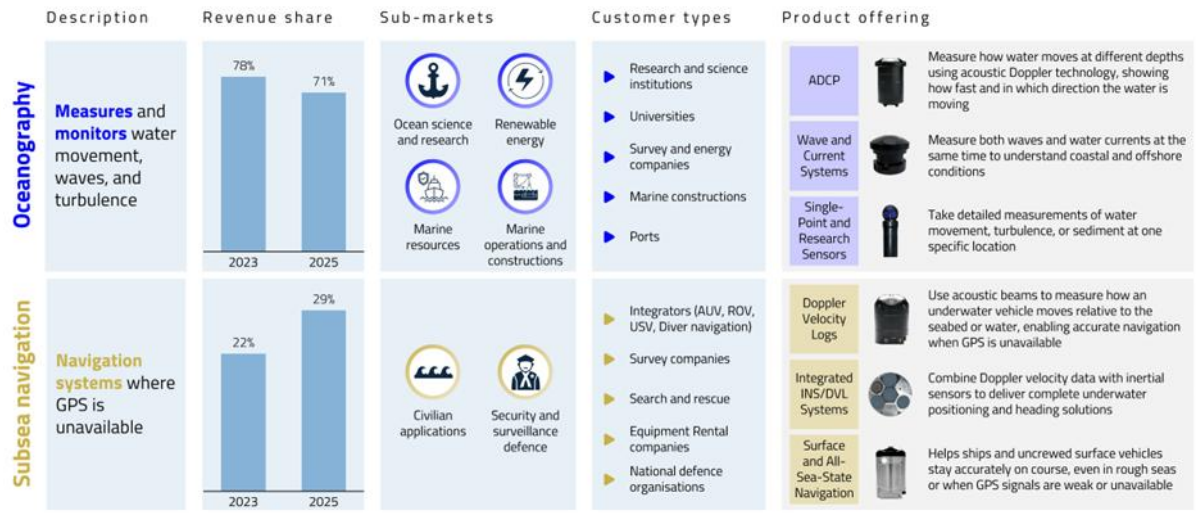
8.3.1.2 Products

Nortek's product portfolio can broadly be divided into two categories: oceanographic instruments and underwater navigation instruments.

- **Oceanographic instruments:** This includes ADCPs and current meters used to measure water velocity profiles, waves and turbulence in coastal and offshore environments. Typical product families include compact instruments for single-point and profiling measurements, wave and current systems combining directional wave measurements with current profiling and ADCPs for high-resolution current and wave data and turbulence measurements. Nortek's instruments are deployed from seabed frames, buoys, vessels and fixed structures such as offshore platforms and wind turbines.

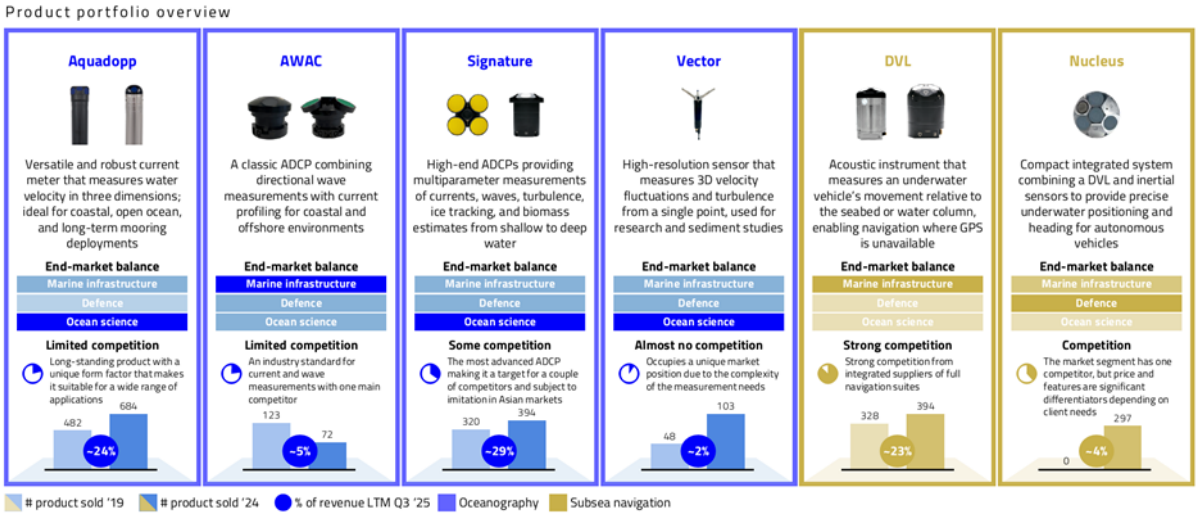
- **Underwater navigation instruments:** Nortek supplies DVLs that measure an underwater vehicle's movement relative to the seabed or water column, supporting precise navigation when GPS is unavailable. Nortek's DVL products are used on ROVs, AUVs and other subsea platforms for operations such as inspection, survey and intervention. Nortek has also developed integrated inertial navigation products that combine DVL and inertial sensors in compact units to provide underwater positioning and heading solutions.

Figure 25: Nortek product categories



Source: Company information

Figure 26: Nortek product overview



Source: Company information

8.3.1.3 Production and supply chain

Nortek operates a supply chain model that balances cost efficiency with tight control over critical technology. The majority of components used in Nortek's instruments are sourced externally, with standard parts procured for cost-effectiveness and specialised components obtained from trusted partners and verified in-house. For the most critical elements - particularly transducers - Nortek relies on in-house manufacturing to secure control over performance, reduce reliance on external suppliers for mission-critical parts, and safeguard product reliability in demanding operating environments.

In addition to producing core components internally, Nortek conducts assembly, calibration and testing at its production facilities. Each instrument is individually calibrated and tested, including pressure and test-pool validation, to secure accuracy and dependability in harsh subsea conditions. This production approach supports high product quality, strong margins and a scalable operating model aligned with Nortek's specialised product portfolio, with approximately 1,500 instruments produced annually and a warranty rate below 0.5%. Nortek's procurement and production framework is supported by dedicated in-house engineers and is designed to deliver consistent performance while maintaining operational flexibility.

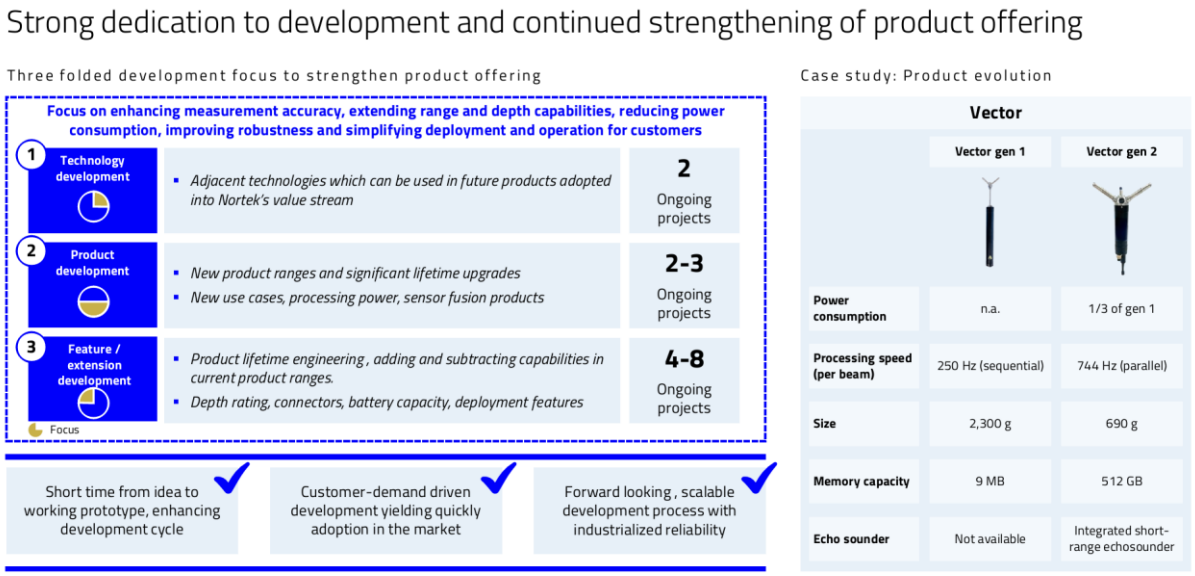
8.3.1.4 R&D and product development

R&D is central to Nortek's business model. Nortek maintains a dedicated engineering organisation spanning acoustics, electronics, mechanical design and software. Its R&D activities focus on enhancing measurement accuracy, extending range and depth capabilities, reducing power consumption, improving robustness and simplifying deployment and operation for customers.

Nortek's key recent and ongoing product initiatives include new ADCP and wave system variants, enhanced turbulence and sediment measurement capabilities, connected buoy solutions and specialised DVLs and integrated inertial navigation systems

for defence and unmanned surface vessel applications. Nortek also invests in firmware and software tools, including configuration and data visualisation software.

Figure 27: Nortek product development



Source: Company information

8.3.1.5 Financial momentum and strategic focus

Nortek has demonstrated strong financial momentum, characterised by sustained double-digit organic revenue growth and robust profitability. Revenue increased by approximately 12% CAGR from 2023 to 2025, contributing to a revenue uplift of around NOK 134 million over the period. The business benefits from a diversified and low-risk customer profile of roughly 450 customers[24], with the top 10 accounting for approximately 30% of sales[25]. Nortek's end-market exposure spans marine infrastructure (~58%, including oil & gas, <15% of total), defence (~20%), and science (~22%)[26], while its geographic diversification is well balanced across EMEA (~44%), Asia and Oceania (~26%), North America (~27%) and Latin America (~3%)[27]. Profitability has strengthened meaningfully, with a NOK 40 million increase in EBITA to 184 million in 2025, supported by scalable production, disciplined cost management and a capital-light model with strong cash flow generation. Nortek's largest customer amounted to 6% of 2024 revenues.

Looking ahead, Nortek's focus is on maintaining healthy organic growth while reinforcing its market position across core application areas. As a brand, Nortek aims to remain a scalable growth platform by expanding its geographic footprint, increasing the pace of product development. Within oceanography, the strategy is to strengthen existing technologies, expand product functionality for new applications and grow through broader sales and market penetration. In navigation, Nortek seeks to become a leading supplier of integrated navigation systems, develop next-generation DVLs, expand in defence-related applications and advance surface navigation solutions for environments where satellite positioning cannot be relied upon. Across these areas, Nortek targets continued efficiency gains, economies of scale and attractive profitability supported by scalable production capabilities.

8.3.2 *Tritech (Sensors)*

8.3.2.1 Introduction

Tritech, part of the sensors segment, is a specialist provider of underwater imaging and ancillary equipment, with more than 30 years of history in acoustic sensor development. The company supplies multibeam imaging sonar, scanning and profiling sonar and complementary sensors and electronics used for underwater navigation, obstacle avoidance, inspection and survey operations. Tritech serves customers across energy, defence and survey markets. Tritech was acquired by General Oceans in 2022 and is headquartered in the United Kingdom.

8.3.2.2 Products

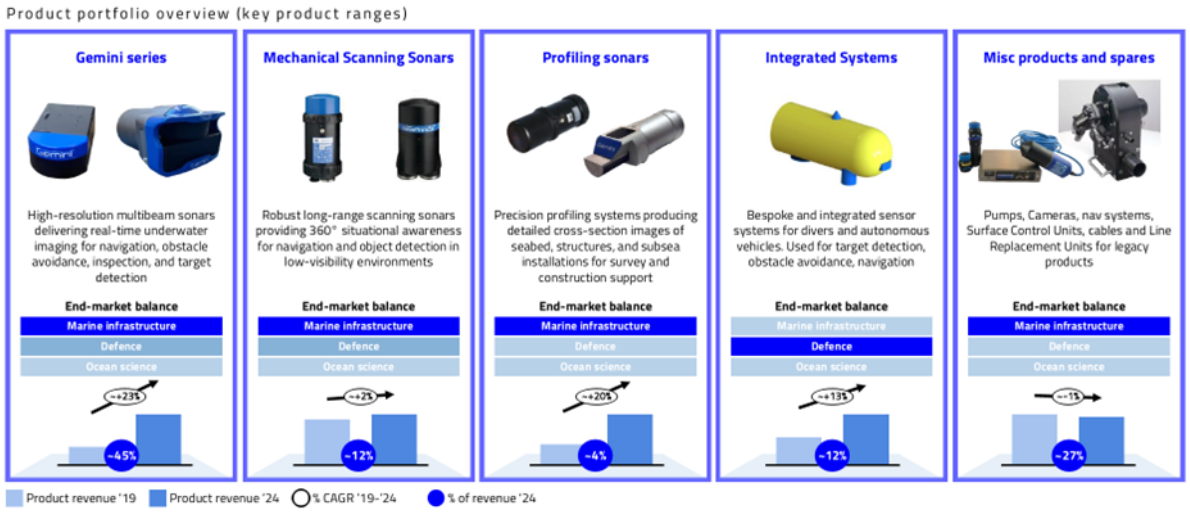
Tritech's portfolio includes:

- **Gemini series:** High-resolution multibeam imaging sonars delivering real-time acoustic imagery for navigation, obstacle avoidance, inspection, and target detection in low-visibility underwater environments.

[24] Based on YTD Q3 2025 sales orders
[25] Based on YTD Q3 2025 sales orders
[26] Revenue split for marine infrastructure, defence and science is based on 2024 financials while oil & gas is based on closed and won orders for Nortek as of November 2025 (indication)
[27] Revenue split for geographies is based on YTD 2025 revenues

- **Mechanical Scanning Sonars:** Robust long-range scanning sonars providing 360° situational awareness for navigation, object detection, and search operations.
- **Profiling sonars:** Precision profiling systems generating detailed cross-section images of the seabed, structures, and subsea installations for survey and construction support.
- **Integrated systems:** Complete solutions that combine sonars, altimeters, navigation sensors, and processing electronics into ready-to-use packages for ROVs, AUVs, and divers, supporting defence, autonomy, and subsea operations.
- **Miscellaneous products and spares:** Pumps, cameras, nav systems, Surface Control Units, cables and Line replacement Units for legacy products.

Figure 28: Tritech product overview



Source: Company information

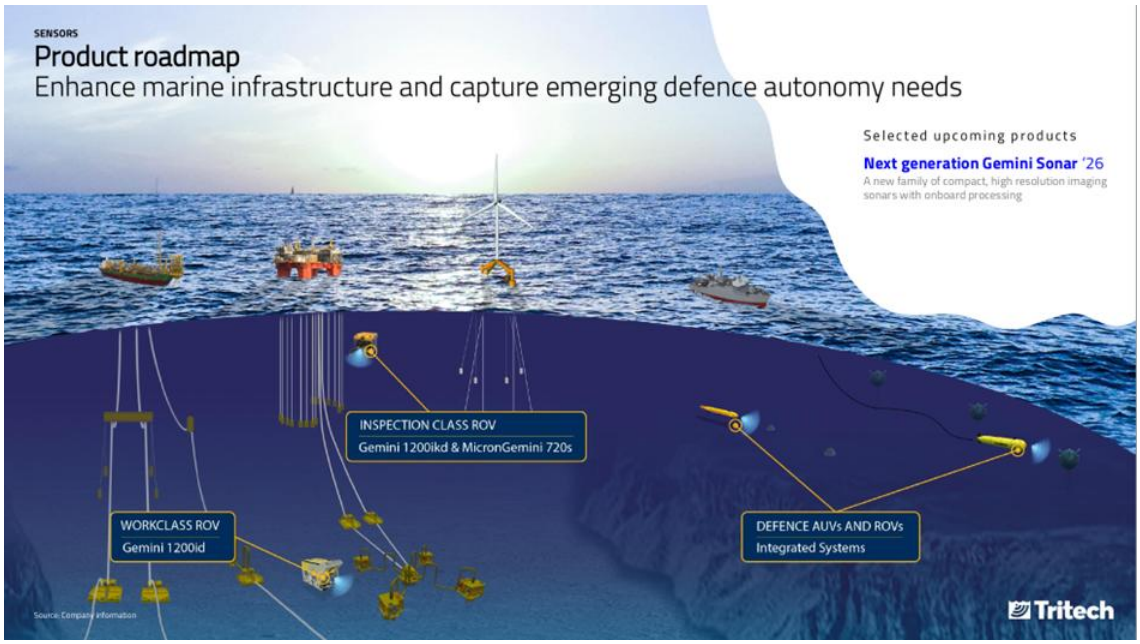
According to the management, Tritech's product portfolio holds strong positions in energy, defence and survey markets and offers a broad sonar instrumentation portfolio covering imaging, scanning and profiling sonar, navigation sensors and ancillary equipment. The breadth of its offering and installed base with ROV operators, survey companies and defence users contribute to customer relationships and repeat business. According to management, the Gemini series wins based on range, operating frequency and high resolution, and reliability to perform in harsh conditions. Furthermore, Tritech has very strong brand and support capabilities that render customers to buy the products, which are seen as reliable.[28]

8.3.2.3 R&D and product development

Tritech maintains an R&D programme aimed at enhancing imaging performance, range and robustness and simplifying integration. Customer feedback from field operations is incorporated into product development, and Tritech works with vehicle manufacturers to ensure mechanical and electrical integration of its sensors. Its roadmap includes upgrades to imaging sonar lines, and software tools for real-time display, data logging and analysis.

[28] Management information

Figure 29: Tritech product roadmap

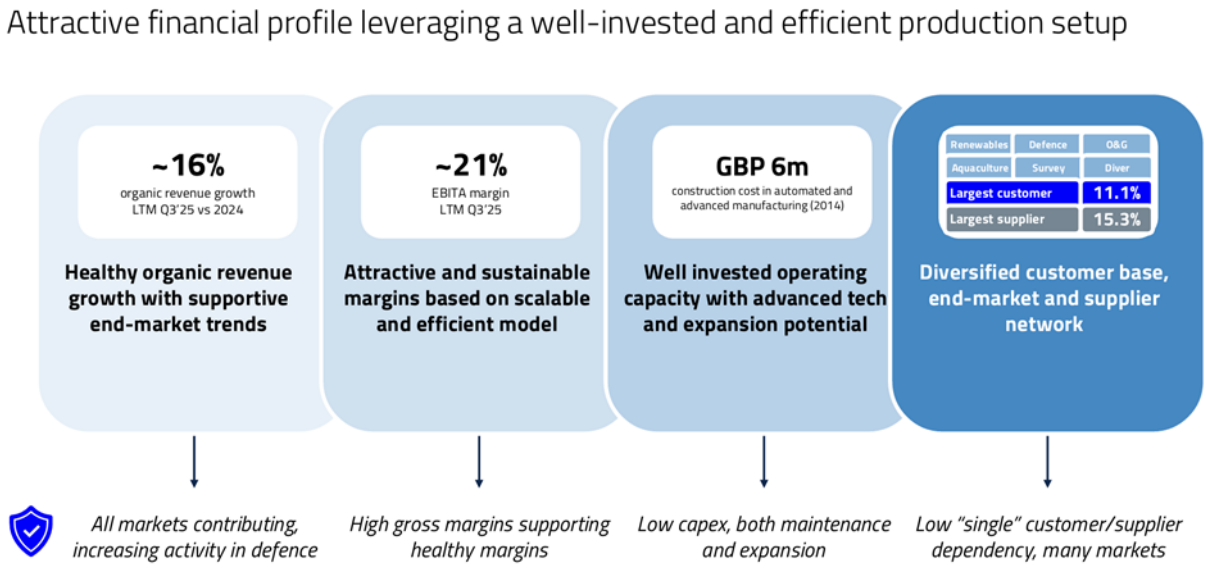


Source: Company information

8.3.2.4 Financial momentum and strategic focus

Tritech has demonstrated solid operating momentum supported by a scalable and efficient production model, with growth underpinned by supportive end-market trends and increasing activity in defence. The business benefits from a well-invested operating set-up with advanced manufacturing capabilities, which supports both current operations and future expansion potential. Tritech generates revenue across a range of application areas, including renewables, defence, oil and gas, aquaculture, survey and diver-related markets. Management considers the customer and supplier base to be diversified, with limited dependency on any single counterparty. In 2024, Tritech sold 78% to EMEA, 12% to APAC and 10% to North America. Tritech's largest customer accounted for 11.1% of sales in 2024.

Figure 30: Financial profile



Source: Company information

Looking ahead, Tritech's strategy is to maintain healthy organic growth through new product launches while increasing focus on attractive growth markets, particularly marine infrastructure and defence. Operational priorities include sustaining Tritech's position as a brand with strong products and customer support, while upholding attractive margins through continued productivity and efficiency initiatives within operations. The business also aims to enhance customer support through digital tools such as a web-based knowledge store and direct spares ordering, as well as strengthen execution through improved project management

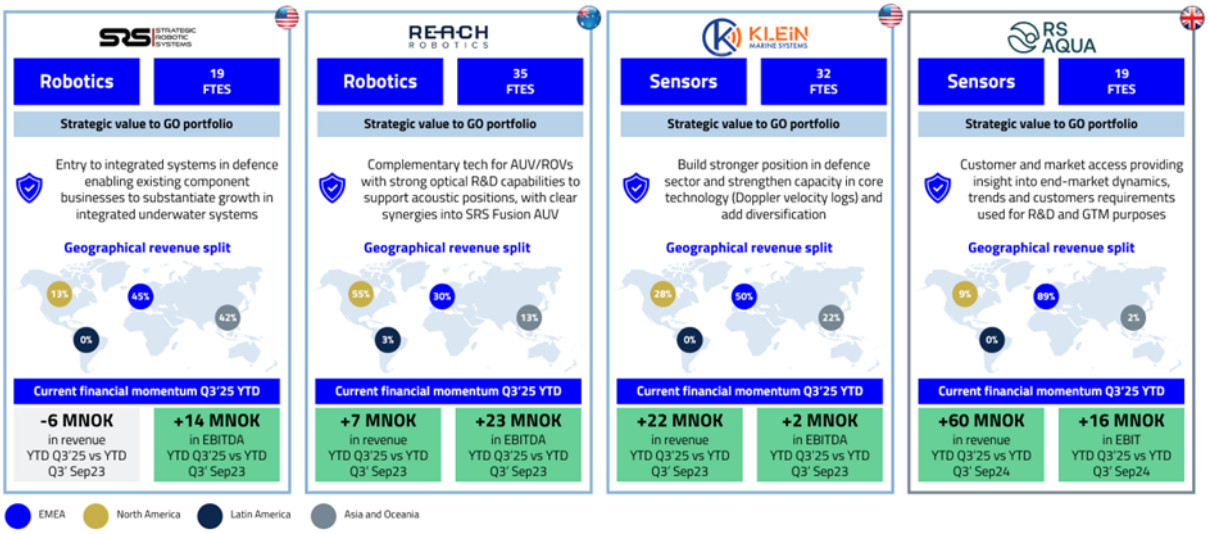
discipline in engineering. In addition, Tritech plans to relocate its Aberdeen office to a modern facility to support innovation, collaboration and visibility within the subsea marketplace.

From a product and commercial perspective, the roadmap includes the launch of the next-generation Gemini compact product range and an active review of the product portfolio to retire low-volume, low-margin lines. Tritech also seeks to engage defence customers more closely in its product roadmap to support integration of sensor designs on OEM platforms and drive further growth in defence applications. Geographically, the business intends to expand the reach of its global reseller network, particularly in South America and APAC within marine infrastructure and Work Class ROV ("**WROV**") markets, while strengthening its presence in the U.S. oil and gas market and growing OEM-based defence offerings in the U.S. and Europe.

8.3.3 *Other brands*

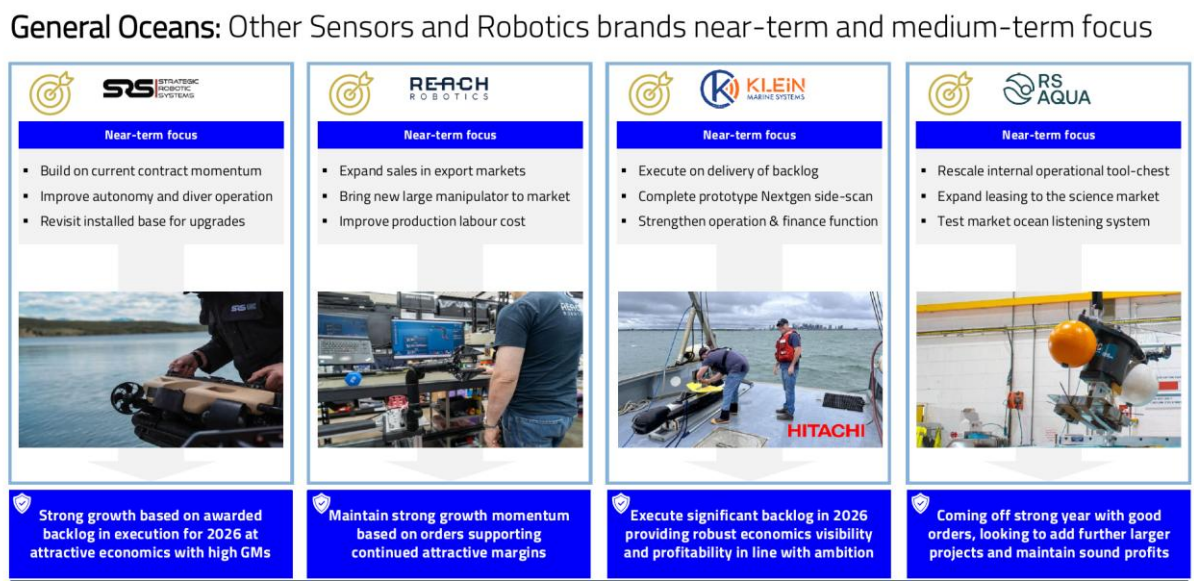
The Group's other brands, SRS (Robotics segment), Reach Robotics (Robotics segment), Klein (Sensors segment) and RS Aqua (Sensors segment), provide complementary technologies and capabilities that strengthen the broader General Oceans platform. Each brand contributes strategic value, including expertise in robotics and integrated systems, optical and acoustic sensing, and market-specific system integration. Their geographic revenue profiles reflect diversified exposure across EMEA, North America and Asia and Oceania. Financial performance for the year ended 31 December 2025 shows positive momentum across brands.

Figure 31: Geographical presence and financial momentum of other brands



Source: Company information

Figure 32: Near-term and medium-term focus on other brands



Source: Company information

8.3.3.1 Reach Robotics (Robotics)

Reach Robotics, part of the robotics segment, is a provider of all-electric underwater manipulator arms and control systems used for inspection, maintenance and intervention tasks in harsh environments. Its manipulators are mounted on ROVs, allowing operators to perform tasks such as cutting, grasping, sampling and tool deployment. Reach Robotics was acquired by General Oceans in 2022.

Reach Robotics operates with a dedicated engineering and assembly team and collaborates closely with SRS on integrated vehicle solutions. The brand serves customers in defence and security, offshore energy, infrastructure and research.

Reach Robotics offers compact and lightweight electric manipulators with varying numbers of functions and degrees of freedom, designed to deliver high performance relative to size and power consumption. The manipulators are complemented by controllers, user interfaces and software that enable precise control and integration with a range of underwater vehicles, as well as ancillary components such as tools.

Reach Robotics has a technology focus on electric systems, which offer advantages in size, dexterity, controllability, maintenance and integration compared to hydraulic solutions for many use cases. Integration of Reach Robotics' manipulators on SRS vehicles within the Group supports its position and provides reference cases.

Reach Robotics invests in continuous improvement of its manipulator designs, including payload capacity, reach, joint design and reliability, as well as in control software and interfaces. The company works with vehicle original equipment manufacturers ("**OEMs**") and end-users to ensure compatibility and to tailor products to mission requirements.

Near-term focus is on expanding sales in export markets, bringing new large manipulator to market, and improving production labour cost.

8.3.3.2 Klein Marine Systems (Sensors)

Klein, part of the sensors segment, is a supplier of high-resolution multibeam side-scan sonar systems used for seabed imaging and object detection. Founded in the late 1960s and headquartered in Newburyport, Massachusetts (USA), Klein has a long history in sonar imaging and has supplied systems to commercial, governmental and defence customers worldwide. Klein became part of General Oceans in 2023 and contributed approximately 7% of Group revenue in 2025.

Klein's systems are used in applications such as mine countermeasures, hydrographic and environmental surveys, pipeline and cable route surveys, search and recovery operations and infrastructure inspection.

Klein operates from its main site in the United States. Global distribution and technical support are provided both directly and through the General Oceans network, which gives regional coverage in Europe, North America and Asia-Pacific via the General Oceans Singapore office. Klein's organisation includes engineering, operations, sales and support personnel.

Klein's product portfolio includes:

- **Towed side-scan sonar systems:** Long-range, high-resolution seabed imaging systems for commercial and defence surveys.
- **Integrated sonar payloads for ROVs and AUVs:** Compact sonar modules providing seabed imagery and bathymetry for unmanned platforms, combining side-scan imaging with depth-mapping.
- **Control and software systems:** Software used with Klein's sonar systems to control the equipment, collect data and process seabed imagery, including real-time display and data products for analysis.
- **Ancillary equipment:** Cables and launch and recovery systems needed to deploy towed systems.

Klein is an established supplier of high-resolution multibeam side-scan sonar systems and has an installed base among navies, hydrographic offices and survey companies. Its position is supported by its track record, image quality and the operational value of its systems in mine countermeasures and survey applications.

Klein maintains R&D activities focused on enhancing sonar performance, signal processing and data products. Development efforts include improving range and resolution, advancing multibeam processing techniques and further integrating sonar systems with unmanned vehicles and command-and-control software.

Near-term focus is on executing delivery of backlog, completing prototype Nextgen side-scan, and strengthening operation & finance function.

8.3.3.3 RS Aqua (Sensors)

RS Aqua, part of the sensors segment, distributes, and integrates advanced underwater technologies, providing customers with solution selection, installation, training, and long-term service. Recent R&D efforts have led to the development of MARLIN Connect, an artificial intelligence ("**AI**") based data-as-a-service product. Founded in 1982, the company has grown into a global network of ocean scientists and marine-industry specialists and serves organisations requiring accurate, efficient, and modern ocean-monitoring capabilities. RS Aqua became part of General Oceans in 2024 and accounted for approximately 10% of the Group's revenue in 2025. RS Aqua's end-market revenue exposure in 2024 was 52% to Ocean science, 46% to Marine infrastructure, and 2% to Defence.

Headquartered in Portsmouth, UK, RS Aqua operates a UK- and Ireland-focused distribution and systems integration business. The company collaborates with other General Oceans brands through strategic partnerships and distribution and reseller agreements, including acting as SRS's reseller in the UK and Ireland and selling selected RS Aqua-badged products via the Nortek sales channel. RS Aqua's organisation encompasses sales, rentals, support and services.

RS Aqua's product portfolio includes:

- **Ocean monitoring systems:** Devices and systems for monitoring movements in the ocean, including waves, currents, sea-levels, and other ocean circulation.
- **Environmental monitoring systems:** Devices and systems for real-time monitoring e.g., oxygen levels, chlorophyll, salinity and other water quality measurements.
- **Acoustic telemetry sensors and systems:** Acoustic systems for animal tracking, underwater noise monitoring, and seabed instrument recovery.
- **Autonomy and robotic systems:** Range of autonomous underwater vehicles, unmanned surface systems, gliders and profilers.
- **Cameras and surveillance:** Advanced underwater camera and surveillance systems for marine inspection, research, and monitoring.

Near-term focus is on rescaling internal operational tool-chest, expanding leasing to the science market, and testing market ocean listening system.

8.3.3.4 Strategic Robotic Systems (Robotics)

Strategic Robotic Systems (SRS), part of the robotics segment, develops and manufactures advanced underwater robotic systems, delivering high-performance ROV/UUV solutions for mission-critical operations. Through its flagship FUSION platform, the company supplies cutting-edge capabilities to defence and government customers.

Headquartered in San Diego, USA, SRS operates a broad global distributor network and collaborates with technology partners such as Nortek, Reach Robotics, and RS Aqua to integrate sensing, navigation, and manipulation technologies into the FUSION ecosystem. SRS was acquired by General Oceans in 2021 and accounted for approximately 7% of Group revenue in 2025. SRS has its core operations in the United States and maintains an international distribution footprint spanning Europe, North America, Asia-Pacific, and Africa.

SRS' product portfolio includes:

- **FUSION ROV:** A hybrid underwater vehicle that functions as both a tethered ROV and an autonomous AUV. Portable, battery-powered, and mission-ready out of the box, enabling rapid deployment from virtually any platform. Integrated sensors provide high-quality navigation, imaging, and situational awareness.
- **FUSION Controller:** A rugged, portable, tablet-based control unit serving as the system's primary interface. Offers intuitive vehicle control and full access to mission data even in challenging field environments.
- **FUSION Software:** A unified control and mission-management suite supporting mission planning, real-time vehicle operation, and post-mission data analysis

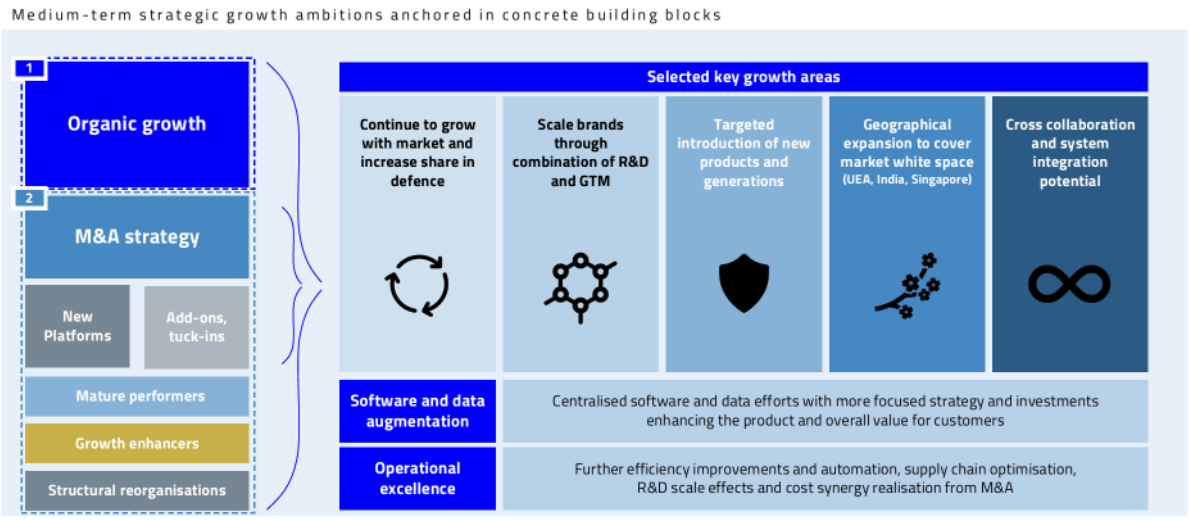
Near-term focus is to continue building on current contract momentum, improving autonomy and diver operations, and revisiting installed base for upgrades.

8.4 Strategy and objectives

8.4.1 *Group strategy*

General Oceans' strategy is to build a global platform within advanced underwater sensors, systems and robotics. The Group's medium-term growth ambitions are anchored in a combination of continued organic development and an active M&A strategy. Organic growth is expected to be driven by ongoing investment in core technology R&D, expansion into adjacent and diversifying technologies, strengthened capabilities in defence-related applications, increased benefits from cross-brand collaboration, and a broader position in integrated systems. M&A remains a complementary lever, targeting new platforms, add-ons, growth enhancers and selected restructurings to accelerate scale and capability. These initiatives are supported by Group-wide efforts in software and data augmentation, including expanded investment in AI and analytics, as well as operational excellence programmes aimed at enhancing automation, improving efficiency, and realising synergies across acquired businesses. Collectively, these building blocks provide flexibility to pursue emerging opportunities across the underwater technology market, and have been summarised in Figure 33.

Figure 33: Medium-term strategic growth ambitions



Source: Company information

Cont'd core tech R&D and product development

Within the Group there are numerous initiatives that support continued core tech R&D product development. Each of the brands in General Oceans have dedicated product roadmaps and release plans, either via new generations of existing products, or through entirely new products addressing clients' needs. With more than NOK 100 million in annual R&D expenditure, and a track-record of longstanding innovation, there is a strong history of innovation serving as basis for this continuation in product development. The Group furthermore sees strong benefits in the combination of sensing and imaging technologies (acoustics, optics) with robotics and systems (manipulators and vehicles). As one concrete example, access to the SRS Fusion Platform and their market provides valuable insight for the component companies to ensure their relevance in developing potential integrated solutions for navigation. These factors will help strengthen the R&D and product development roadmaps of each individual brand. Based on historical experience, management anticipates that future product launches will generally follow a cadence similar to prior periods, with incremental upgrades and new product introductions introduced regularly as part of the Group's ongoing product development and innovation processes.

Bolster position in diversifying technologies

General Oceans has since establishment successfully increased diversification moving from Nortek's core product focus to now encompass imaging sensors, environmental sensors, manipulators and vehicles. This diversifying strategy has been deliberate and will continue to be so in the future, both through organic innovation and M&A. As the addressable market for General Oceans is wide, with numerous technologies addressing specific underwater technology niches, there is a strong opportunity and rationale to continue pursuing this strategy. A broader offering enables the Group to act as a holistic partner for its clients, often seeking to consolidate purchasing activities and work with providers with a broader product and solution portfolio.

Enhance capabilities to address defence

Within defence capabilities, the Group's organic growth ambitions are supported by increasing demand in defence-related applications, deeper cross-brand collaboration and a more targeted move into integrated systems. Defence represents a growing share of the Group's revenue (from 16% in 2023 to 28% in 2025), driven by rising global investment levels and the Group's portfolio across navigation, imaging, classification and intervention technologies. Several of the Group's brands have established positions in the defence sector, and the Group has in recent years received larger contracts for deliveries of its technology, including in SRS and Klein. Furthermore, the growth in defence drives growth in underwater navigation, which again drives demand for components produced by inter alia Nortek via DVLs. Consequently, the various brands have clear strategies to approach the defence market, and to position for the strong growth anticipated from 2025-2030E, ranging between ~18% CAGR in the period as base case to ~22% CAGR in the period as an upside case[29,3]. With a meaningful presence in this market already, the Group anticipates continuing developing its customers relationships to large defence OEMs and to defence organisations directly, building of the momentum seen recently and the relevance of its products for this market.

Revenue benefits from cross-collaboration

At the same time, the Group is intensifying collaboration across its brands to leverage complementary strengths in instrumentation, vehicles, manipulators and sensing, enabling more coherent product integration, coordinated go-to-market efforts and shared R&D capabilities. These initiatives underpin a strategic shift from supplying primarily stand-alone components to offering more complete systems for specific underwater tasks, particularly in subsea navigation and defence niches. While most of the business today comprises components and instrumentation technology, there is a strategic move into integrated systems and selective niche vehicle platforms for special purposes, which is enabled through cross-collaboration. Furthermore, there are already prevalent examples of collaboration with monetisation; as one example the SRS Fusion Platform may today utilize Reach Robotics manipulators to deliver a fulsome system to customers, and over time, there may be opportunities to make use of DVLs from Nortek for the navigation systems. Similarly, the strong manufacturing and assembly capabilities in Nortek and Tritech are highly relevant for smaller brands. As one example, Tritech will in near-term seek to develop an optical sensor that has been invented by Reach Robotics, which shows how the Group combines capabilities across companies to ensure that products are delivered to market. Lastly, as the Group continues to scale and build out the General Ocean's brand, it is further anticipated that this will strengthen the individual brand recognition through the association with the Group (and its brands), which may create revenue opportunities in the future.

Expand position within integrated systems

Historically the Group has been strong in independent components and instrumentation. This has enabled General Oceans to build high quality components businesses that have high value for integrated systems including in navigation and measurement, as well as imagery. Moreover, it has built many of its brands into successful manufacturers in the market, which have been trusted for decades by customers (e.g., Nortek, Tritech). However, to further strengthen its position towards customers, the Group has several ongoing initiatives to position itself to deliver more integrated systems, as this often entails closer collaboration and integration with customers, enhancing end-user focus. Delivering such integrated navigation systems will also position the Group better for larger defence programs, where as an example, access to certain US programs, often means significant AUV orders and thus very large potential deliveries of integrated systems for those suppliers that are elected. While this strategic move is ongoing in the Group, it is also complemented by selective entry into ROV/AUV solutions. The principal reason for this being selective is that these businesses, at larger scales, are capital intensive, and typically in competition with customers. Hence, to the extent such platforms are pursued, it will focus on capital light businesses that deliver niche platforms (such as SRS).

[29] Estimates from Rystad Energy (see Section 4.2.5 "*Third-party information*"). Please see section 7 "*Industry and market overview*" for further elaboration.
[3] Rystad Energy (paid service) (see Section 4.2.5 "*Third-party information*")

8.4.2 *M&A strategy*

M&A is a central part of General Oceans' strategy. Since 2021, the Group has completed six acquisitions – Tritech, SRS, RS Aqua, Reach Robotics and Klein – adding brands and capabilities to the platform. The Group pursues a well-defined M&A strategy focused on strengthening its core technology base while selectively expanding into adjacent markets.

The Group's M&A approach is based on industrial logic and a structured framework. Potential targets are primarily identified within three categories:

- **Mature and established performers:** Well-established brands with proven technology and robust performance;
- **Growth-oriented enhancers:** Underwater technology scale-ups with strong technology and high growth potential; and
- **Structural reorganisations:** Companies with strong products and brands but a need for investment and improved structure.

Key screening criteria for potential acquisitions include product quality and differentiation, brand strength, technology and management, financial profile, geographical presence and synergy prospects, including cross-selling, shared manufacturing and R&D collaboration. Integration is managed with the aim of preserving strengths such as brands, customer relationships and technical know-how, while realising platform benefits through shared functions and processes, including financial reporting, quality management and coordinated product roadmaps.

General Oceans evaluates M&A opportunities based on revenue, profitability and risk profile. Synergy plans are defined from day one, balancing near-term and medium-term value creation. The Group remains selective, undertaking acquisitions only where strategic fit and synergy potential are strong, with increased focus on tuck-ins and integration-driven opportunities. Looking ahead, General Oceans anticipates completing a handful of acquisitions per year, with potential to pursue larger transactions as the platform continues to scale. The Group seeks to have a balance between imminent accretion and longer-term value creation plays. However, consistently for all M&A is the implementation of value creation plans, clearly laying out the requirements that are to be realised for the M&A targets to deliver supportively to the overall Group financial targets.

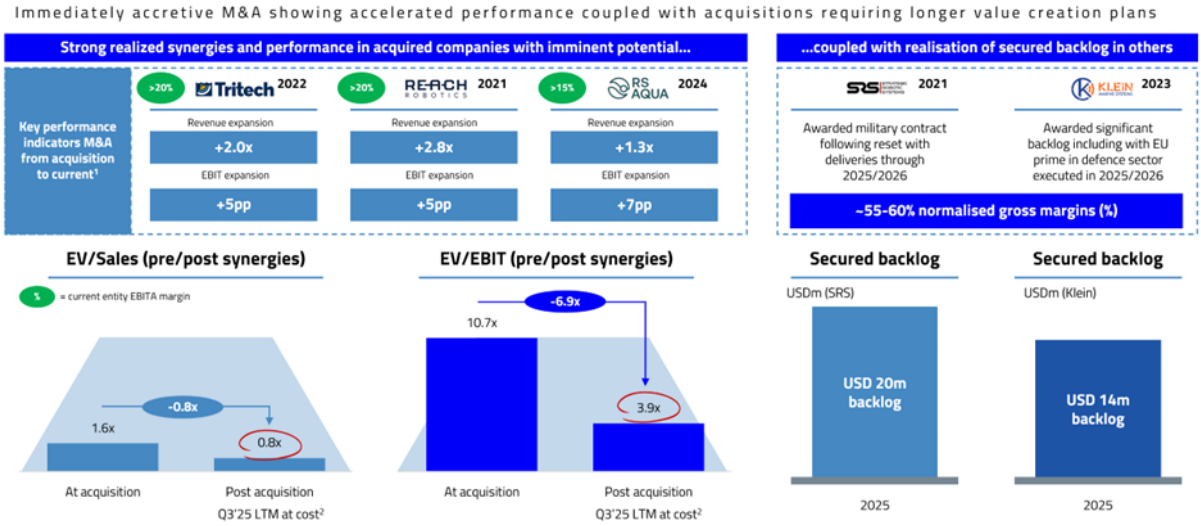
Execution of this strategy has resulted in tangible value creation, demonstrating the Group's ability to scale and improve acquired companies. Brands such as Tritech, Reach Robotics and RS Aqua have delivered substantial revenue and EBIT expansion within two to three years of acquisition, supported by accelerated product development, improved commercial performance and integration into the Group's operating model. General Oceans' M&A toolkit, covering R&D support, sales force integration, quality systems, distribution reach and software enhancement, has been consistently deployed to uplift the performance of acquired businesses.

If evaluating the acquisition from a multiple perspective, these acquisitions (Tritech, Reach, RS Aqua) were made at ~1.6x EV/Sales (reported), and ~10.7x EV/EBIT (reported). Based on the performance since acquisitions and post realisation of synergies, these multiples have been significantly reduced. As one example, Tritech was acquired in 2022, being a well-established brand. However, the brand had prior to acquisition been less focused on commercial efforts and go-to-market, as well as having a sub-scale sales distribution. When acquired by the Group, the commercial efforts were significantly strengthened through the appointment of a new sales team, as well as access to the Group's global distribution.

In addition, the Group is well underway to achieve a positive EBITA outcome of two complex turnaround cases, providing visibility on future earnings through awarded backlog. Both SRS and Klein have undergone significant organisational and operational resets, resulting in restored customer trust, strengthened market positions and awarded backlogs expected to be executed primarily in 2026. These backlogs - totalling approximately USD 30 million combined - are anticipated to deliver gross margins in the range of 55–60% and provide strong support for the Group's medium-term profitability targets[30]. With resets largely complete, these businesses illustrate the Group's disciplined approach to de-risking and its ability to realise value in structurally attractive assets. Furthermore, the Group has throughout been, where possible, focused on structural de-risking of its acquisitions. As one example, for Klein, the Group realised Klein's real estate assets at USD 4.5 million following the acquisition, effectively reducing the net investment and ensuring funds for the operational turnaround in the core sonar business.

[30] Based on management estimates and internal project assessments.

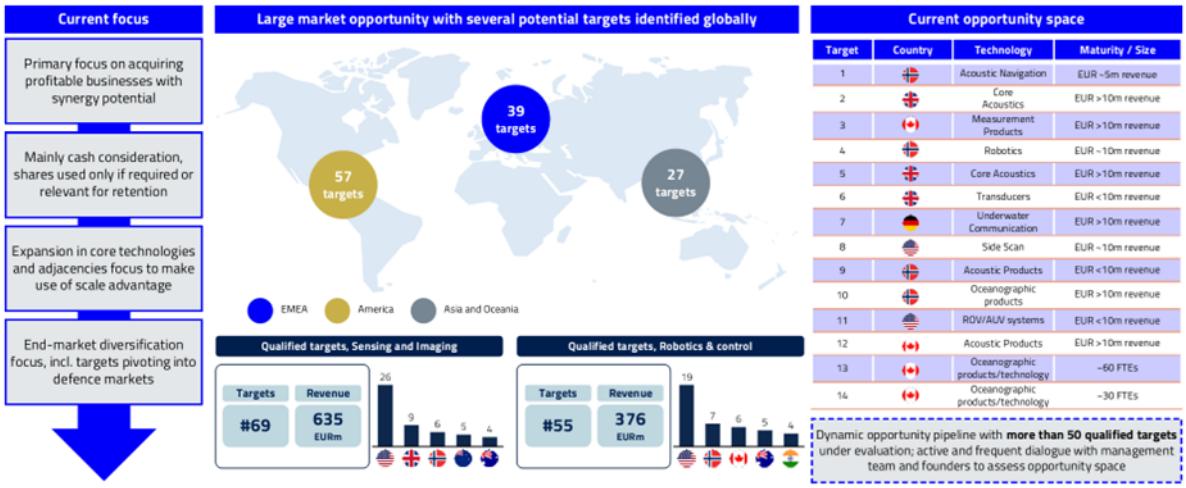
Figure 34: Value creation from historical M&A[31]



Source: Company information

When it comes to future M&A opportunities, management sees a large opportunity space globally, and the Company has a qualified list of opportunities with more than 50 candidates in active and frequent dialogue. Due to the fragmented market structure, the Group sees several potential acquisition candidates, either as stand-alone brands or as add-on/tuck-in acquisitions that are integrated under existing brands. The primary focus of the Group going forward is to acquire profitable businesses with strong synergy potential, utilising mainly cash as consideration. Focus will remain on expanding core technologies and in adjacencies, and to ensure further end-market diversification. Throughout its existing footprint of brands, the Group has a global network that can assist in sourcing opportunities.

Figure 35: M&A opportunity



Source: Company information

8.4.3 *Financial targets*

In line with the strategic priorities described above, General Oceans' financial targets are:

- **Revenue**
  - 2026E: NOK > 1,500m (including the full year effect of potential new M&A)
  - Medium term: NOK 2,800m (including organic growth and M&A)
- **EBITA margin**
  - 2026E: N/A
  - Medium term: ~20%
- **Capex**
  - 2026E: ~ 2-4% of Group revenues

[31] Revenue and EBIT expansion from year referenced to 2025 (approximate).

  - Medium term: ~4% of Group revenues per year (May deviate in periods based on product cycles, R&D and PPE investments)
- **Working capital**
  - 2026E: ~ 15-20% of Group revenues
  - Medium term: ~15-20% of Group revenues (with potential fluctuations driven by backlog business and prepaid contracts)
- **Adjusted ROCE**
  - 2026E: N/A
  - Medium term: >30%
- **NIBD/EBITDA**
  - 2026E: robust balance sheet enabling flexibility to act on M&A
  - Medium term: ~1.0-2.0x net debt to EBITDA the last twelve months (flexibility to deviate based on M&A and accretive investment opportunities)
- **Dividend policy**
  - Long-term ambition of 40-60% of net profit (flexibility to deviate based on M&A and accretive investment opportunities

These strategic objectives are based on management's current expectations and assumptions and are subject to risks and uncertainties as further described in Section 2 "*Risk factors*".

8.5 History and important events

The table below provides an overview of key events in the history of the Group:

Table 12 - Overview of key events in the history of the Group

Month, year	Event
1996	Nortek AS is founded
1999	Nortek expands its operations by establishing a subsidiary in the U.S.
2002	Nortek expands its operations by establishing a subsidiary in The Netherlands
2003	Nortek expands its operations by establishing subsidiaries in the United Kingdom ("**UK**") and China
2008	Nortek expands its operations by establishing a subsidiary in France
2016	Nortek expands its operations by establishing a subsidiary in Japan
2018	The Nortek Foundation is established as a non-profit foundation, established to support initiatives that promote ocean health through technology, research and education.
2019	Nortek expands its operations by establishing a subsidiary in Australia
2021	
April	The Company is incorporated as a subsidiary of Nortek
August	The Company becomes the holding company of the Group through a demerger and merger process of Nortek AS and its subsidiaries.
October	The Group acquires Strategic Robotic Systems Inc
2022	
January	The Group acquires Blueprint Lab Pty Ltd and rebrands it to Reach Robotics
October	The Group acquires Tritech International Ltd
October	General Oceans Ltd. is incorporated in the UK
2023	
June	EchoSonics Ltd is incorporated as a specialist transducer designer and manufacturer to retain critical IP and secure the supply chain across the Group. The company is co-located with Tritech in Ulverston, UK
August	The Group acquires Klein Marine Systems
December	Ferd acquires 25 percent stake in the Company
2024	
May	The Group establishes a new subsidiary in Singapore, General Oceans Singapore
March	The Group launches the General Oceans Academy at Oceanology International
September	The Group launches CASCADE; its first annual internal conference to share knowledge and expertise
November	The Group acquires RS Aqua
2025	
April	RS Aqua announced as official UK and Ireland distributor for SRS Fusion ROV
May	Nortek and RS Aqua enter into a new strategic partnership to sell WaveRadar Rex to be sold globally
August	The Group announces the opening of a sales office in Singapore
October	Second annual CASCADE internal knowledge sharing event
November - December	Acquisition of Code Wielder AS and rebranded to Ocean Synaptics AS
2026	
January	The Group is progressing with opening a sales office in the UAE
February	The Company converts to a public limited liability company

8.6 Material contracts

The Company has not entered into any material contracts, outside those entered into in the ordinary course of its business, or any other contracts entered into outside the ordinary course of business which contains any provision under which any Group company has any obligation or entitlement which is material to the Group.

8.7 Legal and regulatory proceedings

The Group is not, nor has been, during the course of the preceding twelve months, involved in any legal, governmental or arbitration proceedings which may have, or have had in the recent past, significant effects on the Group's financial position or profitability. The Company is not aware of any such proceedings which are pending or threatened.

8.8 Dependency on patents, contracts, licenses etc.

No single contract, patent, license or new manufacturing process are deemed material to the Group's business or profitability.

9 CAPITALISATION AND INDEBTEDNESS

9.1 Introduction

The financial information presented below has been extracted from the Annual Financial Statements and should be read in conjunction with the other parts of the Prospectus, in particular Section 10 *"Selected Financial Information and Other Information"* and Section 11 "*Operating and Financial Review*".

This Section 9 *"Capitalisation and indebtedness"* provides information about the Group's unaudited capitalisation and net financial indebtedness on an actual basis as at 31 December 2025 and, in the "As adjusted as of the date of the Prospectus" column, the Group's unaudited capitalisation and net financial indebtedness as of the date of the Prospectus adjusted for the following transactions that happened between 31 December 2025 and the date of the Prospectus and that are not subject to the Offering and the Listing, and on an adjusted basis, as adjusted to show the estimated effect of the following transactions subject to the Offering and the Listing.

Adjustments for significant transactions between 31 December 2025 and the date of the Prospectus, not subject to the Offering and Listing:

- Repayment of NOK 71,672 thousand to settle the existing USD- and GBP-denominated term loans in January 2026.
- Drawdown of NOK 80,000 thousand under the new term facilities in January 2026 for net proceeds of NOK 78,611 thousand after deduction of estimated transaction costs of NOK 1,389 thousand.
- Payment of USD 1,000 thousand (NOK 10,018 thousand) for certain shares of ReynKo Inc.'s capital stock under the SAFE (Simple Agreement for Future Equity) agreement with ReynKo Inc., in January. Please see Section 11.9.2. "*Investments in progress or for which firm commitments have already been made*" for further information.
- Payment of dividend of NOK 0.12 per share, for a total amount of NOK 19,656 thousand in March 2026.

Adjustment for the following estimated transactions, subject to the Offering and the Listing:

- Subject to completion of the Offering and the Listing, the Company will raise NOK 500,000 thousand in gross proceeds through the issuance of new Shares, assuming the issuance of 23,809,523 new Shares at an Offer Price of NOK 21.00 per new Share and receive net proceeds in the amount of NOK 462,500 thousand after deduction of related issuance costs estimated to be NOK 37,500 thousand.
- Subject to completion of the Listing and the Offering, the Company will pay NOK 108,765 thousand as settlement for the commitment to pay for 5,179,290 treasury shares from existing group shareholders, assuming an Offer Price of NOK 21.00 per new Share (gross, not adjusted for allocated costs in relation to these treasury shares).
- Subject to completion of the Offering and the Listing, the Company will pay GBP 338 thousand (NOK 4,353 thousand, translated at a convenience exchange rate of GBP 1 = NOK 12.88) over a twelve month period to settle existing bonus agreements with employees of the Company.

As a result of the transactions above, and based on an Offer Price per new Share of NOK 21.00, the Company's share capital will be approximately NOK 6,537 thousand consisting of 187,612,016 shares (excluding treasury shares), earch with a nominal value of NOK 0.034.

Other than as set forth above, there has been no material change to the Group's consolidated capitalisation and net financial indebtedness since 31 December 2025.

9.2 Capitalisation

The following table sets forth information about the Group's unaudited consolidated capitalisation as at 31 December 2025:

Table 13 - Capitalisation

(In NOK thousands)	As at 31 December 2025[a]	Adjustments not subject to the Offering and the Listing[b]	Adjustments subject to the Offering and the Listing[c]	As adjusted as of the date of the Prospectus
Total current debt:				
Guaranteed	-	-	-	-
Secured	88,454[(1)]	(70,914)[(7)]	-	17,540
Unguaranteed / unsecured	444,930[(2)]	-	(99,233)[(10)]	345,697
Total current debt:	**533,384**	**(70,914)**	**(99,233)**	**363,237**
Total non-current debt:				
Guaranteed	-	-	-	-
Secured	70,349[(3)]	78,611[(8)]	-	148,960
Unguaranteed / unsecured	40,837[(4)]	-	-	40,837
Total non-current debt:	**111,186**	**78,611**	**-**	**189,797**
Total indebtedness	**644,570**	**7,697**	**(99,233)**	**553,034**
Shareholders' equity				
Share capital	5,727[(5)]	-	810[(11)]	6,537
Legal reserve(s)	-	-	-	-
Other reserves	702,116[(6)]	(20,414)[(9)]	452,158[(12)]	1,133,860
Total shareholders' equity	**707,843**	**(20,414)**	**452,967**	**1,140,396**
Total capitalisation	**1,352,413**	**(12,717)**	**353,735**	**1,693,431**

(a) The data set forth in this column are derived from the Group's Annual Financial Statements for the financial year ended 31 December 2025:

1) Secured current debt of NOK 88,454 thousand consists of the financial statement line items current loans and borrowings of NOK 70,964 thousand and current lease liabilities of NOK 17,490 thousand. The loans and borrowings are secured in shares of the Company's subsidiary Nortek AS, and the lease liabilities are secured in the underlying leased assets, which include properties and vehicles.

2) Unguaranteed/unsecured current debt of NOK 444,930 thousand consists of the financial statement line items trade payables of NOK 45,652 thousand, contract liabilities of NOK 166,807 thousand, income tax payable of NOK 32,617 thousand, current financial liabilities of NOK 19,654 thousand, consisting of the earn-out liability relating to the RS Aqua acquisition, and other current liabilities of NOK 180,200 thousand, which comprises the treasury shares liability, as well as accruals, public duties payable, provisions for warranties and dilapidations, and other various payables.

3) Secured non-current debt of NOK 70,349 thousand consist fully of the financial statement line item non-current lease liabilities. The lease liabilities are secured in the underlying leased assets, which mainly comprise office buildings, including some Nortek offices with onsite manufacturing, as well as company cars used by employees of the Group.

4) Unguaranteed/unsecured non-current debt of NOK 40,837 thousand consists of the financial statement line item non-current financial liabilities of NOK 828 thousand and deferred tax liability of NOK 40,009 thousand.

5) Share capital of NOK 5,727 consists fully of the financial statement line item share capital.

6) Other reserves of NOK 702,116 thousand consists of the financial statements line items share premium of NOK 549,015 thousand, treasury shares of NOK (98,984) thousand, other reserves of NOK 495 thousand, foreign exchange differences reserve of NOK 76,109 thousand and retained earnings of NOK 175,481 thousand.

(b) Adjustments not subject to the Offering and the Listing:

7) The secured current debt decrease of NOK 70,914 thousand was due the repayment to settle the existing USD- and GBP-denominated term loans.

[8)] The secured non-current debt increase of NOK 78,611 thousand was due to net proceeds from the drawdown of NOK 80,000 thousand on the Term Loan under the Facilities Agreement, net of estimated transaction costs of NOK 1,389 thousand.

[9)] The other reserves decrease of NOK 20,414 thousand was due to the dividend payment of NOK 19,656 thousand and reversal of amortised costs of NOK 758 thousand relating to the repayment to settle the existing USD- and GBP-denominated term loans.

(c) Adjustments subject to the Offering and the Listing:

[10)] The unguaranteed/unsecured current debt decrease of NOK 99,233 thousand is due to the reversal of the liability related to the commitment to pay for 5,179,290 treasury shares from existing group shareholders becoming payable subject to the Listing, amounting to NOK 103,586 thousand, partially offset by bonus agreements with employees of the Company of NOK 4,353 thousand becoming payable over a twelve month period subject to the Listing.

[11)] The share capital increase of NOK 810 thousand is subject to the issuance of 23,809,523 new shares at a nominal value of NOK 0.034 per share in connection with the Offering.

[12)] The other reserves increase of NOK 452,158 thousand comprise gross proceeds subject to the issuance of 23,809,523 new shares at an offer price of NOK 21.00 per share, net of the increase in share capital of NOK 810 thousand and estimated transaction costs of NOK 37,500 thousand in connection with the Offering, partially offset by the existing bonus agreements with employees of the Company of NOK 4,353 thousand becoming payable over a twelve month period subject to the Listing, and the commitment to pay for 5,179,290 treasury shares from existing group shareholders becoming payable subject to the Listing, leading to a decrease in other reserves of NOK 5,179 thousand, equal to the difference between the payment for the treasury shares commitment at a price equal to the offer price of NOK 21.00 per share and the existing liability.

9.3 Net financial indebtedness

The following table set forth information about the Group's consolidated net financial indebtedness as at 31 December 2025:

Table 14 – Net financial indebtedness

(In NOK thousands)		As at 31 December 2025[(a)]	Adjustments not subject to the Offering and the Listing[(b)]	Adjustments subject to the Offering and the Listing[(c)]	As adjusted as of the date of the Prospectus
(A)	Cash	341,356[(1)]	(22,735)[(4)]	353,735[(7)]	672,356
(B)	Cash equivalents	-	-	-	-
(C)	Other current financial assets	-	-	-	-
(D)	**Liquidity (A)+(B)+(C)**	**341,356**	**(22,735)**	**353,735**	**672,356**
(E)	Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	192,040[(2)]	(70,914)[(5)]	(103,586)[(8)]	17,540
(F)	Current portion of non-current financial debt	-	-	-	-
(G)	**Current financial indebtedness (E + F)**	**192,040**	**(70,914)**	**(103,586)**	**17,540**
(H)	**Net current financial indebtedness (G – D)**	**(149,316)**	**(48,179)**	**(457,321)**	**(654,816)**
(I)	Non-current financial debt (excluding current portion and debt instruments)	70,349[(3)]	78,611[(6)]	-	148,960
(J)	Debt instruments	-	-	-	-
(K)	Non-current trade and other payables	-	-	-	-
(L)	**Non-current financial indebtedness (I+J+K)**	**70,349**	**78,611**	**-**	**148,960**
(M)	**Total financial indebtedness (H+L)**	**(78,967)**	**30,432**	**(457,321)**	**(505,856)**

(a) The data set forth in this column are derived from the Annual Financial Statements for the financial year ended 31 December 2025:

[1)] Cash of NOK 341,356 thousand consists fully of the financial statement line item cash and cash equivalents. Included within cash and cash equivalents are restricted bank deposits of NOK 14 million relating to employee tax deductions.

[2)] Current financial debt of NOK 192,040 thousand consists of the financial statement line item current loans and borrowings of NOK 70,964 thousand, current lease liabilities of NOK 17,490 thousand and other current liabilities of NOK 103,586 thousand, which comprises the treasury shares liability.

[3)] Non-current financial debt of NOK 70,349 thousand consists fully of the financial statement line item non-current lease liabilities.

(b) Adjustments not subject to the Offering and the Listing:

[4)] The cash decrease of NOK 22,735 thousand was due the repayment of NOK 71,672 thousand to settle the existing USD- and GBP-denominated term loans, payment of dividend of NOK 19,656 thousand and payment of NOK 10,018 thousand for certain shares of ReynKo Inc.'s capital stock under the SAFE agreement, partially offset by net proceeds of NOK 78,611 thousand from the drawdown of NOK 80,000 thousand on the Term Loan under the Facilities Agreement, net of estimated transaction costs of NOK 1,389 thousand.

[5)] The current financial debt decrease NOK 70,914 thousand was due the repayment to settle the existing USD- and GBP-denominated term loans.

[6)] The non-current financial debt increase of NOK 78,611 thousand was due to net proceeds from the drawdown of NOK 80,000 thousand on the Term Loan under the Facilities Agreement, net of estimated transaction costs of NOK 1,389 thousand.

(c) Adjustments subject to the Offering and the Listing:

[7)] The cash increase of NOK 353,735 thousand comprise gross proceeds subject to the issuance of 23,809,523 new shares at an offer price of NOK 21.00 per share, net of estimated transaction costs of NOK 37,500 thousand in connection with the Offering, partially offset by settlement of NOK 108,765 thousand due to the commitment to pay for 5,179,290 treasury shares from existing group shareholders becoming payable subject to the Listing, at a price equal to the offer price of NOK 21.00 per share.

[8)] The current financial debt decrease of NOK 103,586 thousand is due to the reversal of the liability related to the commitment to pay for 5,179,290 treasury shares from existing group shareholders becoming payable subject to the Listing.

9.4 Working capital statement

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Prospectus, excluding the proceeds from the Offering.

9.5 Contingent and indirect indebtedness

The Group does not have any contingent or indirect indebtedness as of the date of the Prospectus beyond that described in the tables above.

10 SELECTED FINANCIAL INFORMATION AND OTHER INFORMATION

10.1 Introduction and basis for preparation

The following selected financial information has been extracted from the Annual Financial Statements. The Annual Financial Statements are included as Appendix B to this Prospectus. The selected financial information included herein should be read in connection with, and is qualified in its entirety by reference to, the Annual Financial Statements, and should be read together with Section 11 "*Operating and Financial Review*".

The Annual Financial Statements has been audited by BDO.

10.2 Summary of accounting policies and principles

The Annual Financial Statements have been prepared in accordance with IFRS. For information regarding accounting policies and principles, see note 3 of the Annual Financial Statements, attached hereto as Appendix B.

10.3 Condensed consolidated statement of profit or loss and other comprehensive income

The tables below set out selected data extracted from the Annual Financial Statements.

Table 15 - Profit and loss	**Year ended 31 December**		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
Revenue	1,280,410	957,068	808,769
Lease and other income	23,452	4,406	7,209
Raw materials	(459,060)	(319,815)	(247,986)
Employee benefits	(427,673)	(371,141)	(278,114)
Depreciation and amortisation	(64,818)	(59,385)	(49,047)
Impairment of goodwill	-	-	(117,321)
Other operating expenses	(158,632)	(142,962)	(162,762)
Other gains and losses	(8,221)	-	-
OPERATING PROFIT / (LOSS)	**185,458**	**68,171**	**(39,252)**
Finance income	49,906	41,228	23,025
Finance expense	(48,112)	(46,960)	(35,867)
Share of gains / (losses) from an associate	-	(1,782)	(3,392)
PROFIT / (LOSS) BEFORE TAX	**187,252**	**60,657**	**(55,486)**
Income tax expense	(22,171)	(21,475)	(17,039)
PROFIT / (LOSS)	**165,081**	**39,182**	**(72,525)**
Other comprehensive income			
Items that may subsequently be reclassified to profit or loss			
Foreign currency translation differences of foreign operations	(37,138)	49,870	25,740
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	**127,943**	**89,052**	**(46,785)**

10.4 Consolidated statement of financial position

The table below sets out selected data extracted from the Annual Financial Statements.

Table 16 - Balance sheet	**As at 31 December**		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
ASSETS			
Non-current assets			
Goodwill[1]	110,393	-	-
Intangible assets[1]	161,474	319,006	252,006
Property, plant and equipment	130,029	178,447	159,283
Right-of-use assets	81,618	86,321	75,976
Investment in an associate	-	-	273
Other non-current financial assets	-	-	3,379
Deferred tax assets	42,108	24,122	7,362

Other non-current receivables	972	-	12,327
Total non-current assets	**526,594**	**607,896**	**510,606**
Current assets			
Inventories	243,819	234,534	205,744
Trade and other receivables[2]	-	188,412	153,401
Trade receivables[2]	180,048	-	-
Contract assets	339	3,787	506
Other current receivables[2]	53,920	-	-
Other current financial assets	6,337	-	-
Derivative financial assets	-	-	3,569
Cash and cash equivalents	341,356	281,632	172,652
Total current assets	**825,819**	**708,365**	**535,872**
TOTAL ASSETS	**1,352,413**	**1,316,261**	**1,046,478**
EQUITY			
Share capital	5,727	5,615	5,570
Share premium reserve	549,015	549,127	535,115
Treasury shares	(98,984)	-	-
Other reserves	495	-	-
Foreign exchange reserve	76,109	113,247	63,377
Retained earnings	175,481	50,400	21,218
TOTAL EQUITY	**707,843**	**718,389**	**625,280**
LIABILITIES			
Non-current liabilities			
Contract liabilities	-	93	644
Non-current loans and borrowings	-	38,407	126,480
Non-current lease liabilities	70,349	77,282	67,187
Non-current financial liabilities	828	-	-
Derivative financial liabilities	-	3,216	2,058
Other long-term payables	-	5,542	-
Deferred tax liability	40,009	46,942	43,748
Total non-current liabilities	**111,186**	**171,482**	**240,117**
Current liabilities			
Trade and other payables[3]	-	130,658	114,826
Trade payables[3]	45,652		
Contract liabilities	166,807	96,243	20,982
Current loans and borrowings	70,964	144,424	14,065
Current lease liabilities	17,490	15,118	13,236
Derivative financial liabilities	-	6,932	-
Income tax payable	32,617	33,015	17,972
Current financial liabilities	19,654	-	-
Other current liabilities[3]	180,200	-	-
Total current liabilities	**533,384**	**426,390**	**181,081**
TOTAL LIABILITIES	**644,570**	**597,872**	**421,198**
TOTAL EQUITY AND LIABILITIES	**1,352,413**	**1,316,261**	**1,046,478**

1 In the consolidated financial statements for the financial year ended 31 December 2025, the Company changed its presentation of intangible assets to present goodwill on a separate financial statement line item. Prior to this, goodwill was included in the financial statement line item intangible assets.

2 In the consolidated financial statements for the financial year ended 31 December 2025, the Company changed its presentation of the financial statement line item trade and other receivables by separating it into two new line items: trade receivables and other current receivables.

3 In the consolidated financial statements for the financial year ended 31 December 2025, the Company changed its presentation of the financial statement line item trade and other payables by separating it into two new line items: trade payables and other current liabilities.

10.5 Consolidated statement of cash flow

The table below sets out selected data extracted from the Annual Financial Statements.

Table 17 - Cash flows statement	Year ended 31 December		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) for the year	165,081	39,182	(72,525)
Adjustments for:			
Net profits (losses) from sales of assets	(4,027)	(133)	150
Depreciation and amortisation expense	64,818	60,197	50,149
Impairment of goodwill	-	-	117,321
Bad debt provision	275	49	21
Share-based payments	495	-	.
Net finance expenses	(1,794)	5,732	12,842
Share of losses from an associate	-	1,782	3,392
Change in contingent consideration	12,248	-	-
Income tax expense	22,171	21,475	17,039
(Increase) in inventories	(9,285)	(26,888)	(37,664)
(Increase) decrease in trade and other receivables[1]	-	11,119	20,877
(Increase) decrease in trade receivables[1]	(28,238)	-	-
(Increase) decrease in other receivables[1]	(17,318)	-	-
(Increase) decrease in contract assets	3,448	(3,281)	2,720
Decrease in trade and other payables[2]	-	(13,694)	(28,006)
Increase (decrease) in trade payables[2]	(6,497)	-	-
Increase (decrease) in other current liabilities[2]	(1,895)	-	-
Increase (decrease) in contract liabilities	70,471	75,261	(68)
Cash generated from operations	269,953	170,801	86,248
Income taxes paid	(46,047)	(30,967)	(22,028)
Interest paid	(15,490)	(9,664)	(16,484)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**208,416**	**130,170**	**47,736**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	5,127	18,871	3,465
Capital contribution to an associate	-	(1,075)	(2,543)
Proceeds from sale of assets	55,081	1,008	3,553
Purchase of intangible assets	(678)	(2,221)	(7,065)
Purchases of plant and equipment	(35,891)	(15,666)	(23,909)
Acquisition of subsidiaries (net of cash)	(170)	(42,372)	(122,164)
NET CASH GENERATED FROM (USED IN) INVESTING ACTIVITIES	**23,469**	**(41,455)**	**(148,663)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from interest bearing loans	34,269	198,160	172,965
Repayment of interest bearing loans	(146,017)	(155,892)	(233,062)
Lease liabilities repaid	(20,057)	(18,241)	(14,574)
Dividends paid	(40,000)	(10,000)	(25,000)

Issue of shares	-	-	209,972
Proceeds from share options exercised	4,602	-	-
NET CASH GENERATED FROM (USED IN) FINANCING ACTIVITIES	**(167,203)**	**14,027**	**110,301**
NET INCREASE IN CASH AND CASH EQUIVALENTS	64,682	102,742	9,374
Cash and cash equivalents at beginning of year	281,632	172,652	153,824
Effect of foreign exchange rate changes	(4,958)	6,238	9,454
CASH AND CASH EQUIVALENTS AT END OF YEAR	**341,356**	**281,632**	**172,652**

1 In the consolidated financial statements for the financial year ended 31 December 2025, the Company changed its presentation of the financial statement line item (increase) decrease in trade and other receivables by separating it into two new line items: (increase) decrease in trade receivables and (increase) decrease in other receivables.

2 In the consolidated financial statements for the financial year ended 31 December 2025, the Company changed its presentation of the financial statement line item (increase) decrease in trade and other payables by separating it into two new line items: (increase) decrease in trade payables and (increase) decrease in other current liabilities.

10.6 Consolidated statement of changes in equity

The table below sets out selected data extracted from the Annual Financial Statements.

Table 18 - Statement of changes in equity

	Share capital	Share premium reserve	Treasury shares	Other reserves	Foreign exchange reserve	Retained earnings	Total equity
(Amounts in thousands of NOK)							
BALANCE AT 1 JANUARY 2023	**4,858**	**325,855**	**-**	**-**	**37,637**	**118,743**	**487,093**
Comprehensive income for the year							
Profit for the year	-	-	-	-	-	(72,525)	(72,525)
Other comprehensive income							
Foreign currency translation differences	-	-	-	-	25,740	-	25,740
TOTAL CMPREHENSIVEE INCOME FOR THE YEAR	**-**	**-**	**-**	**-**	**25,740**	**(72,525)**	**(46,785)**
Contribution by and distribution to owners							
Issue of shares	712	209,260	-	-	-	-	209,972
Dividends	-	-	-	-	-	(25,000)	(25,000)
TOTAL TRANSACTIONS WITH OWNERS	**712**	**209,260**	**-**	**-**	**-**	**(25,000)**	**184,972**
BALANCE AT 31 DECEMBER 2023	**5,570**	**535,115**	**-**	**-**	**63,377**	**21,218**	**625,280**
BALANCE AT 1 JANUARY 2024	**5,570**	**535,115**	**-**	**-**	**63,377**	**21,218**	**625,280**
Comprehensive income for the year							
Profit for the year	-	-	-	-	-	39,182	39,182
Other comprehensive income							
Foreign currency translation differences	-	-	-	-	49,870	-	49,870
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**-**	**-**	**-**	**-**	**49,870**	**39,182**	**89,052**
Contribution by and distribution to owners							
Issue of shares	45	14,012	-	-	-	-	14,057
Dividends	-	-	-	-	-	(10,000)	(10,000)
TOTAL TRANSACTIONS WITH OWNERS	**45**	**14,012**	**-**	**-**	**-**	**(10,000)**	**4,057**

BALANCE AT 31 DECEMBER 2024	**5,615**	**549,127**	**-**	**-**	**113,247**	**50,400**	**718,389**
BALANCE AT 1 JANUARY 2025	**5,615**	**549,127**	**-**	**-**	**113,247**	**50,400**	**718,389**
Comprehensive income for the year							
Profit for the year	**-**	**-**	**-**	**-**	**-**	**165,081**	**165,081**
Other comprehensive income							
Foreign currency translation differences	**-**	**-**	**-**	**-**	**(37,138)**	**-**	**37,138**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**-**	**-**	**-**	**-**	**(37,138)**	**165,081**	**127,943**
Contribution by and distribution to owners							
Share split 1:3	112	(112)	**-**	**-**	**-**	**-**	-
Treasury shares	**-**	**-**	(98,984)	**-**	**-**	**-**	(98,984)
Share based payments reserve	**-**	**-**	**-**	495	-	-	495
Dividends	**-**	**-**	**-**	**-**	**-**	(40,000)	(40,000)
TOTAL TRANSACTIONS WITH OWNERS	**112**	**(112)**	**(98,984)**	**495**	**-**	**(40,000)**	**(138,489)**
BALANCE AT 31 DECEMBER 2025	**5,727**	**549,015**	**(98,984)**	**495**	**76,109**	**175,481**	**707,843**

10.7 Key financial information by operating segment, geographic area and customer type

The table sets out the Company's segment information by operating segment for the financial year ended 31 December 2025, as extracted from the Annual Financial Statements.

Table 19 – Segment information	**Year ended 31 December 2025**				
(Amounts in thousands of NOK)	**Sensors**	**Robotics**	**Corporate / Other**	**Eliminations**	**Group**
Revenue	1,133,038	169,672	52,705	(75,005)	1,280,410
Lease and other income	13,637	9,815	-	-	23,452
Raw materials	(421,318)	(57,859)	(299)	20,416	(459,060)
Employee benefits	(347,313)	(63,859)	(18,059)	1,558	(427,673)
Other operating expenses	(142,370)	(28,538)	(37,687)	49,963	(158,632)
Other gains and losses	4,027	-	(12,248)	-	(8,221)
Depreciation	(28,957)	(7,057)	(2,184)	-	(38,198)
EBITA	**210,744**	**22,174**	**(17,771)**	**(3,068)**	**212,078**
EBITA as a percentage of revenue and other Income	**18%**	**12%**			**16%**
Amortisation of intangible assets	(10,859)	(15,747)	(14)	-	(26,620)
Operating profit / (loss)	**199,885**	**6,427**	**(17,785)**	**(3,068)**	**185,458**

The table sets out the Company's segment information by operating segment for the financial year ended 31 December 2024, as extracted from the Annual Financial Statements.

Table 20 – Segment information	**Year ended 31 December 2024**				
(Amounts in thousands of NOK)	**Sensors**	**Robotics**	**Corporate / Other**	**Eliminations**	**Group**
Revenue	882,203	79,048	370	(8,352)	953,269
Lease and other income	5,505	1,847	-	-	7,352
Raw materials	(293,649)	(30,831)	(166)	4,831	(319,815)
Employee benefits	(299,460)	(58,384)	(13,297)	-	(371,141)
Other operating expenses	(121,295)	(19,632)	(13,330)	13,787	(140,470)
Other gains and losses	133	-	-	-	133
Depreciation	(25,595)	(6,482)	(1,690)	-	(33,767)
EBITA	**147,842**	**(34,434)**	**(28,113)**	**10,266**	**95,561**
EBITA as a percentage of revenue and other Income	**17%**	**(44%)**			**10%**
Amortisation of intangible assets	(7,774)	(17,844)	-	-	(25,618)

Operating profit / (loss)	**140,068**	**(52,278)**	**(28,113)**	**10,266**	**69,943**

The table sets out the Company's segment information by operating segment for the financial year ended 31 December 2023, as extracted from the Company's accounting records.

Table 21 – Segment information	**Year ended 31 December 2023**				
(Amounts in thousands of NOK)	**Sensors**	**Robotics**	**Corporate / Other**	**Eliminations**	**Group**
Revenue	731,113	96,664	-	(19,007)	808,769
Other income	1,180	6,029	(0)	-	7,209
Raw materials	(221,752)	(34,511)	-	8,277	(247,986)
Employee benefits	(227,335)	(43,156)	(11,555)	3,931	(278,114)
Other operating expense	(139,724)	(45,208)	10,940	11,230	(162,762)
Depreciation	(18,683)	(7,492)	(846)	-	(27,021)
EBITA	**124,798**	**(27,673)**	**(1,462)**	**4,431**	**100,094**
EBITA as a percentage of revenue and other income	**17%**	**(27%)**			**12%**
Amortisation of intangible assets	(5,646)	(16,380)	-	-	(22,026)
Impairment of Goodwill	-	(117,321)	-	-	(117,321)
Operating profit / (loss)	**119,153**	**(161,374)**	**(1,462)**	**4,431**	**(39,252)**

The table sets out the Company's revenue by customer type for the sensors segment, as extracted from the Annual Financial Statements.

Table 22 – Sensors revenue by customer type	**Year ended 31 December**	
(Amounts in thousands of NOK)	**2025**	**2024**
Marine construction	596,909	558,435
Defence	258,365	186,990
Research	277,764	136,778
Total	**1,133,038**	**882,203**

The table sets out the Company's revenue by geographic area for the sensors segment, as extracted from the Annual Financial Statements.

Table 23 - Sensors revenue by geographic area	**Year ended 31 December**	
(Amounts in thousands of NOK)	**2025**	**2024**
Europe	608,838	398,423
Asia and Oceania	275,657	255,200
America	223,483	212,699
Rest of the world	25,060	15,881
Total	**1,133,038**	**882,203**

The table sets out the Company's revenue by customer type for the robotics segment, as extracted from the Annual Financial Statements.

Table 24 – Robotics revenue by customer type	**Year ended 31 December**	
(Amounts in thousands of NOK)	**2025**	**2024**
Marine construction	19,282	18,119
Defence	144,321	47,053
Research	6,069	13,876
Total	**169,672**	**79,048**

The table sets out the Company's revenue by geographic area for the robotics segment, as extracted from the Annual Financial Statements.

Table 25 - Robotics revenue by geographic area	Year ended 31 December	
(Amounts in thousands of NOK)	**2025**	**2024**
Europe	27,612	15,430
Asia and Oceania	55,360	28,059
America	69,814	35,184
Rest of the world	16,886	375
Total	**169,672**	**79,048**

11 OPERATING AND FINANCIAL REVIEW

This operating and financial review should be read together with Section 4 "General Information", Section 8 "Business of the Group", Section 10 "Selected Financial and Other Information" and the Annual Financial Statements, including related notes, included in Appendix B of this Prospectus. This operating and financial review contains forward-looking statements. These forward-looking statements are not historical facts, but are rather based on the Group's current expectations, estimates, assumptions and projections about the Group's industry, business, strategy and future financial results. Actual results could differ materially from the results contemplated by these forward-looking statements because of a number of factors, including those discussed in Section 2 "Risk factors" and Section 4.3 "Cautionary note regarding forward-looking statements" of this Prospectus, as well as other sections of this Prospectus.

11.1 Key factors affecting the Group's results of operations and financial performance

The Group's results of operations have been, and will continue to be, affected by several factors, most of which are beyond the Group's control. The key factors that Management believes have had a material effect on the Group's results of operations during the period under review, as well as those considered likely to have a material effect on its results of operations in the future, are described below.

11.1.1 *Market demand and industry activity*

The Group's results of operations and financial performance is affected by the overall demand for the Group's products and services, which is closely tied to activity levels within the marine construction, defence, and research sectors. Activity levels in these sectors can fluctuate due to economic cycles, geopolitical tensions, policy changes or technological shifts that can directly affect the Group's order volumes and contract pipeline.

In marine construction, demand is primarily driven by the activity levels in oil and gas, offshore wind development, and subsea infrastructure. The accelerating shift towards renewable energy has positioned offshore wind development as a key growth area, with increasing investments focused both on the construction of new wind farms and ongoing operations and maintenance activities for existing ones. Additionally, traditional offshore oil and gas operations continue to contribute to demand. Notably, an increasing emphasis on safety and operational efficiency, driven by stricter regulatory frameworks and evolving industry standards, is fuelling demand for the Group's advanced underwater technology across the marine construction sector.

The Group collaborates closely with navies, special operations teams, and coast guards worldwide. In recent years, increased defence spending and growing emphasis on technology enabled autonomous underwater operations, battlespace awareness, and surveillance and tactical reconnaissance have accelerated demand in the Group's targeted product portfolio for defence applications. A clear signal of this trend is the 2025 NATO Summit in The Hague, where member states pledged to invest 5% of GDP annually on core deference requirements and defence- and security-related spending by 2035, more than doubling NATO's long-standing 2% of GDP guideline. This commitment underscores a renewed emphasis on military preparedness amid an increasingly complex geopolitical landscape, directly expanding demand for the Group's products for defence applications.

In research, demand is primarily driven by science and research efforts related to the ocean environment. In 2024, global temperatures exceeded the 1.5 degrees Celsius threshold set by the Paris Agreement for the first time, highlighting the increasing urgency to understand the impacts of climate change. This was further emphasised at the 30th Conference of the Parties to the UN Framework Convention on Climate Change (COP30) held in November 2025 in Belém, Brazil, where further actions on maintaining plans to combat climate change in line with the Paris Agreement were set out. The oceans playing a critical role in this regard, and monitoring currents, sea-level rise, temperature variations, and marine biology is dependent on reliable, robust and well-tested technologies. The Group supports these efforts by providing high-accuracy, long-service-lifetime instruments for autonomous platforms and traditional deployments, and collaborating with academic and research institutions worldwide.

11.1.2 *M&A activity and integration efforts*

The Group's results of operations and financial performance is affected by general activity in the M&A market. Periods of heightened M&A activity can create opportunities for the Group to strategically acquire complementary businesses, expand its product portfolio and rapidly enter new markets. The Group has an active M&A agenda focused on building scale and diversification and continuously monitors the opportunity space, investing significant time to qualify potential candidates. Consequently, the M&A market conditions play a key role in driving the Group's growth prospects through acquisitions.

Additionally, acquisitions may involve complex integration processes or require additional investments and structural improvement, which can increase operational costs and temporarily impact profit margins. Furthermore, financing acquisitions may lead to higher financial leverage and increased interest expenses. For further details on the Group's capital management approach, please refer to Section 11.7 "*Financial risk and capital management*".

11.1.3 *Supply of raw materials and components*

The Group's results of operations and financial performance is affected by the supply of raw materials and components. While the Group maintains in-house production and assembly capabilities, it relies heavily on global suppliers for key components. In recent

years, surging demand has resulted in extended delivery times and increased components prices. In addition, COVID-19 led to shortages in electronic components due to demand by other sectors such as the automotive industry. Supply chains have improved since COVID-19, with most supply chains returning to normal lead times. Any delays in key components will affect the scheduled delivery of products.

11.1.4 *Workforce availability and expertise*

The Group's results of operations and financial performance is affected by workforce availability and expertise. Attracting, retaining, and developing highly skilled personnel, particularly engineers, is essential to deliver high-quality services across the Group. The Group competes in a tight labour market, and the inability to attract or retain talent could hinder execution of strategic priorities, and may impact project delivery timelines and operational efficiency, ultimately impacting the Group's operating and financial performance.

11.1.5 *Innovation and know-how*

The Group's results of operations and financial performance is affected by the Group's ability to innovate and protect its knowhow. The subsea industry is rapidly evolving, driven by military demand, scientific research and growing commercial operations. The focus of companies, from a subsea perspective, will include enabling technologies to operate safely in the harsh ocean environment, both coastal and deep-water. Instrumentation must operate reliably and sustainably in these high pressure, corrosive environment. Sustained investment in innovation is essential for meeting these challenges. The Group's long-term success depends on its ability to develop cutting-edge, cost-efficient technologies and products that address emerging customer needs.

11.2 Recent developments and trends

The Company is not aware of any known trends, uncertainties, demands, commitments, or events that are reasonably likely to have a material effect on the Company's prospects for the current financial year.

11.3 Segment information for the Group for the years ended 2025, 2024 and 2023

The Group has two reporting segments in accordance with IFRS 8, being “Sensors” and “Robotics”. The Sensors segment includes the design, manufacture, integration and sale of acoustic and environmental subsea sensors used for underwater perception, navigation, seabed mapping and oceanographic measurement. The Robotics segment includes integrated underwater robotic vehicles and manipulators used for unmanned subsea operations, inspection, intervention and defence applications.

For key financial information by operating segment, including distribution of revenue by geographic area and customer type, please refer to Section 10.7 "*Key financial information by operating segment, geographic area and customer type*".

11.4 Results of operations

11.4.1 *Results of operations for the year ended 31 December 2025 compared to the year ended 31 December 2024*

Table 26 - Consolidated statement of profit or loss	**Year ended 31 December**		
(Amounts in NOK thousands)	**2025**	**Change in %**	**2024[1]**
Revenue	1,280,410	34%	953,269
Lease and other income	23,452	219%	7,352
Raw materials	(459,060)	44%	(319,815)
Employee benefits	(427,673)	15%	(371,141)
Depreciation and amortisation	(64,818)	9%	(59,385)
Other operating expense	(158,632)	13%	(140,470)
Other gains and losses	(8,221)	n.m.	133
OPERATING PROFIT / (LOSS)	**185,458**	**165%**	**69,943**
Finance income	49,906	21%	41,228
Finance expense	(48,112)	(1%)	(48,732)
Share of gains / (losses) from an associate	-	n.m.	(1,782)
PROFIT / (LOSS) BEFORE TAX	**187,252**	**209%**	**60,657**
Income tax expense	(22,171)	3%	(21,475)
PROFIT / (LOSS)	**165,081**	**321%**	**39,182**

1 The 2024 column is presented on a comparable basis to the consolidated financial statements for the financial year ended 31 December 2025.

Revenue

Revenue increased by NOK 327,141 thousand, or 34%, to NOK 1,280,410 thousand in the year ended 31 December 2025 from NOK 953,269 thousand in the year ended 31 December 2024. The increase was driven by strong organic growth across core markets, particularly within defence, energy and ocean science. In addition, revenue for 2025 reflects a broader consolidation effect from RS Aqua, which was acquired in November 2024 and contributed for a longer portion of the financial year compared with the prior period. RS Aqua contributed a full year of revenue amounting to NOK 133,130 thousand in in 2025, compared to NOK 12,361 thousand in the previous year following its acquisition in November 2024.

By market area, total revenue for the Group from marine construction, defence and research increased by NOK 42,266 thousand, NOK 124,329 thousand and NOK 160,546 thousand, respectively, from the year ended 31 December 2024 to the year ended 31 December 2025.

Lease and other income

Lease and other income increased by NOK 16,100 thousand, or 219%, to NOK 23,452 thousand in the year ended 31 December 2025 from NOK 7,352 thousand in the year ended 31 December 2024. The increase was primarily due to grants received, which increased from NOK 406 thousand in 2024 to NOK 11,382 thousand in 2025, in addition to increased income from short-term rentals and other items.

Raw materials

Raw materials increased by NOK 139,245 thousand, or 44%, to NOK 459,060 thousand in the year ended 31 December 2025 from NOK 319,815 thousand in the year ended 31 December 2024. The increase was primarily due to higher production volumes. The gross margin remained relatively stable at 64.8% compared to 66.7% in the previous year, reflecting effective cost control but impacted slightly by changes in the product mix.

Employee benefits

Employee benefits increased by NOK 56,532 thousand, or 15%, to NOK 427,673 thousand in the year ended 31 December 2025 from NOK 371,141 thousand in the year ended 31 December 2024. The increase was primarily due to higher average headcount across the Group.

Depreciation and amortisation expense

Depreciation and amortisation increased by NOK 5,433 thousand, or 9%, to NOK 64,818 thousand in the year ended 31 December 2025 from NOK 59,385 thousand in the year ended 31 December 2024. The increase was primarily due to an expansion of the Group's asset base through purchases of property, plant and equipment, intangible assets and new leases, leading to a higher depreciation charge on property, plant and equipment and right-of use assets, and a higher amortisation charge on intangible assets. The full-year effect of depreciation and amortisation on assets acquired in the business combination with RS Aqua in 2024 also contributed to the increase.

Other operating expenses

Other operating expenses increased by NOK 18,162 thousand, or 13%, to NOK 158,632 thousand in the year ended 31 December 2025 from NOK 140,470 thousand in the year ended 31 December 2024. The increase was primarily driven by higher activity levels across the Group, including increased sales and marketing, travel expenses and professional fees.

Other gains and losses

Other gains and losses decreased by NOK 8,354 thousand, to losses of NOK 8,221 thousand in the year ended 31 December 2025 from gains of NOK 133 thousand in the year ended 31 December 2024. The decrease was primarily due to an increase in the contingent consideration liability relating to the acquisition of RS Aqua in 2024. Based on management's assessment, it was determined that the probability of achieving the performance targets increased, resulting in an upward remeasurement of the fair value of the contingent consideration. This decrease was partially offset by higher gains from sale of assets.

Finance income

Finance income increased by NOK 8,678 thousand, or 21%, to NOK 49,906 thousand in the year ended 31 December 2025 from NOK 41,228 thousand in the year ended 31 December 2024. The increase was primarily due to a positive change in fair value of financial assets of NOK 15,286 thousand, partially offset by lower gains from foreign exchange movements.

Finance expense

Finance expense decreased by NOK 620 thousand, or 1%, to NOK 48,112 thousand in the year ended 31 December 2025 from NOK 48,732 thousand in the year ended 31 December 2024. The decrease was primarily due to lower interest expenses due to a reduction in interest-bearing debt.

Share of gains / (losses) from an associate

Share of losses from an associate was nil in the year ended 31 December 2025, compared to losses of NOK 1,782 thousand in the year ended 31 December 2024. The Group holds a 25% equity interest in Hefring Engineering Inc., which has ceased operations and is accounted for at a carrying amount of nil as of 31 December 2025.

Income tax expense

Income tax expense increased by NOK 696 thousand, or 3%, to NOK 22,171 thousand in the year ended 31 December 2025 from NOK 21,475 thousand in the year ended 31 December 2024. The increase was primarily due to higher taxable profits, the full-year inclusion of newly acquired entities under various local tax regimes, and the impact of deferred tax recognized on prior years tax losses uncured by SRS and Klein Marine Systems.

11.4.2 *Results of operations for the year ended 31 December 2024 compared to the year ended 31 December 2023*

Table 27 - Consolidated statement of profit or loss	**Year ended 31 December**		
(Amounts in NOK thousands)	**2024**	**Change in %**	**2023**
Revenue	957,068	18%	808,769
Other income	4,406	(39)%	7,209
Raw materials	(319,815)	29%	(247,986)
Employee benefits	(371,141)	33%	(278,114)
Depreciation and amortisation expense	(59,385)	21%	(49,047)
Impairment of goodwill	-	(100)%	(117,321)
Other operating expense	(142,962)	(12)%	(162,762)
OPERATING PROFIT / (LOSS)	**68,171**	**n.m.***	**(39,252)**
Finance income	41,228	79%	23,025
Finance expense	(46,960)	31%	(35,867)
Share of gains / (losses) from an associate	(1,782)	(47)%	(3,392)
PROFIT / (LOSS) BEFORE TAX	**60,657**	**n.m.***	**(55,486)**
Income tax expense	(21,475)	26%	(17,039)
PROFIT / (LOSS)	**39,182**	**n.m.***	**(72,525)**

** n.m. = not meaningful.*

Revenue

Revenue increased by NOK 148,299 thousand, or 18%, to NOK 957,068 thousand in the year ended 31 December 2024 from NOK 808,769 thousand in the year ended 31 December 2023. The increase was primarily due to the following factors.

The Company's core businesses, notably Nortek and Tritech, delivered strong organic growth in the year ended 31 December 2024. Nortek's organic growth was driven primarily by increased demand for existing products in established markets, especially in navigation and oceanographic monitoring in the United States and China. The wind farm sector also contributed to this growth with rising oceanographic monitoring needs particularly in Europe. The strongest growth occurred in the defence segment, where global geopolitical instability and rising tensions in several regions led to larger and repeat orders from both new and existing clients. Tritech's organic growth was driven by a significant uplift in energy sector activity, including both oil and gas and renewables, driving growth in the work class ROV sector. Defence markets also grew significantly, with new contracts focused on mine countermeasure products contributing to organic growth.

In addition to the above, acquisitions also contributed significantly to the Group's revenue growth in the year ended 31 December 2024. Klein contributed a full year of revenue amounting to NOK 85,511 thousand in 2024, compared to only 4.5 months in 2023, which amounted to NOK 34,062 thousand following its acquisition in August 2023. Furthermore, RS Aqua which was acquired in November 2024, contributing with NOK 12,361 thousand in revenues.

By market area, total revenue for the Group from marine construction, defence and research increased by NOK 44,283 thousand, NOK 101,553 thousand and NOK 2,463 thousand, respectively, from the year ended 31 December 2023 to the year ended 31 December 2024.

Other income

Other income decreased by NOK 2,803 thousand, or 39%, to NOK 4,406 thousand in the year ended 31 December 2024 from NOK 7,209 thousand in the year ended 31 December 2023. The decrease was primarily due to a reduction of grants received, which decreased from NOK 3,938 thousand in 2023 to NOK 407 thousand in 2024, partially offset by an increase in other items.

Raw materials

Raw materials increased by NOK 71,289 thousand, or 29%, to NOK 319,815 thousand in the year ended 31 December 2024 from NOK 247,986 thousand in the year ended 31 December 2023. The increase was primarily due to higher production volumes, driven by the organic growth in Nortek and Tritech and the acquisitions of Klein and RS Aqua. The gross margin remained relatively stable at 66.6% compared to 69.3% in the previous year, reflecting continued product mix consistency and effective cost control but impacted slightly by the acquisitions of Klein and RS Aqua which were dilutive to the gross margin.

Employee benefits

Employee benefits increased by NOK 93,027 thousand, or 33%, to NOK 371,141 thousand in the year ended 31 December 2024 from NOK 278,114 thousand in the year ended 31 December 2023. The increase was primarily due to an increase in wages and salaries. In addition, payroll expenses related to research and development expenses were reclassified from other operating expenses to employee benefits in 2024, which also contributed to the increase.

Depreciation and amortisation expense

Depreciation and amortisation increased by NOK 10,338 thousand, or 21%, to NOK 59,385 thousand in the year ended 31 December 2024 from NOK 49,047 thousand in the year ended 31 December 2023. The increase was primarily driven by the acquisitions of Klein in 2023 and, to a certain extent, RS Aqua in 2024. These acquisitions have expanded the Group's asset base, leading to a higher depreciation charge on property, plant and equipment and right-of use assets and a higher amortisation charge on intangible assets in the year ended 31 December 2024.

Impairment of goodwill

During the year ended 31 December 2023, management recognised an impairment loss of NOK 117,321 thousand related to the Strategic Robotic Systems (SRS) business. There was no impairment in 2024. During the course of 2023, SRS failed to secure a key contract that it was relying on for future growth. SRS was reset and new sales orders sought from international, rather than domestic, customers. In response to the underperformance, management reassessed the projected cash flows of the business to reflect the current business landscape, leading to the recognition of an impairment loss.

Other operating expense

Other operating expense decreased by NOK 19,800 thousand, or 12%, to NOK 142,962 thousand in the year ended 31 December 2024 from NOK 162,762 thousand in the year ended 31 December 2023. The decrease was primarily due to a reclassification of payroll expenses related to research and development from other operating expense to employee benefits in 2024, as explained above. The decrease was partially offset by increased expenses related to professional fees, office expenses, sales and marketing and travel.

Finance income

Finance income increased by NOK 18,203 thousand, or 79%, to NOK 41,228 thousand in the year ended 31 December 2024 from NOK 23,025 thousand in the year ended 31 December 2023. The increase was primarily due to higher foreign exchange gains on financial assets.

Finance expense

Finance expense increased by NOK 11,093 thousand, or 31%, to NOK 46,960 thousand in the year ended 31 December 2024 from NOK 35,867 thousand in the year ended 31 December 2023. The increase was primarily due to higher foreign exchange expense on financial assets and liabilities, partially offset by a decrease in interest expenses mainly due to a lower average level of debt during 2024.

Share of losses from an associate

Share of losses from an associate decreased by NOK 1,610 thousand, to losses of NOK 1,782 thousand in the year ended 31 December 2024 from losses of NOK 3,392 thousand in the year ended 31 December 2023. The decrease was primarily due to improved operational performance in Hefring Inc, where the Group holds an ownership interest of 25%.

Income tax expense

Income tax expense increased by NOK 4,436 thousand, or 26%, to NOK 21,475 thousand in the year ended 31 December 2024 from NOK 17,039 thousand in the year ended 31 December 2023. The increase was primarily due to higher taxable income for the year, the full-year impact of inclusion of newly acquired entities operating under various local tax regimes, and tax effects from losses incurred by SRS, Reach Robotics and Klein.

11.5 Financial position

11.5.1 *Financial position as of 31 December 2025 compared to 31 December 2024*

Table 28 – Compare financial position	As at 31 December		
(Amounts in NOK thousands)	**2025**	**Change in %**	**2024[1]**
Total non-current assets	526,594	(13%)	607,896
Total current assets	825,819	17%	708,365
TOTAL ASSETS	**1,352,413**	**3%**	**1,316,261**
Total non-current liabilities	111,186	(38%)	178,321
Total current liabilities	533,384	27%	419,551
TOTAL LIABILITIES	**644,570**	**8%**	**597,872**
TOTAL EQUITY	**707,843**	**(1%)**	**718,389**

1 The 2024 column is presented on a comparable basis to the consolidated financial statements for the financial year ended 31 December 2025.

Total non-current assets

Total non-current assets decreased by NOK 81,302 thousand, or 13%, to NOK 526,594 thousand as at 31 December 2025 from NOK 607,896 thousand as at 31 December 2024. The decrease was primarily due to amortisation of acquired intangible assets, the sale of the Klein Marine Systems building and depreciation on property, plant and equipment during the year.

Total current assets

Total current assets increased by NOK 117,454 thousand, or 17%, to NOK 825,819 thousand as at 31 December 2025 from NOK 708,365 thousand as at 31 December 2024. The increase was primarily due to higher cash and cash equivalents following strong operating cash flow and proceeds from asset sales. Please refer Section 11.6.3 "*Summarized cash flow information*" for more information. Increases in trade receivables and inventories driven by higher activity levels also contributed to the increase.

Total non-current liabilities

Total non-current liabilities decreased by NOK 67,135 thousand, or 38%, to NOK 111,186 thousand as at 31 December 2025 from NOK 178,321 thousand as at 31 December 2024. The decrease was primarily due to a reduction in non current loans and borrowings as the existing GBP-denominated term loan was reclassified from non current to current. In addition, a reduction in non current lease liabilities, non current financial liabilities and deferred tax liability also contributed to the decrease.

Total current liabilities

Total current liabilities increased by NOK 113,833 thousand, or 27%, to NOK 533,384 thousand as at 31 December 2025 from NOK 419,551 thousand as at 31 December 2024. The increase was primarily due to higher other current liabilities, mainly relating to the recognition of treasury share liabilities, as the Group entered into a commitment to pay for 5,179,290 treasury shares from existing group shareholders during the year. In addition, a higher contract liabilities due to increased operational activity and the fair value remeasurement of the contingent consideration liability for RS Aqua contributed to the increase. This was partially offset by repayment of current loans and borrowings during the year.

Total equity

Total equity decreased by NOK 10,546 thousand, or 1%, to NOK 707,843 thousand as at 31 December 2025 from NOK 718,389 thousand as at 31 December 2024. The decrease was primarily due to dividend payments and the acquisition of treasury shares during the year, as well as negative currency translation effects, partly offset by the profit generated in 2025.

11.5.2 *Financial position as of 31 December 2024 compared to 31 December 2023*

Table 29 – Compare financial position	As at 31 December		
(Amounts in NOK thousands)	**2024**	**Change in %**	**2023**
Total non-current assets	607,896	19%	510,606
Total current assets	708,365	32%	535,872
TOTAL ASSETS	**1,316,261**	**26%**	**1,046,478**
Total non-current liabilities	171,482	-29%	240,117
Total current liabilities	426,390	135%	181,081
TOTAL LIABILITIES	**597,872**	**42%**	**421,198**
TOTAL EQUITY	**718,389**	**15%**	**625,280**

Total non-current assets

Total non-current assets increased by NOK 97,290 thousand, or 19%, to NOK 607,896 thousand in the year ended 31 December 2024 from NOK 510,606 thousand in the year ended 31 December 2023. The increase was primarily due to assets acquired and goodwill recognised in connection with the acquisition of RS Aqua. In addition, exchange rate differences on property, plant and equipment and intangible assets denominated in foreign currencies also contributed to the increase.

Total current assets

Total current assets increased by NOK 172,493 thousand, or 32%, to NOK 708,365 thousand in the year ended 31 December 2024 from NOK 535,872 thousand in the year ended 31 December 2023. The increase was primarily due to an increase in cash and cash equivalents, mainly due to cash generated from operating activities during the year. Please refer to Section 11.6.3 "*Summarized cash flow information*" for more information. In addition, inventories and trade and other receivables increased during the year, reflecting increased sales activity in the Group's operations.

Total non-current liabilities

Total non-current liabilities decreased by NOK 68,685 thousand, or 29%, to NOK 171,482 thousand in the year ended 31 December 2024 from NOK 240,117 thousand in the year ended 31 December 2023. The decrease was primarily due to a reclassification of the Group's USD 12.3 million facility with Nordea from non-current to current, as the loan is payable in 2025. This decrease was partially offset by the addition of a GBP 3 million term loan facility to support the acquisition of RS Aqua, additions to leases loans and recognitions of contingent consideration in connection with the RS Aqua acquisition.

Total current liabilities

Total current liabilities increased by NOK 245,309 thousand, or 135%, to NOK 426,390 thousand in the year ended 31 December 2024 from NOK 181,081 thousand in the year ended 31 December 2023. The increase was primarily due to the reclassification of the Group's USD 12.3 million facility from non-current to current, as explained above. In addition, contract liabilities, trade and other payables and income tax payable increased during the year, reflecting improved operational results and sales activity in the Group's operations.

Total equity

Total equity increased by NOK 93,109 thousand, or 15%, to NOK 718,389 thousand in the year ended 31 December 2024 from NOK 625,280 thousand in the year ended 31 December 2023. The increase was primarily due to the net profit of NOK 39,182 thousand earned during the year, an increase in the foreign exchange reserve due to translation differences, and the shares issued as part of the acquisition of RS Aqua. The increase partially offset by dividends paid of NOK 10,000 thousand.

11.6 Liquidity and capital resources

11.6.1 *Sources of liquidity*

The Group's objective is to ensure that entities within the Group will be able to continue as a going concern and to manage its financing structure and cash flow requirements in response to the Group's strategy and objectives, deploying financial and other resources related to those objectives. The Group's main sources of liquidity are through borrowings, cash generated from its operations and equity injections. As of 31 December 2025, the Group had available cash resources of NOK 341,356 thousand, comprised of cash and cash equivalents of NOK 341,356 thousand (including NOK 13,950 thousand in restricted bank deposits). The Group operates, and holds cash resources, across multiple currencies. As of 31 December 2025, cash resources were mainly held in NOK, USD, GBP and EUR.

As of the date of the Prospectus, and on an as adjusted basis, the Group had approximately NOK 672,356 thousand in cash and cash equivalents and interest bearing debt of NOK 166,500 thousand (see also Section 9.3 "*Net financial indebtedness*"). For an overview of the Group's existing financing arrangements and maturity profile, see Section 11.6.4 "*Financing arrangements*".

The Group's liquidity requirements arise primarily from acquisitions of subsidiaries, research and development activities, fulfilment of covenants and to service debt. For an overview of the Group's material investments in progress or for which firm commitments have already been made and how those are intended to be funded, please refer to Section 11.9 "*Investments*".

11.6.2 *Restrictions on use of capital*

The Group is subject to covenants related to its NOK 405 million Facilities Agreement with Nordea. Failure to comply with financial or other covenants under these or other financing arrangements could result in increased borrowings costs, demands for additional security, or even cancellation or acceleration of repayment obligations. The facility contains the following customary covenants:

- Equity ratio at all times of at least 35%
- NIBD/EBITDA not to exceed 3.5

The Group has complied with these covenants throughout the financial year ended 31 December 2025.

For more information about the Group's financing arrangements, see Section 11.6.4 *"Financing arrangements"*.

11.6.3 *Summarized cash flow information*

The following table presents the Company's historical cash flows for the years ended 31 December 2025, 2024 and 2023.

Table 30 – Statements of cash flows	**As at 31 December**		
(Amounts in NOK thousands)	**2025**	**2024**	**2023**
Net cash generated from operating activities	208,416	130,170	47,736
Net cash generated from (used in) investing activities	23,469	(41,455)	(148,663)
Net cash generated from (used in) financing activities	(167,203)	14,027	110,301

11.6.3.1 Cash flow from operating activities

Net cash generated from operating activities was NOK 208,416 thousand in the year ended 31 December 2025 compared to NOK 130,170 thousand in the year ended 31 December 2024. The increase was primarily due to higher profitability during the year, partially offset by lower net inflows from changes in working capital and higher payments on income tax and interest compared to the previous period.

Net cash generated from operating activities was NOK 130,170 thousand in the year ended 31 December 2024 compared to NOK 47,736 thousand in the year ended 31 December 2023. The increase was primarily due to higher profitability during the year, in addition to favourable changes in working capital, including decreases in inventories and trade receivables and increases in contract liabilities.

11.6.3.2 Cash flow from investing activities

Net cash generated from (used in) investing activities was NOK 23,469 thousand in the year ended 31 December 2025 compared to NOK (41,455) thousand in the year ended 31 December 2024. In 2025, investing activities mainly comprised proceeds from the sale of the Klein building, whereas investing activities in 2024 mainly were related to the acquisition of RS Aqua. The increase was partially offset by higher cash outflows related to purchases of plant and equipment in 2025.

Net cash used in investing activities was NOK 41,455 thousand in the year ended 31 December 2024 compared to NOK 148,663 thousand in the year ended 31 December 2023. In 2024, investing activities mainly comprised the acquisition of RS Aqua, whereas investing activities in 2023 were mainly related to the acquisition of Klein. In addition, cash outflows for purchases of intangible assets and property, plant and equipment decreased from 2023 to 2024, while interest receipts increased.

11.6.3.3 Cash flow from financing activities

Net cash generated from (used in) financing activities was NOK (167,203) thousand in the year ended 31 December 2025 compared to NOK 14,027 thousand in the year ended 31 December 2024. The decrease was primarily due to net repayments on loans and borrowings in 2025, compared to net issue of loans and borrowings in 2024. In addition, the Group paid higher dividends to shareholders, amounting to NOK 40,000 thousand in 2024 compared to NOK 10,000 thousand in 2023.

Net cash generated from financing activities was NOK 14,027 thousand in the year ended 31 December 2024 compared to NOK 110,301 thousand in the year ended 31 December 2023. The decrease was primarily due to proceeds from the issuance of shares during 2023, as the Group performed a large private placement in 2023 whereby Ferd became a strategic owner in the Group. This was partially offset by net repayment of loans and borrowings in 2023 compared net issue of loans in borrowings in 2024. During 2023, the Group made an early repayment of a NOK 200,000 thousand loan following the share issue to Ferd.

11.6.4 *Financing arrangements*

As of 31 December 2025, the Group's external financing arrangements consisted of a NOK 255 million term loan facility (the **"Term Loan"**) and NOK 150 million revolving credit facility (the **"RCF"**) borrowed pursuant to a facilities agreement (the "**Facilities Agreement**") dated 23 December 2025 and entered into between the Company as borrower and Nordea Bank Abp, filial i Norge as arranger, original lender, agent and security agent. In addition, the Group has business loans at a fixed interest rate of 0.55% with monthly repayments (the **"Other Borrowings"**). The Other Borrowings terminate in 2026.

Table 31 – Loans and borrowings			
(Amounts in NOK thousands)	**Current**	**Non-current**	**Total**
2025			
Term loan	70,914	-	70,914
RCF	-	-	-
Other borrowings	50	-	50
TOTAL	**70,964**	**-**	**70,964**
2024			
Term loan	144,255	38,407	182,662
Other borrowings	169	-	169
TOTAL	**144,424**	**38,407**	**182,831**
2023			
Term loan	13,931	126,319	140,250
Other borrowings	134	161	295
TOTAL	**14,065**	**126,480**	**140,545**

11.6.4.1 The Facilities Agreement

The Facilities Agreement includes financial covenants requiring that Leverage shall not exceed 3.50:1 and Equity Ratio shall be no less than 35.00%. "Leverage" is defined as the ratio of Total Net Interest Bearing Debt to Adjusted EBITDA, where Total Net Interest Bearing Debt means aggregate interest-bearing debt less Cash and Cash Equivalents. "Equity Ratio" is defined as the ratio of Equity to Total Assets.

The Facilities Agreement also includes change of control provisions requiring minimum ownership thresholds of 15.00% for Ferd Go and 33.00% for Atle Lohrmann, with a post-Listing threshold of 33.33%, and permitting the lenders to accelerate all outstanding amounts upon a breach. In addition, a change of control will be deemed to occur if any other person or group of persons acting in concert other than Atle Lohrmann and Ferd acquires control of more than 33.33% of the Shares.

11.7 Financial risk and capital management

Please see note 5s of the 2025 Annual Financial Statements for an overview of the Group's financial risk management, i.e. currency risk, interest rate risk, credit risk and liquidity risk. As described in note 16 of the 2025 Annual Financial Statements, the Group holds foreign exchange forward contracts to reduce its exposure against foreign currency fluctuation, as well as interest rate swap agreements to reduce the exposure against floating interest rates.

11.8 Alternative performance measures on a reconciled basis

The following table presents the Group's key APMs for the periods presented. For the definitions and reconciliations of the APMs, please refer to Section 4.2.4 "*Alternative performance measures*".

Table 32 – Alternative Performance Measures	Year ended 31 December		
(Amounts in thousands of NOK)	**2025**	**2024**	**2023**
Gross Profit	844,802	641,659	567,992
Gross Margin	64.8%	66.7%	69.6%
EBIT	185,458	68,171	78,069
EBIT Margin	14.2%	7.1%	9.6%
EBITDA	250,276	128,368	128,218
EBITDA Margin	19.2%	13.4%	15.7%
EBITA	212,078	93,789	(17,196)
EBITA Margin	16.3%	9.8%	(2.1%)
Adj. EBITA	235,410	93,789	100,125
Adj. EBITA Margin	18.1%	9.8%	12.3%
ROCE	43.2%	12.3%	15.0%
NWC	189,053	199,832	223,843
NWC % of Revenue	14.5%	20.8%	27.4%
Equity Ratio	52.3%	54.6%	59.8%
NIBD/EBITDA	(1.1)	(0.8)	(0.3)
Net Cash	182,553	6,401	(48,406)
CAPEX	36,569	17,887	30,974
CAPEX % of Revenue	2.8%	1.9%	3.8%
Free Cash Flow	199,519	78,123	76,216
FCF Conversion	84.8%	83.3%	76.1%
EBITDA less CAPEX	213,707	110,481	97,244
EBITDA less CAPEX as % share of EBITDA	85.4%	86.1%	75.8%
EBITDA less CAPEX less ΔNWC	224,393	152,998	55,103
EBITDA less CAPEX less ΔNWC as % share of EBITDA	84.3%	119.2%	43.0%

11.9 Investments

11.9.1 *Historical investments*

Investments in 2023

On 21 August 2023, the Group acquired 100 percent ownership in Klein Marine Systems Inc from the US company Mind Inc. for a total cash consideration of NOK 122,164 thousand. Klein designs, manufactures, and sells advanced side-scan sonar systems for the oceanographic, hydrographic, and defence systems on a world-wide basis. The acquisition was financed through a drawdown on the Group's term loan facility with Nordea of USD 14 million, which was largely repaid in 2025, with the remainder rolled into the new Nordea facility agreed in 2025. For more information about the Group's financing arrangements, see Section 11.6.4 "*Financing arrangements*".

Investments in 2024

On 18 November 2024, the Group acquired 100 percent ownership in RS Aqua Holdings Ltd, RS Aqua Ltd and RS Aqua Technical Services Ltd (jointly referred to as "**RS Aqua**") for a total consideration of NOK 74,954 thousand. RS Aqua is a distributor of subsea products in the British Isles. The acquisition was settled through a cash consideration of NOK 55,559 thousand, issuance of 445,664 consideration shares in the Company, and a component of contingent consideration. The contingent consideration is payable based on the financial performance of the acquired business over the two-year period ending 31 August 2026 and was valued at NOK 5,338 thousand at the acquisition date. The net cash consideration of the acquisition was financed through a drawdown on the Group's term loan facility with Nordea of GBP 3 million, which was later refinanced in December 2025. For more information about the Group's financing arrangements, see Section 11.6.4 "*Financing arrangements*".

Investments in 2025

On 5 November 2025, the Group acquired 100 percent ownership in Code Wielder AS, following which the entity was rebranded to Ocean Synaptics AS ("**Ocean Synaptics**"), for a total consideration of NOK 170 thousand. Ocean Synaptics is a provider of ocean data and sensing solutions.

11.9.2 *Investments in progress or for which firm commitments have already been made*

In December 2025, General Oceans Inc., a subsidiary of the Company, entered into a SAFE (Simple Agreement for Future Equity) agreement with ReynKo Inc., a U.S. based company, to purchase the right to certain shares of ReynKo Inc.'s capital stock, in an aggregate amount of up to USD 4 million, on certain dates during the period ending on 30 June 2026. A SAFE investment is a contractual right to receive shares upon the occurrence of certain future events and is a widely accepted early-stage financing instrument in the U.S.

In addition, the Company is in negotiation stages regarding a contemplated acquisition of 100% of the share capital in a U.S.-based company engaged in the design and manufacture of subsea equipment complementary to the Group's existing product portfolio (the "**US target**"). The purchase price for the US Target is still under negotiation but expected to reflect previously paid valuation multiples, subject to final negotiations and customary purchase price adjustments. The contemplated acquisition is expected to be part-financed by the Term Loan under the Facilities Agreement.

Based on currently available information, the acquisition, if completed, is expected to have the following indicative impact on the Group, compared with the Group's audited financial statements for the financial year ended 31 December 2025:

- an increase of approximately 10% in revenues
- an increase of approximately 0% in profit
- an increase of approximately 4% in assets

11.9.3 *Joint venture and undertakings*

The Group has not entered into any joint ventures or commercial collaborations that would have a significant impact on the assessment of its assets and liabilities.

11.9.4 *Environmental issues affecting the Group's utilization of the tangible fixed assets*

As of the date of this Prospectus, the Company is not aware of any environmental issues that may have an effect on the utilization of any of the existing tangible fixed assets.

11.10 Related party transactions

11.10.1 *Related party transactions*

The below table provides an overview of transactions that the Group has entered into with related parties (outside the Group) for the relevant financial periods.

All transactions with related parties are conducted on what the Group considers as market terms. Other than the below, the Group has not carried out any related party transactions during the periods covered by the historical financial information included herein and up until the date of this Prospectus.

Table 33 – Related party transactions and balances	**Financial years ended 31 December**		
	2025	**2024**	**2023**
Income			
Hungry Horse AS	-	-	440
Ocean Illumination (CA)	-	-	-
Expense			
Hungry Horse AS	-	-	-
Ocean Illumination (CA)	2,309	732	932
Amounts owed by related parties			
Hungry Horse AS	-	-	12,327
Ocean Illumination (CA)	-	-	-

1) Ocean Illumination (CA)

Ocean Illumination (CA) ("**Ocean Illumination**") is a company founded and owned by Atle Lohrmann. During the years ended 31 December 2025, 2024 and 2023, Ocean Illumination provided software development services to Nortek.

2) Hungry Horse AS

Hungry Horse AS ("**Hungry Horse**") is a company wholly owned by Finn Ivar Marum, the CEO of Nortek AS until October 2024. In 2021, the Group entered into an agreement to provide a long-term loan to Hungry Horse. The long-term loan originally matured in 2029 and attracted interest according to section 5-12 of the Norwegian Tax Act. The loan was repaid early during the year ended 31 December 2024.

In 2024, Hungry Horse sold its shareholding in the Company to Ferd and Atle Lohrmann. Hungry Horse is no longer a shareholder of the Company.

11.10.2 *Investment in an associate*

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. See note 3 in the Annual Financial Statements for further information about the material accounting policies for investment in an associate.

The following entities have been included in the Annual Financial Statements using the equity method:

Table 34 – Investment in an associate	**Proportion of ownership interest at 31 December**		
	2025	**2024**	**2023**
Hefring Inc	25%	25%	25%

The table below provides a summarisation of the financial information related to the investment in an associate:

Table 35 Summarized financial information	**As at 31 December**	
(Amounts in NOK thousands)	**2024**	**2023**
Current assets	4,097	10,015
Non-current assets	246	257
Current liabilities	(10,249)	(1,973)
Non-current liabilities	(9,082)	(7,208)
NET ASSETS	**(14,989)**	**1,091**
GROUP SHARE OF NET ASSETS (25%)	**(3,747)**	**273**
Revenues	6,530	980
Loss of operations	(15,692)	(12,993)

As of 31 December 2025, the Group's 25% equity interest in Hefring Engineering Inc. is accounted for at a carrying amount of nil as the associate has ceased operations pending resolution of its future.

11.11 Critical accounting policies and estimates

In applying the Group's accounting policies, the Board is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed in note 4 in the Annual Financial Statements, attached hereto as Appendix B.

11.12 Significant changes

In December 2025, the Group entered into the Facilities Agreement with a total commitment of NOK 405 million, as described in Section 11.6.4 "*Financing agreements*". In January 2026, after the reporting date, the Group made a drawdown of NOK 80,000 thousand under the facilities, which was used to settle existing USD- and GBP-denominated term loans. As no amounts had been drawn as of the reporting date, the Term Loan and the RCF have not been recognised as borrowings in the Group's financial statements at year-end.

Other than the abovementioned and the payment of dividends of NOK 19.7 million for the financial year 2025 (see Section 6.1 "*Dividend policy*"), there have been no significant changes in the Group's financial position or financial performance since the financial period ended 31 December 2025 and up to the date of this Prospectus.

12 BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

12.1 Introduction

The Company's highest decision-making authority is the general meeting of shareholders. All shareholders in the Company are entitled to attend or be presented by proxy and vote at general meetings of the Company and to table draft resolutions for items to be included on the agenda for a general meeting.

The overall management of the Company is vested in the Company's Board of Directors and the management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business ensuring proper organisation, preparing plans and budgets for its activities, ensuring that the Company's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Company's CEO, is responsible for keeping the Company's accounts in accordance with prevailing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner.

12.2 Board of Directors

12.2.1 *Overview*

The Articles of Association provide that the Board of Directors shall consist of four to seven board members elected by the Company's shareholders. The names, positions and current term of office of the board members as of the date of this Prospectus are set out in the table below:

Table 36 – Overview of the members of the Company's Board of Directors

Name	Position	Served since	Term expires	Shares	Options
Trond Brandsrud	Chair	February 2026	2028	N/A	N/A [(1)]
Gustav Martinsen	Board member	February 2026[(2)]	2028	N/A	N/A
Asta Ellingsen Stenhagen	Board member	December 2023	2028	136,500	N/A
Tor Kim Steinsland	Board member	May 2023	2028	136,500[(3)]	N/A
Siw Ødegaard	Board member	December 2025	2028	N/A	N/A

1) 100,000 options intended to be granted upon Listing (see Section 12.6.1.2 "Option pool, grants and vesting status").

2) Mr. Martinsen served as interim chair from December 2025 to February 2026, having previously served as a board member from May 2025 to December 2025 and as deputy board member since December 2023.

3) Indirectly held through his wholly owned company Sesiso AS.

The Company's registered office at Vangkroken 2, 1351 Rud, Norway, serves as the business address for the Board Members in relation to their positions in the Company.

12.2.2 *Brief biographies of the Board of Directors*

The following sets out a brief introduction to each of the members of the Board of Directors:

Trond Brandsrud *– Chair*

Trond Brandsrud has over 40 years of financial experience, including 30 years in the oil and gas industry, and has served as CFO for listed and private equity-owned companies. He has also held CEO and other senior executive roles across a range of industries, including oil and gas, oil services, financial services and desalination. He has more than 10 years of experience as a non-executive director and chair of the board of both listed and private equity-owned companies across sectors such as renewable energy, shipping, biotechnology, real estate, fisheries and desalination. Mr. Brandsrud holds an MSc in Finance from the Norwegian School of Economics (NHH).

Current other directorships and management positions	Directorships: TGS ASA (chair), Waterise BV (board member), Aker Horizons ASA (chair), Aker BP ASA (board member), Lowell Group (board member), Lowell Finans AS (chair), Nordbrand Invest AS (chair). Management position(s): N/A
Previous directorships and management positions held during the last five years	Directorships: N/A

	Management position(s): Waterise AS (later merged with Waterise BV) (CFO)

Gustav Martinsen *– Board member*

Gustav Martinsen is an experienced investment professional at Ferd, where he has worked since 2016. He was part of the deal team for Ferd's investment in General Oceans and currently serves on the boards of General Oceans, Interwell AS, Norkart AS and Mintra Holding AS. Prior to joining Ferd, he was a consultant at the Boston Consulting Group.

Martinsen holds a Master of Science in Industrial Economics and Technology Management from the Norwegian University of Science and Technology (NTNU).

Current other directorships and management positions	Directorships: Interwell AS (board member), Norkart AS (board member), Mintra Holding AS (board member), Gus Invest (chair), Fomo Invest (chair). Management position(s): N/A
Previous directorships and management positions held during the last five years	Directorships: Servi AS (board member). Management position(s): N/A

Asta Ellingsen Stenhagen *– Board Member*

Asta Stenhagen is a lawyer and executive professional with over two decades of leadership across legal, finance and operational roles. Her background includes positions at Morrow Batteries, Tietoevry, Wilh. Wilhelmsen Group, and the law firm Thommessen, as well as numerous board positions in listed and private companies. She has served, among other roles, as General Counsel at Morrow Batteries ASA, General Counsel and Head of Legal, Security and Compliance at Tietoevry Corp., Executive Vice President of Legal and Risk at EVRY ASA, and Legal Counsel at Wilh. Wilhelmsen Holding ASA.

Stenhagen holds a Cand. Jur (Master of Law) Degree from the University of Oslo (UiO), supplemented by legal studies at University of Aarhus (Denmark), project management studies at UiO and executive board competence program from BI Norwegian Business School.

Current other directorships and management positions	Directorships: Cyviz AS (board member), Hydrogenpro ASA (Chair), ComplAI AS (Chair), Board & Counsel advokat AS (Chair). Management position(s): Board & Counsel advokat AS (GM)
Previous directorships and management positions held during the last five years	Directorships: Papirflygroup AS (board member), Pexip ASA (board member), EVRY Norge AS (chair), Eye-share AS (board member), Allianse Drift AS (chair). Management positions: Morrow Batteries ASA (EVP Legal and Compliance), Tietoevry Corporation (General Counsel, Head of legal, security, compliance and risk), EVRY ASA (EVP)

Tor Kim Steinsland *– Board Member*

Tor Kim Steinsland is the Managing Director of the Norwegian technology company Scanmatic AS and has extensive experience working within technology for field instrumentation, control systems and hydroacoustic. Prior to his current role in Scanmatic AS, he played a central part in the merger and creation of Volue ASA in 2020, where he served as Executive Vice President with responsibility for the IoT division.

Steinsland has served on several boards, including Nortek (2018–2021). He holds an MSc in Engineering Cybernetics from NTNU and a BSc in Industrial Electronics, in addition to Innovation Management studies at INSEAD.

Current other directorships and management positions	Directorships: Scanmatic Sverige AB (chair), Scanmatic Denmark ApS (chair), Sesiso AS (chair). Management position: Scanmatic AS (CEO)

Previous directorships and management positions held during the last five years	Directorships: Sparebanken Sør (deputy board member). Management position: Volue ASA (EVP)

***Siw Ødegaard** – Board Member*

Siw Ødegaard has a strong background in business development, finance, listing processes, investor relations and mergers & acquisitions, gained over nearly three decades within the tech, telecom and IT sectors. She has held executive roles in listed companies including Link Mobility (CFO, Head of IR, and EVP M&A), Ayfie Group (CEO and CFO) and EcoOnline (CFO, Head of IR, and Head of ESG). She also holds several current and past board positions in both listed and private companies.

Ødegaard holds an International Baccalaureate from United World College of the Adriatic, a Bachelor of Arts from University of London and Master of Management Programmes from BI Norwegian Business School. She has also Executive Board Program from INSEAD.

Current other directorships and management positions	Directorships: Webstep ASA (board member and Head of Audit Committee), Forte Group AS (board member), Spense AS (board member), Kvinnesiden AS (chair), The People Company AS (board member), Snarøya Tennis Club (chair). Management position: Kvinnesiden AS (CEO).
Previous directorships and management positions held during the last five years	Directorships: Lexit Group AS (board member), Nordic Unmanned ASA (board member), Companies in the EcoOnline/Apax Group (board member) Management positions: EcoOnline Group (CFO and Head of IR), Ayfie Group (CEO and CFO).

12.3 Management

12.3.1 *Overview*

The Management consists of two individuals. The names, positions, and current holdings of the Company's shares and options for each member of Management as of the date of this Prospectus are set out in the table below:

Table 37 – Overview of the members of the Company's management

Name	Position	Employed with the Group since	Shares	Options
Atle Lohrmann	President / Chief Executive Officer ("**President**")	2021	96,923,076*	N/A
Anton Van Heerden	Chief Financial Officer (CFO)	2022	N/A	N/A

** Approximately 2.1 million of the 96,923,076 shares held by Atle Lohrmann (representing approximately 1.25% of the total Shares in the Company) are subject to an ongoing legal dispute, which is considered to be without merit.*

General Oceans Ltd's address at 4th Floor, 78 Duke Street, London, United Kingdom W1K 6JQ serve as c/o address for the members of the Management in relation to their employment with the Group.

12.3.2 *Biographies of the members of management*

The following sets out a brief introduction to each of the members of the Management:

Atle Lohrmann – President

Atle Lohrmann is the founder of several companies in the oceanographic sensor space and, from 1999 onward, focused on developing Nortek into an international technology company. Under his leadership, Nortek opened subsidiary offices in eight countries, launched technical expertise centers in Europe and the United States, and established a global network of representatives. Lohrmann has significant experience in the underwater technology industry, including working for large corporates developing products and solutions for the market.

Lohrmann holds an MSc in physical oceanography and applied mathematics from the University of Oslo (UiO) and holds several pivotal patents in the industry.

Current other directorships and management positions	Directorships: Hefring AS (chair), the General Oceans Foundation (chair), Nortek AS (chair) Management position(s): N/A

Previous directorships and management positions held during the last five years	Directorships: N/A Management position(s): N/A

Anton Van Heerden – CFO

Anton Van Heerden brings over 20 years of international financial experience across subsea services, staffing, consulting, property, renewables and telecommunications. He has held senior finance roles including CFO at Tequila Group, a privately held investment group investing in property and disruptive technologies, Finance Director of the European Division of the K2 Group, a large technology and talent placement agency, and Group Controller for Deep Ocean Group, a subsea services provider. Van Heerden brings a wealth of experience successfully managing finance teams from incubation to maturity.

Van Heerden holds an MBA from the University of Liverpool, degrees in accountancy, and is a registered Chartered Accountant with SAICA.

Current other directorships and management positions	Directorships: N/A Management position(s): N/A
Previous directorships and management positions held during the last five years	Directorships: N/A Management position: Tquila Group (GFD)

12.4 Remuneration and benefits

12.4.1 *Remuneration of the Board of Directors*

The below table sets forth the amount of remuneration paid by the Company to its board members for the financial year ended 31 December 2025.

Table 38 – Remuneration of the Board of Directors

Name	Position	Salary *(In NOK)*	Benefits in kind *(In NOK)*	Bonus *(In NOK)*	Pensions costs *(In NOK)*	Total remuneration *(In NOK)*
Trond Brandsrud	Chair	N/A	N/A	N/A	N/A	N/A
Gustav Martinsen	Board member	-	-	-	-	-
Asta Ellingsen Stenhagen	Board member	265,942	-	-	-	265,942
Tor Kim Steinsland	Board member	265,942	-	-	-	265,942
Siw Ødegaard	Board member	N/A	N/A	N/A	N/A	N/A

12.4.2 *Remuneration of the Management*

The below table sets forth the amount of remuneration paid by the Company to its executive management for the financial year ended 31 December 2025.

Table 39 – Remuneration of the Management

Name	Position	Salary *(In NOK thousands)*	Benefits in kind *(In NOK thousands)*	Bonus *(In NOK thousands)*	Pensions costs *(In NOK thousands)*	Total remuneration *(In NOK thousands)*
Atle Lohremann	President	1,624	-	-	-	1,642
Anton Van Heerden	CFO	2,052	-	-	342	2,394

12.5 Employees

As of the date of this Prospectus, the Group had 380 direct employees and 18.5 indirect employees (FTEs).

The table below shows the development in the number of employees in the Group for the years ended 31 December 2025, 2024 and 2023.

Table 40 – Employees*	As at 31 December 2025	As at 31 December 2024	As at 31 December 2023
	372	334	337

* The number of employees represents headcount, comprising full-time and part-time employees (not FTEs).

12.6 Incentive programs

12.6.1 *Long-term incentive program*

The Company has implemented a long-term incentive program in the form of an option scheme for eligible employees (the "**Program**"). The Program consists of two separate schemes: (i) a stock option scheme for eligible employees in the United States, and (ii) a share option scheme for eligible employees in other jurisdictions, including Norway. The program differs slightly for US employees (stock options) vs. non-US employees (share options). The program includes an initial pool of awarded options to recipients, where the final number of awarded options/number of shares are determined based on certain key performance indicators ("**KPIs**") for the relevant financial year as set out in the individual awards.

The purpose of the Program is to motivate and retain key personnel and to align their interests with those of the Company and the wider Group.

12.6.1.1 Key terms and conditions

The Program may in total comprise up to 5% of the Company's outstanding Shares. It covers key personnel across the various companies within the Group, with individual allocations determined by the Board. The options must be exercised within five years from the vesting date, while the stock options must be exercised upon vesting. Each option entitles the holder to subscribe for or acquire one share in the Company at a strike price set by the Board on the basis of fair market value at the time of grant. Options may only be exercised during defined exercise periods. All options will automatically lapse if the participant's employment or engagement with the Group is terminated for reasons attributable to the participant. Shares acquired through the Program will be subject to transfer restrictions and related covenants.

12.6.1.2 Option pool, grants and vesting status

The total pool for the options is 3,150,000, equal to 1.92% of the outstanding shares, with the final option award per participant being subject to a board resolution. The 675,000 stock options have an exercise price of NOK 11.6667, while the 2,475,000 share options have an exercise price of NOK 13.3333.

450,000 options vest on 31 December 2029, while the remaining 2,700,000 options (of which 675,000 are stock options) vest on 31 December 2028, subject to options being finally awarded by the board post-year end. As of the date of this Prospectus, no options have vested.

The shares acquired under the share options will be subject to a stand-still of 180 days after the exercise where they cannot be sold.

Neither the President nor the CFO, and none of the members of the Board of Directors, hold any share options in the Company. However, in connection with the Listing, the Chair of the Board of Directors is intended to be granted 100,000 share options under a separate arrangement. Such options are expected to vest over a three-year period and be granted on terms largely similar to the Company's share option scheme (subject to certain adjustments reflecting that the grant is made to the Chair of the Board and not management).

The Company contemplates revising its Program following the Listing and does not intend to establish any additional option pools under the current Program, although awards may continue to be granted under the existing framework.

12.6.2 *Short-term incentive program*

The Company has also implemented a short-term incentive program in the form of a bonus scheme for the team based in the UK (the "**IPO Bonus Scheme**"). The IPO Bonus Scheme was established to incentivise and reward the UK-based team responsible for delivering the Listing and reflects both the importance of the Listing to the Company and the cost savings achieved by retaining a significant portion of the related work in-house.

The bonus opportunity is differentiated by role, with the CFO eligible for a bonus of 60% of annual salary and other participating employees eligible for a bonus of 40% of annual salary. Bonuses are paid on a staggered basis following the Listing, with 50% payable upon completion of the Listing, 25% payable six months post-Listing, and 25% payable twelve months post-Listing.

Payment of bonuses under the IPO Bonus Scheme is conditional upon continued employment at the relevant payment date, and no payment will be made to employees who have resigned, are serving notice, or whose employment has been terminated for disciplinary or performance-related reasons. Employees whose employment is terminated by reason of redundancy retain the right to receive their full bonus entitlement.

12.7 Benefits upon termination

As of the date of this Prospectus, the members of the Management are employed under standard employment contracts with General Oceans Ltd. The contracts include customary notice periods and provide for payment of basic salary in lieu of notice in the event of termination by the company. Any such payment does not include bonus, pension, other benefits or holiday accrual, and no additional severance or termination benefits apply. The President and the CFO are subject to 6 months' and 3 months' notice periods, respectively.

12.8 Pension and retirement benefits

The Group provides defined contribution retirement benefit plans for all employees, including members of Management, in accordance with applicable statutory requirements. The total amount recognised as an expense in respect of pension, retirement or similar benefits for senior management for the financial year ended 31 December 2025 amounted to NOK 342 thousand (2024: NOK 412 thousand and 2023[32]: NOK 647 thousand). No members of Management have an individual pension scheme outside the Group's defined contribution scheme.

No amounts were set aside or accrued for pension, retirement or similar benefits for members of the Board of Directors during the financial years ended 31 December 2025, 2024 or 2023.

12.9 Audit committee

The Board of Directors has established an audit committee. The appointed members of the audit committee are Siw Ødegaard (committee chair), Asta Ellingsen Stenhagen and Trond Brandsrud. The composition of the audit committee fulfils the requirement for qualifications and competence in accounting and auditing under the Norwegian Public Limited Liability Companies Act.

The function of the audit committee is to prepare matters to be considered by the Board of Directors and to support the Board of Directors in the exercise of its management and supervisory responsibilities relating to financial reporting, statutory audit and internal control.

The audit committee reports to the Board for the execution of its tasks and the work of the audit committee in no way reduces the responsibilities of the Board and its individual members.

12.10 Corporate Governance

The Company has adopted and implemented a corporate governance regime which complies with the Norwegian Code of Practice for Corporate Governance, dated 28 August 2025 (the "**Corporate Governance Code**"), with the following exeptions:

- The Company has not established a nomination committee as recommended by the Corporate Governance Code. This represents a deviation from section 7 of the Corporate Governance Code. The Company uses external professional advisors to support the search and interview process and to propose candidates for election to the Board, while, to the extent practicable, adhering to the recommendations of the Corporate Governance Code regarding Board composition. The Company may at a later time assess whether to establish a nomination committee, inter alia considering the composition of shareholders after the Listing.

- The Board has not established a remuneration committee as recommended by the Corporate Governance Code. It is the Board's assessment that given the matters pertaining to remuneration of the Company's executive management can be dealt with by the Board directly without the need to have a dedicated preparatory committee. Members of the Board who are not considered independent of the Company's executive personnel will not participate in the Board's deliberations regarding remuneration.

- The Company may in exceptional cases resolve to grant special compensation to members of the Board, including in the form of share options or other financial instruments. Any such compensation shall be linked to, or otherwise encourage, the acquisition of shares in the Company, subject to appropriate lock-up arrangements. Any such compensation will be considered and proposed by the Board on a case-by-case basis. This represents a deviation from section 11 of the Corporate Governance Code.

Neither the Board of Directors nor the Company's general meeting of shareholders have adopted any resolutions which are deemed to have a material impact on the Group's corporate governance regime.

12.11 Conflict of interests

Trond Brandsrud, Chair of the Board of Directors, currently serves as chair of the board of Aker Horizons ASA. Aker Horizons ASA is currently in the process of applying for delisting of its shares from Euronext Oslo Børs, and a liquidation of the company is

[32] 2023 figure includes the CEOs of the subsidiaries within the Group.

expected to occur during the second quarter of 2026. Other than that, during the last five years preceding the date of this Prospectus, none of the board members or the members of the Management has, or had, as applicable:

- any convictions in relation to fraudulent offences;
- been involved in any bankruptcies, receiverships, liquidations or companies put into administration where he/she has acted as a member of the administrative, management or supervisory body of a company, nor as partner, founder or senior manager of a company; or
- received any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), nor been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of affairs of any issuer.

There are currently no actual or potential conflicts of interest between the Company and the private interests or other duties of any of the members of the Management or the Board of Directors, including any family relationships between such persons.

12.12 Other information

Board member Gustav Martinsen is employed as an investment professional at Ferd AS. Ferd, a wholly-owned subsidiary of Ferd AS, is a major shareholder of the Company and a Selling Shareholder in the Offering.

13 CORPORATE INFORMATION AND DESCRIPTION OF THE SHARES

This Section includes a summary of certain information relating to the Company's shares and certain shareholder matters, including summaries of certain provisions of applicable law in effect as of the date of this Prospectus. The mentioned summaries do not purport to be complete and is qualified in its entirety by the Articles of Association (attached hereto as Appendix A) and Norwegian law.

13.1 Company corporate information

The Company's legal and commercial name is General Oceans ASA. The Company is a public limited liability company organized and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act. The Company's registration number in the Norwegian Register of Business Enterprises is 927 002 264 and its legal entity identifier (LEI) is 984500F024BDA76D7H08.

The Company was incorporated in Norway on 7 April 2021 as a private limited liability company and converted to a public limited liability company following the annual general meeting held on 27 February 2026.

The Shares have been created under the Norwegian Public Limited Liability Companies Act. The Shares are registered in book-entry form with the ESO under ISIN NO 0013713115. The Company's register of shareholders in the ESO is administrated by the ESO Registrar.

The Company's registered office is located at Vangkroken 2, 1351 Rud, Norway. The Company's management and corporate office is c/o is General Oceans Ltd at 4th Floor, 78 Duke Street, London, United Kingdom W1K 6JQ, with phone number +44 07935 376 604. The Company's website can be found at www.generaloceans.com. The content of the Company's website is not incorporated by reference into, nor otherwise forms part of, this Prospectus.

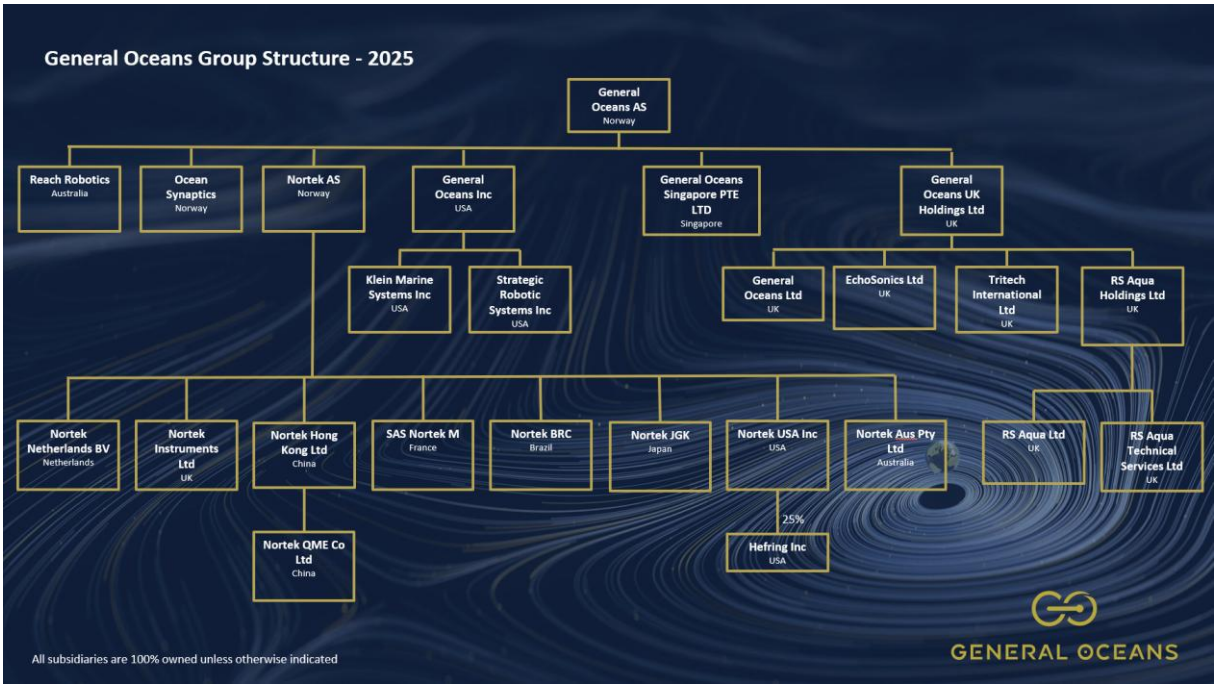
13.2 Organisational structure

The Company functions as the holding company and the ultimate parent company of the Group. The Company is not an operative entity, and the Group's operations are thereby carried out through the Company's subsidiaries and affiliates. The following table sets out information about the Company and its subsidiaries and affiliates:

Table 41 – Group structure

Company	Tiered subsidiary	Country of incorporation	Reg. No	Holdings
Reach Robotics Pty Ltd	First-tier	Australia	23 616 073 735	100%
Nortek AS	First-tier	Norway	996 707 415	100%
Nortek Netherlands BV	Second-tier	Netherlands	272 50 791	100%
Nortek Instruments Ltd	Second-tier	UK	045 40 022	100%
Nortek Hong Kong Ltd	Second-tier	China	759 53 793	100%
Nortek Qingdao Measuring Equipment Co Ltd	Third-tier	China	913702007439833000	100%
SAS Nortek Mediterrannee	Second-tier	France	504 466 145 00027	100%
Nortek Brasil Representacoes Consultoria	Second-tier	Brazil	25739184 DIC/RJ	100%
Nortek Japan GK	Second-tier	Japan	1010403014784	100%
Nortek USA Inc	Second-tier	USA	47-1785783	100%
Hefring Inc	Third-tier	USA	33-0821655	25%
Nortek Australia Pty Ltd	Second-tier	Australia	50 146 637 541	100%
General Oceans Inc	First-tier	USA	13696554	100%
Klein Marine Systems Inc	Second-tier	USA	732415	100%
Strategic Robotic Systems Inc	Second-tier	USA	5430801	100%
General Oceans Ltd	Second-tier	UK	13696554	100%
General Oceans Singapore Pte Ltd	First-tier	Singapore	202417412H	100%
General Oceans UK Holdings Ltd	First-tier	UK	SC308386	100%

EchoSonics Ltd	Second-tier	UK	14914707	100%
Tritech International Ltd	Second-tier	UK	SC085501	100%
RS Aqua Holdings Limited	Second-tier	UK	08925637	100%
RS Aqua Limited	Third-tier	UK	01661817	100%
RS Aqua Technical Services Ltd	Third-tier	UK	11989122	100%
Ocean Synaptics AS	First-tier	Norway	931 690 345	100%



As at the date of this Prospectus, the Company is of the opinion that its holdings in the entities specified above are likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.

13.3 Share capital and share capital history

As of the date of this Prospectus, the Company's current share capital is NOK 5,726,816.622 divided on 168,435,783 Shares, each with a nominal value of NOK 0.034. All Shares are validly issued, fully paid and non-assessable.

The Company has only one class of Shares. Accordingly, there are no differences in the voting rights among the Shares. Each Share carries one vote, and all Shares carry equal rights in all respects, including rights to dividends. As of the date of the Prospectus, the Company holds 4,633,290 treasury shares, each with a nominal value of NOK 0.034.

The table below shows the development in the Company's share capital for the period covered by the historical financial information, i.e. from 2023 and up to the date of this Prospectus:

Table 42 – Developments in the share capital

Date registered	Type of change	Type of issue	Change in share capital (NOK)	Share capital (NOK)	Subscription price (NOK/share)	Par value (NOK/share)	Issued shares	Total shares
May 2023	Share split	Share split in ratio 1:35	-	4,858,385	-	0.1	-	48,583,850
January 2024	Share capital increase	Issuance of new shares	711,575	5,569,959.70	31.54	0.1	7,115,747	55,699,597
February 2025 2024[1]	Share capital increase	Issuance of new shares	44,566.40	5,614,526.10	31.54	0.1	445,664	56,145,261
December 2025	Share capital increase	Issuance of bonus shares	112,290.52	5,726,816.62	-	0.102	122,290,522	56,145,26
December 2025	Share split	Share split in ratio 1:3	-	5,726,816.62	-	0.034	-	168,435,783

(1) Relates to the acquisition of RS Aqua in 2024, resolved by the EGM held on 24 October 2024.

(2) Relates to the board options exercised

The Company carried out a share capital increase by bonus issue and a share split in the ratio of 1:3 prior to the Listing and the Offering, as set out in table 42 above, in order to achieve an appropriate number of shares and share price. Consequently, the number of shares presented in the Annual Financial Statements does not correspond to the number of shares outstanding at the time of the Listing and the Offering.

13.4 Admission to trading

The Company will on or about 17 March 2026 apply for admission to trading of its Shares on Euronext Oslo Børs, and Euronext Oslo Børs is expected to consider the listing application on or about 20 March 2026. The Company expects that the listing application will be approved subject to certain conditions being met, see Section 14.20 "*Conditions for completion of the Offering*". The Company expects to satisfy such conditions in connection with the Offering.

The Company currently expects commencement of trading in the Shares on Euronext Oslo Børs on or about 26 March 2026 under the ticker symbol "GENO".

13.5 Board authorisation to issue shares

As of the date of this Prospectus, the Company is in total authorised to increase the share capital with up to NOK 2,863,408.31 equivalent to a total of 84,217,891 Shares, with a par value of NOK 0.034, and a description of each authorisation are included below.

The Board of Directors are furthermore authorised to acquire own shares with a maximum share capital value of up to NOK 572,681.66 equivalent to a total of 16,843,578 Shares with a par value of NOK 0.034.

13.5.1 *Board authorisation - general*

At an annual general meeting held 27 February 2026, the Board was granted an authorisation to increase the Company's share capital with up to NOK 1,145,363.32 in one or more share capital increases through issuance of new shares. The authorisation can be used in situations described in section 6-17 of the Norwegian Securities Trading Act. The shareholders' preferential rights to subscribe shares can be set aside by use of the authorisation. The authorisation is valid until the annual general meeting in 2027, but no later than 30 June 2027.

13.5.2 *Board authorisation – listing purposes*

At an annual general meeting held 27 February 2026, the Board was granted an authorisation to increase the Company's share capital with up to NOK 1,431,704.16 in one or more share capital increases through issuance of new shares. The authorisation may be used in connection with share capital increases against cash contribution in connection with the Listing and Offering. The shareholders' preferential rights to subscribe for shares can be set aside by use of the authorisation. The authorisation is valid until the annual general meeting in 2027, but no later than 30 June 2027.

13.5.3 *Board authorisation – incentive programs*

At an extraordinary general meeting held 27 February 2026, the Board was granted an authorisation to increase the Company's share capital with up to NOK 286,340.83 in one or more share capital increases through issuance of up to 8,421,789 new shares in connection with incentive programs. The shareholders' preferential rights to subscribe shares can be set aside by use of the authorisation. The authorisation is valid until the annual general meeting in 2027, but no later than 30 June 2027.

13.6 Authorisation to acquire treasury Shares

At an extraordinary general meeting held 27 February 2026, the Board was granted an authorisation to acquire own shares with a total nominal value up to NOK 572,681.66. The maximum amount that can be paid per share is NOK 1,000, and the lowest amount that can be paid per share is NOK 0.034. If changes to the share capital occur prior to the utilisation of this authorisation, this authorisation shall be adjusted accordingly to reflect the new share capital and/or the new nominal value of the shares. The purpose of the authorisation was to provide the Board with flexibility to adjust the Company's capital structure, as well as to enable the use of own shares in connection with incentive schemes for employees, management and/or members of the Board, or in connection with acquisitions and other strategic transactions. The authorisation shall apply on a rotating basis so that it can be used several times as long as the Company's acquisition of own shares does not result in the share capital less the total nominal value of the holding of own shares being less than the minimum permitted share capital. The authorisation is valid until the annual general meeting in 2027, but no later than 30 June 2027.

13.7 Shareholder rights

The Company has one class of Shares in issue, and in accordance with the Norwegian Public Limited Liability Companies Act, all Shares in that class provide equal rights in the Company, including the rights to dividends. Each of the Company's Shares carries one vote. The rights attaching to the Shares are described in Section 13.12 *"The Articles of Association and certain aspects of Norwegian law*".

13.8 Takeover bids and forced transfer of shares

The Articles of Association do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Company.

The Company has not received any takeover bids since its inception.

13.9 Change in control

As of the date of this Prospectus, to the knowledge of the Company, there are no arrangements or agreements, which may at a subsequent date result in a change in control in the Company, other than as described with respect to the change of control provisions in the Facilities Agreement (see Section 11.6.4.1 "*The Facilities Agreement*", Section 13.11 "*Ownership structure*", and the risk factors in Sections 2.3.3 "*The Group is subject to risks related to restrictions and financial covenants in its financial arrangements*" and Section 2.4.2 "*Future expected or actual sales of the Shares can affect the market price of the Shares and liquidity in the Shares may be affected by ownership concentration and lock-up arrangements for certain stakeholders*").

13.10 Transferability of the Shares

The Shares are freely transferable pursuant to the Company's articles of association, meaning that a transfer of Shares is not subject to the consent of the Board of Directors or rights of first refusal. Pursuant to the Company's articles of association, the Company's Shares shall be registered in the ESO.

13.11 Ownership structure

Upon the Listing, the Company will have approximately 20 registered shareholders in the ESO. All Shares in the Company, including Shares held by the Company's major shareholders, have equal voting rights.

An overview of shareholders holding 5% or more of the Shares of the Company as of the date of this Prospectus is set out below:

Table 43 – Overview of major shareholders

#	Shareholder	No. of Shares	Percentage
1	Atle Lohrmann	96,923,076*	57.54%
2	Ferd Go Holding AS	55,898,370	33.18%

** Approximately 2.1 million of the 96,923,076 shares held by Atle Lohrmann (representing approximately 1.25% of the total Shares in the Company) are subject to an ongoing legal dispute, which is considered to be without merit.*

Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. See Section 16.8 "*Disclosure obligations*" for a description of the disclosure obligations pursuant to the Norwegian Securities Trading Act.

It is expected that Atle Lohrmann will maintain an ownership of more than 33.33% after completion of the Offering, meaning that Mr. Lohrmann will be able to exercise indirect control over the Company (see Section 11.6.4.1 "*The Facilities Agreement*"). Other than that, the Company is not aware of any persons or entities who, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company. The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.

No particular measures are initiated to ensure that control is not abused by large shareholders. Minority shareholders are protected from abuse by relevant regulations in inter alia the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Act. See Sections 13.12 *"The Arcticles of Association and certain aspects of Norwegian law"* and 16.11 "*Compulsory acquisition*" for further information.

13.12 The Articles of Association and certain aspects of Norwegian law

13.12.1 *The Articles of Association*

The Company's Articles of Association are set out in Appendix A to this Prospectus. Below is a summary of certain of the provisions of the Articles of Association (office translation).

Company name

Pursuant to section 1, the Company's name is General Oceans ASA. The company is a public limited liability company.

Purpose of the Company

Pursuant to section 3, the Company's is the parent company of an internationally focused technology group delivering advanced ocean technology solutions in selected niche markets. The business of the company is investment in shares and other assets, as well as activities related thereto, including providing funding, strategic and management services to the companies in its portfolio.

Share capital and nominal value

Pursuant to section 4, the Company's share capital is NOK 5,726,816.622 divided on 168,435,783 Shares, each with a nominal value of NOK 0.034.

Board of Directors

Pursuant to section 5, the board of directors shall consist of between five to seven board members.

Signature

Pursuant to section 6, two board members jointly are authorized to sign on behalf of the company.

General meetings

Pursuant to section 7, the Board convenes general meetings by written notice to all shareholders with a known address. The notice is sent at least 21 days before the general meeting is to be held unless the legislation allows for a shorter notice period. Documents concerning matters to be dealt with at the general meeting shall either be sent as attachments to the notice or made available to shareholders on the Company's website at the same time as the notice is sent. A shareholder may still request to receive the documents by mail. The Company cannot charge any form of fee for sending documents to shareholders. The annual general meeting shall address and resolve the following: (i) approval of the annual accounts and the annual report, including distribution of dividends, (ii) determination of remuneration to the Board and nomination committee and approval of remuneration to the auditor, (iii) election of board members and auditor, (iv) any other matters which according to the law or the articles of association shall be considered by the general meeting.

Change of control

There are no provisions in the Articles of Association that would have an effect of delaying, deferring or preventing a change in control of the Company.

13.12.2 *Certain aspects of Norwegian law*

13.12.2.1 General meeting of shareholders

Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held on or prior to 30 June of each year. Norwegian law requires that written notice of annual general meetings setting forth the time of, the venue for and the agenda of the meeting be sent to all shareholders with a known address no later than 21 days before the annual general meeting of a Norwegian public limited liability company listed on a stock exchange or a regulated market shall be held, unless the articles of association stipulate a longer deadline, which is not currently the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy appointed at their own discretion. All of the Company's shareholders who are registered in the register of shareholders maintained with the ESO as of the date of the general meeting, or who have otherwise reported and documented ownership to Shares, are entitled to participate at general meetings.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the Board of Directors considers it necessary. An extraordinary general meeting of shareholders must also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 5% of the share capital demands this in writing. The requirements for

notice and admission to the annual general meeting also apply to extraordinary general meetings. However, the annual general meeting of a Norwegian public limited liability company may with a majority of at least two-thirds of the aggregate number of votes cast, as well as of least two-thirds of the share capital represented at a general meeting resolve that extraordinary general meetings may be convened with a 14 days' notice period until the next annual general meeting, provided that the Company has procedures in place allowing shareholders to vote electronically. This has currently not been resolved by the Company's general meeting of shareholders.

Each of the Company's Shares carries one vote. In general, decisions that shareholders are entitled to make under Norwegian law or the Articles of Association may be made by a simple majority of the votes cast. In the case of elections or appointments, the person(s) who receive(s) the greatest number of votes cast are elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend the Articles of Association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants by the Company or to authorise the Board of Directors to purchase Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as of least two-thirds of the share capital represented at a general meeting. Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the Articles of Association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting in question vote in favour of the resolution, as well as the majority required for amending the Articles of Association.

In general, only a shareholder registered in the ESO is entitled to vote for such Shares. Beneficial owners of the Shares that are registered in the name of a nominee are generally not entitled to vote under Norwegian law, nor is any person who is designated in the ESO register as the holder of such Shares as nominees. Investors should note that there are varying opinions as to the interpretation of the right to vote on nominee registered shares. In the Company's view, a nominee may not meet or vote for Shares registered on a nominee account ("**NOM-account**"). A shareholder must, in order to be eligible to register, meet and vote for such Shares at the general meeting, transfer the Shares from such NOM-account to an account in the shareholder's name. Such registration must appear from a transcript from the ESO at the latest at the date of the general meeting.

There are no quorum requirements that apply to the general meetings.

13.12.2.2 Additional issuances and preferential rights

If the Company issues any new Shares, the Articles of Association must be amended, which requires the same vote as other amendments to the Articles of Association. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. Preferential rights may be derogated from by resolution in a general meeting passed by the same vote required to amend the Articles of Association. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

The general meeting may, by the same vote as is required for amending the Articles of Association, authorise the Board of Directors to issue new Shares, and to derogate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the registered nominal share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity or from the Company's share premium reserve and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new shares to the Company's existing shareholders or by increasing the nominal value of the Company's outstanding Shares.

Issuance of new Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United States under United States securities laws. Should the Company in such a situation decide not to file a registration statement, the Company's U.S. shareholders may not be able to exercise their preferential rights. If a U.S. shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all and the rights would be sold on the shareholder's behalf by the Company.

13.12.2.3 Minority rights

Norwegian law sets forth a number of protections for minority shareholders of the Company, including but not limited to those described in this paragraph and the description of general meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the Board of Directors or the Company's shareholders made at the general meeting

declared invalid on the grounds that it unreasonably favors certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may also petition the courts to dissolve the Company as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary dissolution of the Company.

Minority shareholders holding 5% or more of the Company's share capital have a right to demand in writing that the Board of Directors convene an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Company is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the general meeting has not expired.

13.12.2.4 Rights of redemption and repurchase of Shares

The share capital of the Company may be reduced by reducing the nominal value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not exceed 10% of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the general meeting of the Company cannot be granted for a period exceeding 24 months.

13.12.2.5 Shareholder vote on certain reorganisations

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the general meeting of the shareholders passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the general meeting. A merger plan, or demerger plan signed by the Board of Directors along with certain other required documentation, would have to be sent to all the Company's shareholders, or if the Articles of Association stipulate that, made available to the shareholders on the Company's website, at least one month prior to the general meeting to pass upon the matter.

13.12.2.6 Liability of board members

Members of the Board of Directors owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the board members act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Members of the Board of Directors may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the general meeting to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the general meeting of the Company's shareholders passing upon the matter. If a resolution to discharge the board members from liability or not to pursue claims against such a person has been passed by a general meeting with a smaller majority than that required to amend the Articles of Association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the board members from liability or not to pursue claims against the board Members is made by such a majority as is necessary to amend the Articles of Association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

13.12.2.7 Indemnification of board members

Neither Norwegian law nor the Articles of Association contains any provision concerning indemnification by the Company of the Board of Directors. The Company is permitted to purchase insurance for its board Members against certain liabilities that they may incur in their capacity as such.

13.12.2.8 Distribution of assets on liquidation

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.

13.13 Shareholder agreements

The Company is not aware of any shareholders' agreements related to the Shares which will be in force upon completion of the Listing.

14 THE TERMS OF THE OFFERING

This Section sets out the terms and conditions pursuant to which all applications for Offer Shares in the Offering are made. Investing in the Offer Shares involves inherent risks. In making an investment decision, each investor must rely on their own examination, analysis of and enquiry into the Company and the terms of the Offering, including the merits and risks involved. None of the Company or the Managers, or any of their respective representatives or advisers, is making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase or subscription of the Offer Shares. Each investor should read this Section in conjunction with the other parts of the Prospectus, in particular Section 2 "Risk Factors".

14.1 Overview of the Offering

The Offering consists of (i) an offer of up to 23,809,523 New Shares to raise gross proceeds of approximately NOK 500 million by the issuance of New Shares in the Company and (ii) an offer of up to 26,190,477 Sale Shares all of which will be existing, validly issued and fully paid-up registered Shares with a nominal value of NOK 0.034 each, offered by the Selling Shareholders as further specified in Section 14.21 "*Selling Shareholders*".

The Selling Shareholders will not have the right to increase the Offering by any additional existing Shares, and no upsize option will apply. The Offer Price at which the Offer Shares will be sold is NOK 21.00 (corresponding to a pre-money equity valuation of NOK 3,440 million).

In addition, the Managers may elect to over-allot up to 7,500,000 Additional Shares, equal to up to 15% of the final number of New Shares and Sale Shares sold in the Offering. In order to facilitate such over-allotments, the Company and each Selling Shareholder are expected to grant ABG Sundal Collier ASA acting as Stabilisation Manager, on behalf of the Managers, an option to borrow a number of existing Shares (with respect to the Company, Shares held in treasury) equal to the number of Additional Shares (the "**Lending Option**"), whereby the Company shall lend up to 2,500,000 Shares held in treasury and the Selling Shareholders shall lend up to 5,000,000 Shares, split with up to 2,421,121 Shares from Atle Lohrmann and up to 2,578,879 Shares from Ferd, as well as an option to purchase a number of Shares equal to the number of Additional Shares, at a price per Share equal to the Offer Price, to cover any over-allotments made in connection with the Offering (the "**Greenshoe Option**"). The Greenshoe Option shall first be utilized in full towards the Company. The Greenshoe Option from the Selling Shareholders shall be exercised pro-rata based on the number of Shares lent by each Selling Shareholder. The Greenshoe Option shall first be utilized towards the number of Additional Shares borrowed from the Company. The Greenshoe Option will, if exercised, be settled by the Stabilisation Manager, on behalf of the Managers. The number of Shares that may be sold pursuant to the Greenshoe Option will equal the number of up to the number of Additional Shares that have been over-allotted Shares. See Section 14.10.1 "*Over-allotment of additional shares*".

The Offering comprises:

- **The Institutional Offering**, in which Offer Shares are being offered to (a) institutional investors outside the United States, subject to applicable exemptions from applicable prospectus and registration requirements, and (b) persons reasonably believed to be QIBs in the United States as defined in, and in reliance on, Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act. The Institutional Offering is subject to a lower limit per application of NOK 2,500,000.
- **The Retail Offering**, in which Offer Shares are being offered to the public in Norway and Sweden on the terms set out herein, subject to a lower limit per application of NOK 10,500 and an upper limit per application of NOK 2,499,999 for each investor. Investors who intend to place an order in excess of NOK 2,499,999 must do so in the Institutional Offering. Multiple applications by one applicant in the Retail Offering will be treated as one application with respect to the maximum application limit.

All offers and sales outside the United States will be made in compliance with Regulation S of the U.S. Securities Act.

This Prospectus does not constitute an offer of, or an invitation to purchase, the Offer Shares in any jurisdiction in which such offer or sale would be unlawful. For further details, see the "*Important Information*" at the beginning of the Prospectus and Section 15 "*Selling and Transfer Restrictions*".

The Bookbuilding Period for the Institutional Offering is expected to take place from 17 March 2026 at 09:00 CET to 24 March 2026 at 14:00 CET. The Application Period for the Retail Offering is expected to take place from from 17 March 2026 at 09:00 CET to 24 March 2026 at 12:00 CET.

The Company and Selling Shareholders, in consultation with the Joint Global Coordinators, reserves the right to shorten the Bookbuilding Period and/or extend the Bookbuilding Period and/or Application Period at any time. Any shortening of the Bookbuilding Period will be announced through Oslo Børs' information system on or before 16:30 CET on the revised expiration date. Any extension of the Bookbuilding Period and/or the Application Period will be announced through Oslo Børs' information system on or before 09:00 CET on the first trading day following the then prevailing expiration date of the Bookbuilding Period

and/or the Application Period. An extension of the Bookbuilding Period and/or the Application Period can be made one or several times, provided however, that in no event will the Bookbuilding Period and/or the Application Period be extended beyond 14:00 CET on 24 March 2026. In the event of a shortening of the Bookbuilding Period or an extension of the Bookbuilding Period and/or the Application Period, the allocation date, the payment date, the date of delivery of Offer Shares and first day of Listing may be changed correspondingly. See Sections 14.3 "*Timetable*", 14.5.2 "*Bookbuilding period*" on shortening and/or extension of the Bookbuilding Period, and 14.6.2 "*Application Period*" on the extension of the Application Period in the Retail Offering.

The Company and the Selling Shareholders will, in consultation with the Joint Global Coordinators, determine the number of Offer Shares to be sold in the Offering on the basis of the bookbuilding process in the Institutional Offering. The bookbuilding process, which will form the basis for the final determination of the number of Offer Shares, will be conducted at the Offer Price only in connection with the Institutional Offering.

Two cornerstone investors, DNB Asset Management and Folketrygdfondet, have undertaken to acquire and will be allocated Offer Shares, at the Offer Price, for a total amount of NOK 400 million (NOK 200 million each) (corresponding to approximately ~33% of gross amount of the Offering), subject to certain conditions as set out in cornerstone investment agreements entered into between each relevant cornerstone investor, the Managers and the Company. The cornerstone investors will receive full allocation based on their cornerstone undertakings, see Section 14.7 "*Mechanism of allocation*" for further information.

The Offer Shares allocated in the Offering are expected to be traded on Euronext Oslo Børs on or about 26 March 2026. Trades during this period will, in accordance with the ordinary settlement cycle for trades over Oslo Børs, be settled on T+2 (T being the trade date). Accordingly, any trade made on 26 March 2026 will be settled on 30 March 2026.

Completion of the Offering is conditional upon, among other things, the Company satisfying the listing conditions and being approved for listing on Oslo Børs, see Section 14.20 "*Conditions for completion of the Offering*".

See Section 14.26 for information regarding fees expected to be paid to the Managers and costs expected to be paid by the Company in connection with the Offering.

14.2 Use of proceeds

The Company will primarily use the proceeds from issue of the New Shares for further potential acquisitions and, subsequently, to strengthen the balance sheet, as well as for general corporate purposes.

14.3 Timetable

The timetable set out below provides certain indicative key dates for the Offering (subject to shortening or extensions):

Table 44 - Timetable	
Bookbuilding Period (Institutional Offering) commences	17 March 2026 at 09:00 CET
Bookbuilding Period (Institutional Offering) ends	24 March 2026 at 14:00 CET
Application Period (Retail Offering) commences [1)]	17 March 2026 at 09:00 CET
Application Period (Retail Offering) ends	24 March 2026 at 12:00 CET
Allocation of the Offer Shares	On or about 24 March 2026
Publication of the results of the Offering	On or about 24March 2026
Distribution of allocation notes/contract notes (electronically)	On or about 25 March 2026
Registration of the Company's new share capital in the Norwegian Register of Business Enterprises	On or about 25 March 2026
Accounts from which payment will be debited in the Retail Offering to be sufficiently funded	On or about 25 March 2026
First day of trading	On or about 26 March 2026
Payment date in the Retail Offering	On or about 26 March 2026
Delivery of the Offer Shares in the Retail Offering [2)]	On or about 27 March 2026
Payment and delivery date in the Institutional Offering	27 March 2026 at 09:00 CET

1. For applicants in the Retail Offering who are residents of Sweden, the Application Period will not commence until the Prospectus has been duly passported to Sweden.

2. Investors applying for Offer Shares in the Retail Offering through the Nordnet webservice must ensure that sufficient funds are available in the stated bank account by 12:00 CET on 24 March 2026.

Note that the Company and the Selling Shareholders, in consultation with the Joint Global Coordinators, reserve the right to shorten the Bookbuilding Period or extend the Bookbuilding Period and/or the Application Period. In the event of a shortening or an extension of the Bookbuilding Period and/or an extension of the Bookbuilding Period and/or the Application Period, the allocation date, the payment due dates and the dates of delivery of Offer Shares will be changed accordingly, but the date of the Listing and commencement of trading on Euronext Oslo Børs in the event of a shortening of the Bookbuilding Period may not necessarily be changed.

14.4 Resolution relating to the Offering and the issuance of New Shares

The Board is expected to resolve on the issuance of the New Shares pursuant to the board authorisation granted at the Company's annual general meeting held on 27 February 2026 (see Section 13.5.2 "*Board authorisation – listing purposes*").

14.5 The Institutional Offering

14.5.1 *Bookbuilding period*

The Bookbuilding Period for the Institutional Offering will begin from 09:00 CET on 17 March 2026 to 14:00 on 24 March 2026, unless shortened or extended.

The Company and the Selling Shareholders may, in consultation with the Joint Global Coordinators, extend the Bookbuilding Period at any time, provided however that it may not be extended to end later than 16:30 CET on 8 April 2026. The Bookbuilding Period may be extended one or more times. If the Bookbuilding Period is extended, the allocation date, the payment date and the date of delivery of the Offer Shares will be changed accordingly, but the date of the Listing and commencement of trading on Oslo Børs will not necessarily change. The Offer Shares will in no event be delivered later than 13 April 2026.

14.5.2 *Minimum and maximum application*

The lowest application permitted in the Institutional Offering is NOK 2,500,000. Investors in Norway and Sweden who intend to place an application for less than NOK 2,500,000 must do so in the Retail Offering.

14.5.3 *Application procedures*

Applications for Offer Shares in the Institutional Offering must be made during the Bookbuilding Period by informing one of the Managers of the number of Offer Shares that the investor wishes to order, and the price per share that the investor is offering to pay for such Offer Shares. The contact details of the Managers are as follows:

ABG Sundal Collier ASA	**DNB Carnegie, a part of DNB Bank ASA**	**Arctic Securities AS**
Ruseløkkveien 26	Dronning Eufemias gate 30	Haakon VIIs gate 5
P.O. Box 1444 Vika	P.O. Box 1600 Sentrum	P.O. Box 1883 Vika
N-0115 Oslo	N-0021 Oslo	NO-0161 Oslo
Norway	Norway	Norway

All applications in the Institutional Offering will be treated in the same manner regardless of which Manager the applicant chooses to place the application with. Any orally placed application in the Institutional Offering will be binding upon the investor and subject to the same terms and conditions as a written application. The Managers can, at any time and in their sole discretion, require the investor to confirm any orally placed order in writing. Orders made may be withdrawn or amended by the investor at any time up to the close of the Bookbuilding Period. At the close of the Bookbuilding Period, all applications in the Institutional Offering that have not been withdrawn or amended are irrevocable and constitute binding applications by the investor to buy Offer Shares allocated by the Company to the investor. Accordingly, by placing an application, as amended if applicable, and by not having withdrawn such application prior to close of the Bookbuilding Period, the investor irrevocably (a) confirms its request to buy such number of Offer Shares allocated to the investor up to the number of Offer Shares covered by the order, and (b) authorises and instructs each of the Managers (or someone appointed by them) to buy such number of Offer Shares at the Offer Price on behalf of the investor and to take all actions required to ensure delivery of such Offer Shares to the investor.

14.5.4 *Payment and delivery of Offer Shares*

The Managers expect to issue notifications of allocation of Offer Shares in the Institutional Offering on or about 25 March 2026 by issuing contract notes to the applicants by mail or otherwise.

Payment by applicants in the Institutional Offering will take place against delivery of Offer Shares. Delivery of and payment for Offer Shares is expected to take place on or about 27 March 2026 (the "**Institutional Closing Date**") through the facilities of the ESO. The delivery and payment of Offer Shares may not take place on the Institutional Closing Date, or at all, if certain conditions or events referred to in the Underwriting Agreement are not satisfied or waived or occur on or prior to such date. See Section 14.1 "*Overview of the Offering*".

If payment for the Offer Shares is not received within the payment due date, the Selling Shareholders and the Managers reserve the right to re-allot, cancel or reduce the allocation or otherwise dispose of the allocated Offer Shares in accordance with and to the fullest extent permitted by applicable Norwegian laws.

The Selling Shareholders and the Managers may choose to transfer the Offer Shares allocated to such applicants to an ESO account operated by one of the Managers for transfer to the non-paying investor when payment of the Offer Shares is received. In such case, the Managers reserve the right without further notice, to sell or assume ownership of such Offer Shares if payment has not been received by the third day after the payment due date. If Offer Shares are sold on behalf of the investor, such sale will be for the investor's account and risk (however so that the investor shall not be entitled to profits therefrom, if any) and the

investor will be liable for any loss, costs, charges and expenses suffered or incurred by the Company, the Selling Shareholders and/or the Managers as a result of or in connection with such sales, and the Company, the Selling Shareholders and/or the Managers may enforce payment of any amount outstanding in accordance with Norwegian law.

For late payment, interest will accrue on the amount due at a rate equal to the prevailing interest rate under the Norwegian Act relating to Interest on Overdue Payments of 17 December 1976 no. 100 (the "**Norwegian Act on Overdue Payments**"), which, at the date of this Prospectus, is 12% per annum. Should payment not be made when due, the Offer Shares allocated will not be delivered to the applicants, and the Managers reserve the right, at the risk and cost of the applicant, to cancel the application and to re-allot from the third day after the Institutional Closing Date or otherwise dispose of the allocated Offer Shares on such terms and in such a manner as the Managers may decide (and the applicant will not be entitled to any profit). The original applicant remains liable for payment for the Offer Shares allocated to the applicant, together with any interest, cost, charges and expenses accrued, and the Managers may enforce payment of any such outstanding amount.

In order to provide for prompt registration of the share capital increase in the Company relating to the issuance of the New Shares with the Norwegian Register of Business Enterprises, the Joint Global Coordinators are expected to, on behalf of the applicants, subscribe for and pre-fund payment for the New Shares allocated in the Offering at a total subscription amount equal to the Offer Price multiplied by the number of New Shares; and by placing an application, the applicant irrevocably authorises and instructs the Joint Global Coordinators, or someone appointed by them, to do so on its behalf. Irrespective of any such subscriptions and payment for Offer Shares, the original applicant will remain liable for payment of the Offer Price for the Offer Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Company and/or the Joint Global Coordinators may enforce payment of any such amount outstanding. The subscription and pre-funding by the Joint Global Coordinators of the New Shares as described above constitute an integrated sales process where the investors subscribe for Offer Shares from the Company based on this Prospectus, which has been prepared by the Company. The investors will not have any rights or claims against any of the Managers.

14.6 The Retail Offering

14.6.1 *Application period*

The Application Period in the Retail Offering will begin on 17 March 2026 at 09:00 CET and end on 24 March 2026 at 12:00 CET, unless shortened or extended.

The Selling Shareholders and the Company may, in consultation with the Joint Global Coordinators, extend the Application Period at any time, and an extension may be made on one or several occasions. Any extension of the Application Period will be announced through Oslo Børs' information system on or before 09:00 hours CET on the first Business Day following the then prevailing expiration date of the Application Period. The Application Period may in no event be extended beyond 16:30 hours CET on 8 April 2026.

In the event of an extension of the Application Period, the allocation date, the payment due date (including the corresponding latest possible debit date) and the date of delivery of the Offer Shares will be changed accordingly. This implies that Offer Shares will not be delivered later than 13 April 2026 if the Application Period is extended to 8 April 2026.

All investors applying for Offer Shares should note that the application must be submitted no later than 24 March 2026 at 12:00 CET, unless the Application Period is being extended.

Investors applying for Offer Shares electronically through Nordnet Bank AB ("**Nordnet**") webservice should note that the application must be submitted no later than 12:00 hours (CET) on 24 March 2026, unless the Application Period is extended.

14.6.2 *Minimum and maximum application*

The Retail Offering is subject to a minimum application amount of NOK 10,500 and a maximum applicantion amount of NOK 2,499,999 for each applicant. Investors who wish to place an order in excess of NOK 2,499,999 must do so in the Institutional Offering.

Multiple applications are allowed. One or multiple applications from the same applicant in the Retail Offering, with a total application amount in excess of NOK 2,499,999, will be adjusted downwards to an application amount of NOK 2,499,999. If two or more identical application forms are received from the same investor, the application form will only be counted once unless explicitly stated on one of the application forms. In the case of multiple applications through the online application system or applications made both on a physical application form and through the online application system, all applications will be counted. Investors who intend to place an order in excess of NOK 2,499,999 must do so in the Institutional Offering.

14.6.3 *Application procedures and application offices*

Applicants in the Retail Offering who are residents of Norway with a Norwegian personal identification number are recommended to apply for Offer Shares through the ESO online application system by following the link to such online

application system on the following websites: www.abgsc.com/transactions, www.dnb.no/emisjoner or www.arctic.com/offerings. The content of the aforementioned websites is not incorporated by reference into this Prospectus.

Applicants in the Retail Offering not having access to the ESO online application system must apply using the Retail Application Form attached to this Prospectus as Appendix C "Application Form for the Retail Offering". Retail Application Forms, together with this Prospectus, may be obtained from the Company, the Managers' websites (listed above) or the application offices set out below. Applications made through the ESO's online application system must be duly registered during the Application Period. The Managers participating in the Retail Offering will be ABG Sundal Collier, DNB Carnegie and Arctic Securities.

Applicants in the Retail Offering who are located in Sweden are only permitted to apply through the webservices of Nordnet, as further detailed below.

The application offices for applications in the Retail Offering are:

ABG Sundal Collier ASA
Ruseløkkveien 26
P.O. Box 1444 Vika
N-0115 Oslo
Norway
Tel: +47 22 01 61 68
Email: subscription@abgsc.no

DNB Carnegie, a part of DNB Bank ASA
Dronning Eufemias gate 30
P.O. Box 1600 Sentrum
N-0021 Oslo
Norway
Tel: +47 915 04800
Email: retail@dnb.no

Arctic Securities AS
Haakon VIIs gate 5
P.O. Box 1883 Vika
NO-0161 Oslo
Norway
Tel: +47 21 01 31 00
Email: mail@arctic.com

Nordnet undertakes to act as placing agent for the Company in the Retail Offering, and applications may be made electronically through the Nordnet webservice at www.nordnet.se for Swedish and at www.nordnet.no for Norwegian applicants. Applicants in the Retail Offering who are located in Sweden can only apply for Offer Shares through the webservices of Nordnet, as further detailed below.

The application office for Nordnet is set out below. Please note that the Retail Application Form attached to this Prospectus as Appendix C may not be submitted to Nordnet. Any application forms submitted to Nordnet will be disregarded without further notice to the applicant.

Nordnet Bank
Karl Johans gate 16C
P.O. Box 302 Sentrum
N-0154 Oslo
Norway
Tel: +47 23 33 30 23
E-mail: kundeservice@nordnet.no

All applications in the Retail Offering will be treated in the same manner regardless of which of the above Managers the applications are placed with, or if it is placed with Nordnet. Further, all applications in the Retail Offering will be treated in the same manner regardless of whether they are submitted by delivery of a Retail Application Form or through ESO's online application system or electronically through the Nordnet webservice.

Retail Application Forms that are incomplete or incorrectly completed, electronically or physically, or that are received after the expiry of the Application Period, may be disregarded without further notice to the applicant. Properly completed Retail Application Forms must be received by one of the application offices listed above or registered electronically through the ESO's application system by 24 March 2026 at 12:00 hours CET, unless the Application Period has been extended. Neither the Company, the Selling Shareholders nor any of the Managers may be held responsible for postal delays, internet access or servers or other logistical or technical matters that may result in applications not being received in time or at all by any application office.

Investors applying for Offer Shares electronically through the Nordnet webservice should note that the application must be submitted no later than 24 March 2026 at 12:00 CET, unless the Application Period is extended. Nordnet reserves the right, in its sole discretion, to disregard any applications for Offer Shares made by applicants in the Retail Offering through its platform following 24 March 2026 at 12:00 CET without further notice to the applicant. Applications made through Nordnet can be amended up to 24 March 2026 at 12:00 CET, unless the Application Period is being extended. All applications received by Nordnet will, after 24 March 2026 at 12:00 CET, be irrevocable and binding and cannot be withdrawn, cancelled or modified by the applicant.

All applications made in the Retail Offering will be irrevocable and binding upon receipt of a duly completed Retail Application Form, or in the case of applications through the ESO's online application system, upon registration of the application, irrespective of any extension of the Application Period, and cannot be withdrawn, cancelled or modified by the applicant after having been received by the application office, or in the case of applications through the ESO's online application system, upon registration of the application. By making an application, the applicant irrevocably (a) apply to acquire such number of Offer Shares allocated to the applicant up to the number of Offer Shares applied for and (b) authorises and instructs each of the Managers (or someone appointed by them) to buy such number of Offer Shares at the Offer Price on behalf of the applicant and to take all actions required to ensure delivery of such Offer Shares to the applicant.

14.6.4 *Payment and delivery of Offer Shares*

DNB Carnegie, acting as settlement agent for the Retail Offering, expects to issue notifications of allocation of Offer Shares in the Retail Offering on or about 25 March 2026. Any applicant wishing to know the precise number of Offer Shares allocated to it, may contact one of the application offices listed above on or about 25 March 2026 during business hours. Applicants who have access to investor services through an institution that operates the applicant's account with the Norwegian ESO for the registration of holdings of securities ("**Norwegian ESO account**") should be able to see how many Offer Shares they have been allocated from on or about 25 March 2026.

In registering an application through the Norwegian ESO's online application system or completing a Retail Application Form, each applicant in the Retail Offering will authorise DNB Carnegie (on behalf of the Managers), to debit the applicant's Norwegian bank account for the total amount due for the Offer Shares allocated to the applicant. The applicant's bank account number must be stipulated in the Norwegian ESO's online application or on the Retail Application Form. Accounts will be debited on or about 26 March 2026 (the "**Payment Date**"), and there must be sufficient funds in the stated bank account from and including 25 March 2026. Applicants who do not have a Norwegian bank account must ensure that payment for the allocated Offer Shares is made on or before the Payment Date. See Section 14.1 "*Overview of the Offering*".

Applicants who are using the Nordnet webservice must ensure they have sufficient funds in their Nordnet account by 12:00 CET on 24 March 2026 and until the Payment Date.

Further details and instructions will be set out in the allocation notes to the applicant to be issued on or around 25 March 2026 or can be obtained by contacting one of the Managers.

Should any applicant have insufficient funds on his or her account, or should payment be delayed for any reason, or if it is not possible to debit the account, interest will accrue on the amount due at a rate equal to the prevailing interest rate under the Norwegian Act on Interest on Overdue Payments, which at the date of this Prospectus is 12% per annum. DNB Carnegie (acting on behalf of the Managers) reserves the right (but has no obligation) to make up to three debit attempts through 8 April 2026 if there are insufficient funds on the account on the Payment Date. Should payment not be made when due, the Offer Shares allocated will not be delivered to the applicant, the Selling Shareholders and the Managers reserve the right, at the risk and cost of the applicant, to cancel at any time thereafter the application and to re-allot or otherwise dispose of the allocated Offer Shares, on such terms and in such manner as the Managers may decide (and the applicant will not be entitled to any profit therefrom). The original applicant will remain liable for payment of the Offer Price for the Offer Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Selling Shareholders and the Managers may enforce payment of any such outstanding amount.

Nordnet, acting as settlement agent in the Retail Offering for residents of Sweden will populate information on allocated Offer Shares on its online service platform, which all such applicants in the Retail Offering will be able to access through their Nordnet accounts on or about 26 March 2026. Applicants who apply for Offer Shares in the Retail Offering through Nordnet's webservice must have available funds on the stated bank account on 24 March 2026 at 12:00 CET and until the payment date.

In order to provide for prompt registration of the share capital increase in the Company relating to the issuance of the New Shares with the Norwegian Register of Business Enterprises, the Joint Global Coordinators are expected to, on behalf of the applicants, subscribe for and pre-fund payment for the New Shares allocated in the Offering at a total subscription amount equal to the Offer Price multiplied by the number of New Shares; and by placing an application, the applicant irrevocably authorises and instructs the Joint Global Coordinators, or someone appointed by them, to do so on its behalf. Irrespective of any such subscriptions and payment for Offer Shares, the original applicant will remain liable for payment of the Offer Price for the Offer Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Company and/or the Joint Global Coordinators may enforce payment of any such amount outstanding. The subscription and pre-funding by the Joint Global Coordinators of the New Shares as described above constitute an integrated sales process where the investors subscribe for Offer Shares from the Company based on this Prospectus, which has been prepared by the Company. The investors will not have any rights or claims against any of the Managers.

Subject to timely payment by the applicant, delivery of the Offer Shares allocated in the Retail Offering is expected to take place on or about 27 March 2026.

14.7 Mechanism of Allocation

It has been provisionally assumed that 95% to 99% of the Offering will be allocated in the Institutional Offering and that 1% to 5%of the Offering will be allocated in the Retail Offering. The final determination of the number of Offer Shares allocated in the Institutional Offering and the Retail Offering will be decided by the Selling Shareholders and the Company, in consultation with the Joint Global Coordinators, after completion of the bookbuilding process for the Institutional Offering. The decision will be based on among other things, the level of orders or applications received from each of the categories of investors. The final allocation between the tranches may deviate from the provisionally assumed allocation.

No Offer Shares have been reserved for any specific national market.

In the Institutional Offering, the Company and the Selling Shareholders, together with the Joint Global Coordinators, will determine the allocation of Offer Shares. An important aspect of the allocation principals is the desire to create an appropriate long-term shareholder structure for the Company. The allocation principals will, in accordance with normal practice for institutional placements, include factors such as premarketing and management road-show participation and feedback, timeliness of the order, price level, relative order size, sector knowledge, investment history, perceived investor quality and investment horizon. The Company, the Selling Shareholders and the Joint Global Coordinators further reserve the right, at their sole discretion, to take into account the creditworthiness of any applicant. The Company, the Selling Shareholders and the Joint Global Coordinators may also set a maximum allocation or decide to make no allocation to any applicant.

Members of the Board of Directors will receive preferred allocation up to NOK 2,000,000. Primary insiders of the Company applying for Offer Shares will receive full allocation for any application in the Offering. In addition, DNB Asset Management and Folketrygdfondet have undertaken to acquire and will be allocated Offer Shares, at the Offer Price, for a total amount of minimum NOK 400 million (corresponding to approximately 33% of gross amount of the Offering), subject to certain conditions as set out in cornerstone investment agreements entered into between each relevant cornerstone investor, the Managers and the Company. These two cornerstone investors are: i) DNB Asset Management (NOK 200,000,000 committed) and ii) Folketrygdfondet (NOK 200,000,000 committed). The cornerstone investors will receive full allocation based on their cornerstone undertakings.

In the Retail Offering, no allocations will be made for a number of Offer Shares representing an aggregate value of less than NOK 10,500 per applicant provided, however, that all allocations will be rounded down to the nearest number of whole Offer Shares and the payable amount will hence be adjusted accordingly. One or multiple orders from the same applicant in the Retail Offering with a total application amount in excess of NOK 2,499,999 will be adjusted downwards to an application amount of NOK 2,499,999. In the Retail Offering, allocation will at the outset be made solely on a pro rata basis using the ESO's automated simulation procedures.

The Company, the Selling Shareholders and the Joint Global Coordinators reserve the right to limit the total number of applicants to whom Offer Shares are allocated if the Company, the Selling Shareholders and the Joint Global Coordinators deem this to be necessary in order to keep the number of shareholders in the Company at an appropriate level and such limitation does not have the effect that any conditions for the Listing with regards to the number of shareholders will not be satisfied. If the Company, the Selling Shareholders and the Joint Global Coordinators should decide to limit the total number of applicants to whom Offer Shares are allocated, the applicants to whom Offer Shares are allocated will be determined on a random basis by using the ESO's automated simulation procedures and/or other random allocation mechanisms. The Company, the Selling Shareholders and the Joint Global Coordinators reserve the right to set a maximum allocation per applicant in the Retail Offering.

14.8 ESO account and Nordnet account

To participate in the Offering, each applicant must have an ESO account. Applicants in the Retail Offering must state their ESO account number when registering an application through the ESO online application system or on the Retail Application Form. ESO accounts can be established with authorised ESO registrars, which can be Norwegian banks, authorised investment firms in Norway and Norwegian branches of credit institutions established within the EEA. However, non-Norwegian investors may use nominee ESO accounts registered in the name of a nominee. The nominee must be authorised by the Norwegian Ministry of Finance. Establishment of ESO accounts requires verification of identification by the relevant ESO registrar in accordance with Norwegian anti-money laundering legislation (see Section 14.9 "*Mandatory anti-money laundering procedures*").

For participation in the Retail Offering, applicants in Norway can, and applicants in Sweden are required to, apply for Offer Shares electronically through the Nordnet webservice. In order to apply for Offer Shares through Nordnet, the applicant must register as a customer of Nordnet and establish a nominee/depot account for the Retail Offering. In order to establish a customer relationship with Nordnet, the applicant should have an online banking ID or a mobile banking ID. For more information on how to proceed to establish a customer relationship with Nordnet, please contact Nordnet.

14.9 Mandatory anti-money laundering procedures

The Offering is subject to applicable anti-money laundering legislation, including the Norwegian Money Laundering Act of 1 June 2018 no. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 no. 1324 (collectively, the "**Anti-Money Laundering Legislation**").

Applicants who are not registered as existing customers of any of the Managers must verify their identity to the Manager with whom the order is placed in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Applicants who have not completed the required verification of identity prior to the expiry of the Application Period or Bookbuilding Period (as the case may be) may not be allocated Offer Shares.

Applicants who have not completed the required verification of identity prior to the expiry of the Application Period may not be allocated Offer Shares.

14.10 Over-Allotment and stabilization activities

14.10.1 *Over-allotment of additional shares*

In connection with the Offering, the Managers may elect to over-allot a number of Additional Shares, equalling up to approximately (but not more than) 15% of the number of New Shares and Sale Shares sold in the Offering. In order to permit the delivery in respect of over-allotments made, the Managers are expected to be granted the Lending Option, which requires the the Company and Selling Shareholders to lend to ABG Sundal Collier ASA as the Stabilisation Manager, on behalf of the Managers, up to a number of over-allotted Shares.

Further, pursuant to the Greenshoe Option, the Company and each of the Selling Shareholders are expected to grant to the Joint Global Coordinators an option to purchase up to 7,500,000 Additional Shares at the Offer Price to cover short positions made or created in connection with the Offering as a result of over-allotments. The Greenshoe Option shall first be utilized in full towards the Company. The Greenshoe Option from the Selling Shareholders shall be exercised pro-rata based on the number of Shares lent by each Selling Shareholder. The Greenshoe Option will be exercisable, in whole or in part, by the Stabilisation Manager, on behalf of the Managers, within a 30-day period commencing at the time at which trading in the Shares commences on Oslo Børs on the terms and subject to the conditions described in the Prospectus. To the extent that the Stabilisation Manager has over-allotted Shares in the Offering, the Stabilisation Manager has created a short position in the Shares. The Stabilisation Manager may close out this short position by buying Shares in the open market through stabilisation activities and/or by exercising the Greenshoe Option.

A stock exchange notice will be made on the first day of trading in the Shares on Oslo Børs (expected to take place on 26 March 2026) announcing whether the Managers have over-allotted Shares in connection with the Offering. Any exercise of the Greenshoe Option will be promptly announced by the Stabilisation Manager through Oslo Børs' information system.

14.10.2 *Price stabilisation*

The Stabilisation Manager may, upon exercise of the Lending Option, effect transactions with a view to support the market price of the Shares, from the first day of the Listing (on or about 26 March 2026) and ending on or about 26 April 2026 (the "**Stabilisation Period**"), at a level higher than what might otherwise prevail through buying Shares in the open market at prices equal to or lower than the Offer Price.

There is no obligation of the Stabilisation Manager to conduct stabilisation activities and there is no assurance that stabilisation activities will be undertaken. Such stabilising activities, if commenced, may be discontinued at any time and will be brought to an end at the latest 30 calendar days after the first day of trading of the Shares on Euronext Oslo Børs. Stabilisation activities might result in market prices that are higher than would otherwise prevail. Any stabilisation activities will be conducted in accordance with MAR as implemented into Norwegian law by section 3-1 of the Norwegian Securities Trading Act regarding buy-back programmes and stabilisation of financial instruments.

Net profit, if any, resulting from stabilisation activities conducted by the Stabilisation Manager, on behalf of the Managers, will be for the account of the Company and Ferd (as applicable). If stabilisation activities are undertaken, information on the activities will be published no later than seven trading days following such transaction(s). Within one week after the expiry of the 30-day period of price stabilisation, the Stabilisation Manager will publish information as to whether or not price stabilisation activities were undertaken. If stabilisation activities were undertaken, the statement will also include information about inter alia: (a) the total amount of Shares sold and purchased; (b) the dates on which the Stabilisation Period began and ended; (c) the price range between which stabilisation was carried out, as well as the highest, lowest and average price paid during the Stabilisation Period; and (d) the date at which stabilisation activities last occurred.

It should be noted that stabilisation activities might result in market prices that are higher than would otherwise prevail. Stabilisation may be undertaken, but there is no assurance that it will be undertaken, and it may be stopped at any time.

14.11 Underwriting

The Offering is not underwritten.

14.12 Placing Agreement

The Company is, following expiry of the Bookbuilding Period for the Institutional Offering, expected to enter into a placing agreement (the "**Placing Agreement**") with the Selling Shareholders and the Managers, regulating, inter alia, the terms and conditions of the Offering. On the terms, and subject to the conditions set forth in the Placing Agreement, the Company has made, and will make, certain representations and warranties in favour of, and has agreed to certain undertakings with the Managers in the Placing Agreement and ancillary agreements and documents entered into in connection with the Offering and the Listing. Further, the Company and the Selling Shareholders have undertaken, in favour of the Managers, to be bound by the respective lock-up undertakings (see Section 14.23 "*Lock-up*" below). Furthermore, the Company has undertaken, subject to certain conditions and limitations, to indemnify the Managers against certain liabilities arising out of or in connection with the Offering.

14.13 Payment of the Offer Shares

The payment date for the Offer Shares in the Retail Offering is on or about 26 March 2026. Payment by applicants in the Institutional Offering will take place against delivery of Offer Shares, expected to take place on or about the Institutional Closing Date.

14.14 ESO account

To participate in the Offering, each applicant must have an ESO account. The ESO account number must be stated when registering an application through the ESO online application system. ESO accounts can be established with authorised ESO registrars, which can be Norwegian banks, authorised investment firms in Norway and Norwegian branches of credit institutions established within the EEA. However, non-Norwegian investors may use nominee ESO accounts registered in the name of a nominee. The nominee must be authorised by the Norwegian Ministry of Finance. Establishment of ESO accounts requires verification of identification by the relevant ESO registrar in accordance with Norwegian anti-money laundering legislation (see Section 14.9 "*Mandatory anti-money laundering procedures*").

14.15 Product governance

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (MiFID II); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (the MiFID II Product Governance Requirements), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II (the Positive Target Market); and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the Appropriate Channels for Distribution).

Notwithstanding the Target Market Assessment, Distributors should note that: the price of Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

Investors should, however, note that the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, it is the assessment of the manufacturers that an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile (the Negative Target Market, and, together with the Positive Target Market, the Target Market Assessment).

14.16 National Client Identifier and Legal Entity Identifier

To participate in the Offering, each applicant will need a global identification code. Physical persons will need a so called National Client Identifier ("**NCI**") and legal entities will need a so called Legal Entity Identifier ("**LEI**").

14.16.1 *NCI code for physical persons*

Physical persons will need a NCI code to participate in a financial market transaction, i.e. a global identification code for physical persons. For physical persons with only a Norwegian citizenship, the NCI code is the 11 digit personal ID (Nw.: *Fødselsnummer*). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Investors are encouraged to contact their bank for further information.

14.16.2 *LEI code for legal entities*

Legal entities need a LEI code to participate in a financial market transaction. A LEI code must be obtained from an authorised LEI issuer, which can take some time. Investors should obtain a LEI code in time for the application. For more information visit www.gleif.org.

14.17 Publication of information in respect of the Offering

In addition to press releases which will be posted on the Company's website, the Company will use Oslo Børs' information system, available at www.newsweb.no, to publish information regarding the Offering, such as amendments to the Bookbuilding Period and Application Period (if any), the number of Shares allocated and the total amount of the Offering, allotment percentages, and first day of trading at Euronext Oslo Børs.

General information about the result of the Offering, the number of Offer Shares allocated and the total amount of the Offering, is expected to be published on or about 24 March 2026 in the form of a release through Oslo Børs' electronic information system under the Company's ticker "GENO".

14.18 The rights conferred by the Offer Shares

The Shares of the Company are created under the Norwegian Public Limited Companies Act. The Offer Shares will in all respects carry full shareholders' rights in the Company on an equal basis as any other Shares in the Company, including the right to any dividends, from the date of registration of the share capital increase pertaining to the Offering in the Norwegian Register of Business Enterprises (see Section 14.3 "*Timetable*").

For a description of rights attached to the Shares in the Company, see Section 13.3 "*Share capital and share capital history*".

14.19 ESO registration

The Offer Shares will be issued electronically in book-entry form with the ESO and have ISIN NO 0013713115. The Shares will be traded in NOK on Euronext Oslo Børs. The Company's register of shareholders with the ESO is administrated by the Company's ESO Registrar (Equro Issuer Services AS).

14.20 Conditions for completion of the Offering

The Company expects to apply for Listing of its Shares on Oslo Stock Exchange on or about 17 March 2026. It is expected that the Oslo Stock Exchange will approve the Listing application of the Company on or about 20 March 2026, conditional upon the Company obtaining a minimum of 500 shareholders, each holding Shares with a value of more than NOK 10,000 and there being a minimum free float in the Shares of 25%. The Company expects that these conditions will be fulfilled through the Offering.

Completion of the Offering on the terms set forth in this Prospectus is expressly conditioned upon the board of directors of the Oslo Stock Exchange approving the application for Listing of the Shares in its meeting to be held on or about 20 March 2026, on conditions acceptable to the Company and that any such conditions are satisfied by the Company. The Offering will be cancelled in the event that the conditions are not satisfied. There can be no assurance that the board of directors of the Oslo Stock Exchange will give such approval or that the Company will satisfy these conditions.

Completion of the Offering on the terms set forth in this Prospectus is otherwise only conditional on (i) the Company and the Selling Shareholders, in consultation with the Managers, having approved the number of Offer Shares and the allocation of the Offer Shares to eligible investors following the bookbuilding process, (ii) Oslo Børs approving the Company's application for Listing within the end of the Bookbuilding Period, on conditions acceptable to the Company and that any such conditions are satisfied by the Company, and (iii) that the Placing Agreement has been entered into and remaining in full force and effect. There can be no assurance that these conditions will be satisfied. If the conditions are not satisfied, the Offering may be revoked or suspended, resulting in all applications for Offer Shares being disregarded, any allocations made cancelled and any payments made being returned without any interest or other any compensation to the Applicants. All dealings in the Shares prior to settlement and delivery are at the sole risk of the parties concerned.

Applicants in the Retail Offering selling Offer Shares prior to delivery must ensure that payment for such Offer Shares is made on or prior to the Payment Date, by ensuring that the stated bank account is sufficiently funded on 25 March 2026, for applications through the Nordnet webservice, that the payment amount is available at its Nordnet account from 12:00 CET on 24 March 2026 and until the Payment Date, as applicable. Applicants in the Institutional Offering selling Offer Shares prior to delivery must ensure that payment for such Offer Shares is made on or prior to the Institutional Closing Date. Accordingly, an applicant who wishes to sell its Offer Shares, following confirmed allocation of Offer Shares, but before delivery, must ensure that payment is made in order for such Offer Shares to be delivered in time to the applicant.

Assuming that the conditions are satisfied, the first day of trading of the Shares, including the Offer Shares, on Euronext Oslo Børs is expected to be on or about 26 March 2026. The Shares are expected to trade under the ticker code "GENO".

Prior to the Offering and the Listing, the Shares are not listed on any stock exchange or authorised market place, and no application has been filed for listing on any stock exchanges or regulated market places other than Oslo Børs. Neither the Company nor the Managers can assure that a liquid trading market for the Shares may be created or sustained. The prices at which the Shares will trade after the Offering may be lower than the Offer Price. The Offer Price may bear no relationship to the market price of the Shares subsequent to the Offering.

14.21 Selling Shareholders

Information about the Selling Shareholders are set out below:

#	Table 45 - Selling Shareholder	LEI code	Address	No. of Shares	Percentage
1	Atle Lohrmann	N/A	Vangkroken 2, Rud, 1351, Norway	96,923,076*	57.54%
2	Ferd Go Holding AS	254900GD7PMGCDA1AX52	Dronning Mauds gate 10, 0250 Oslo Norway	55,898,370	33.18%

* *Approximately 2.1 million of the 96,923,076 shares held by Atle Lohrmann (representing approximately 1.25% of the total Shares in the Company) are subject to an ongoing legal dispute, which is considered to be without merit.*

At the date of this Prospectus, the Selling Shareholders Atle Lohrmann and Ferd holds, respectively 57.54% and 33.18% of the Shares, together corresponding to 90.72% of the issued and outstanding Shares of the Company.

Atle Lohrmann and Ferd are offering to sell up to 16,610,637 and 9,579,840 Shares, respectively. In addition, Atle Lohrmann and Ferd are expected to grant to the Managers an option to purchase up to 2,421,121 and 2,578,879 Additional Shares, respectively, collectively with 2,500,000 treasury shares, equal to approximately in total 15% of the number of Sale Shares sold in the Offering in Greenshoe Option. It has been agreed that the number of Sale Shares shall be divided between the Selling Shareholders on a pro-rata basis based on the number of borrowed Shares lent by each. Accordingly, if assuming that the maximum number of New Shares and Sale Shares are sold and the Greenshoe Option is exercised in full, the Offering will amount to 57,500,000 Offer Shares, representing 29.9% of the Shares following the Offering.

The Selling Shareholder Atle Lohrmann will retain a shareholding in the Company of at least 40% while Selling Shareholder Ferd will retain a shareholding in the Company of at least 22% (following the Offering, assuming that the Greenshoe Option is exercised in full).

The final number of Sale Shares will be determined by the Selling Shareholders after consultations with the Joint Global Coordinators, following the expiry of the Bookbuilding Period.

14.22 Participation of major existing shareholders and members of the Management, supervisory and administrative bodies in the Offering

The board members Siw Ødegaard, Trond Brandsrud and Kim Steinsland, have all indicated to the Company that they wish to apply for Offer Shares in the Offering. The following persons have also indicated to the Company the amounts they intend to apply for in the Offering:

- Kvinnesiden AS (a company fully owned by Siw Ødegaard): NOK 1,000,000
- Nordbrand Invest AS (a company in which Trond Brandsrud holds a 70% ownership interest): NOK 200,000
- Sesiso AS (a company fully owned by Kim Steinsland): NOK 630,000

Other than set out above, the Company is not aware of whether any major shareholders of the Company or members of the Management, supervisory or administrative bodies intend to apply for any Shares in the Offering, or whether any person intends to apply for more than 5% of the Offering.

14.23 Lock-up

The members of the Management and the Board of Directors, the Selling Shareholders and the Company have entered into customary lock-up agreements with the Joint Global Coordinators that, subject to certain exceptions, will restrict their ability to issue, sell or dispose of shares, as applicable, without the prior written consent of the Joint Global Coordinators, for restricted period after the commencement of trading in the Shares on Euronext Oslo Børs. Further details are set out in Section 14.23.1 and 14.23.2 below.

14.23.1 *The Board of Directors, Management and the Selling Shareholders*

In connection with the Offering and the Listing, the Selling Shareholders and the members of the Management and Board of Directors undertakes not to, without the prior written consent of the Joint Global Coordinators, directly or indirectly (1) offer, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, pledge or otherwise transfer or dispose of or agree to dispose of, directly or indirectly, any Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares, or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership

of Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares, whether any such transaction described in (1) or (2) above is to be settled by delivery of Shares or such other securities, in cash or otherwise, (3) market or otherwise seeking investor interest for its Shares, or conducting any bookbuilding exercises for any sale of its Shares or (4) agree or publicly announce an intention to effect any transaction specified in (1), (2) or (3) above. This undertaking shall remain in force from the date of the Prospectus and until the date that is 180 calendar days (restriction period) after the Listing for Ferd, and until the date that is 365 calendar days (restriction period) after the Listing for Atle Lohrmann and the members of the Management and Board of Directors, and shall apply to any Shares that the Selling Shareholders owns, directly or indirectly, as of the date of the undertaking and any Shares that the Selling Shareholders acquires in the Offering or may subsequently acquire or own directly or indirectly, during that period.

This undertaking shall not apply to (A) any transfer of Shares to any entity directly or indirectly controlled by the Selling Shareholders who (i) assume the same lock-up obligations as undertaken by the Selling Shareholders and (ii) remain wholly owned or under the direct or indirect control by the shareholder for the remaining part of the period set out above, (B) the acceptance (including pre-acceptance) of a tender or takeover offer to acquire all Shares in the Company, or (C) voting in favour of and exchanging shares in a statutory merger in which the Company is a merging party. This undertaking shall further not apply to any sale or lending of Shares as part of the Offering, including as a consequence of the Managers exercising the Greenshoe Option after the end of the Stabilisation Period.

14.23.2 *The Company*

In connection with the Offering and the Listing, the Company has undertaken that it will not, without the prior written consent of the Joint Global Coordinators, during a period of 365 calendar days (restriction period) after the Listing (1) issue, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Shares or other equity interest in the capital of the Company or any securities convertible into or exercisable for such Shares or other equity interests, or (2) enter into any swap or other agreement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares or other equity interests, whether any such transaction described in (1) or (2) above is to be settled by delivery of the Shares or other securities or interests, in cash or otherwise, or (3) market or otherwise seeking investor interest for its Shares, or conducting any bookbuilding exercises for any sale of its Shares or (4) publicly announce or indicate an intention to effect any transaction specified in (1) or (2) above.

For the avoidance of doubt, no activities mentioned above shall be permitted until the day immediately following the date on which the restricted period ends. The foregoing shall not apply to (i) the granting of options or other rights to Shares, or the honoring of options or such other rights to Shares, by the Company pursuant to any management or employee share incentive schemes or other grant of options that have been disclosed in the prospectus for the Offering and the Listing, (ii) the sale and issuance of Shares in the Offering or (iii) the Company's issuance or sale of Shares or other securities of the Company for the purposes of completing bona fide acquisitions of shares, businesses or assets limited to an aggregate of 10% of the Company's issued and outstanding share capital at the first day of trading on Euronext Oslo Børs.

14.24 Dilution

Assuming that 23,809,523 New Shares are issued in the Offering, which corresponds to a dilution for the existing shareholders of approximately 14%.[33]

The issuance of the New Shares in the Offering may result in a maximum number of Shares in the Company of 192,245,306, which will correspond to a dilution for the existing shareholder of approximately 14%. This is based on the assumption that the Company issues the maximum number of New Shares, and that the existing shareholders does not subscribe for any New Shares in the Offering or sell any Sale Shares, and does not take into account any sales of Shares held in treasury by the Company pursuant to the Greenshoe Option nor the Company's remaining holding of Shares held in treasury. The existing shareholder's pre-emptive right to subscribe for the New Shares will be deviated from in connection with the resolution to increase the share capital in connection with the Offering. Please see the table below for a comparison of the ownership and voting rights before and after the Offering for the existing shareholders of the Company:

Table 46 – Ownership and Dilution	**Prior to the Offering**	**After the Offering***
Outstanding Shares	168,435,783	192,245,306
Ownership / voting rights of existing shareholders	100%	Approx. 86%
Dilution	-	Approx. 14%[33]

**Assuming that 23,809,523 New Shares are issued in the Offering and that existing shareholders do not subscribe for any New Shares.*

[33] Dilution based on total shares outstanding excl. treasury shares (approx. 12% including treasury shares)

Based on the Company's annual financial statements for the financial year ending 31 December 2025, the net asset value per Share is NOK 4.20 (corresponding to book equity prior to dilution). The Offer Price is NOK 21.00 per Offer Share.

14.25 Interest of natural and legal persons involved in the Offering

The Managers or their affiliates have provided from time to time, and may provide in the future, financial advisory, investment and commercial banking services, as well as financing, to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Managers will receive a fee in connection with the Offering and, as such, have an interest in the Offering. In addition, the Company may, at its sole and absolute discretion, pay to the Managers an additional discretionary fee in connection with the Offering.

In connection with the Offering, each of the Managers and any of their respective affiliates, acting as an investor for its own account, may take up Offer Shares in the Offering and in that capacity may retain, purchase or sell for its own account such securities and any Offer Shares or related investments and may offer or sell such Offer Shares or other investments otherwise than in connection with the Offering. Accordingly, references in the Prospectus to Offer Shares being offered or placed should be read as including any offering or placement of Offer Shares to any of the Managers or any of their respective affiliates acting in such capacity. In addition, certain of the Managers or their affiliates may enter into financing arrangements (including swaps) with investors in connection with which such Managers (or their affiliates) may from time to time acquire, hold or dispose of Offer Shares. None of the Managers intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

The Selling Shareholders will receive the net proceeds from the sale of the Sale Shares. To the extent that there are any profits earned from stabilisation transactions, any profit therefrom (after deduction of any dealing costs and stamp duty or transfer tax costs arising in relation to any stabilisation transactions) shall fall to the Company.

Beyond the above-mentioned, the Company is not aware of any interest, including conflicting ones, of any natural or legal persons involved in the Offering.

14.26 Net proceeds and expenses of the Offering and the Listing

The net proceeds to the Company will be approximately NOK 462.5 million, based on estimated total transaction costs of, and incidental to, the Listing and the Offering of approximately 37.5 million to be paid by the Company.

No expenses or taxes will be charged by the Company, the Selling Shareholders or the Managers to the applicants in the Offering.

14.27 Material disparity between the subscription price in the Offering and effective cash costs to members of the Management and Board of Directors

There will be no material disparity between the Offer Price and effective cash to members of the management and board of directors.

Two members of the Board of Directors, Asta Ellingsen Stenhagen and Kim Steinsland, have acquired Shares during the last twelve months prior to the date of this Prospectus through the exercise of share options. Other than that, no member of the Board of Directors or Management has acquired Shares during the last twelve months prior to the date of this Prospectus.

14.28 Governing law and jurisdiction

The Offering is governed by Norwegian law. Any dispute arising out of, or in connection with, this Prospectus or the Offering shall be subject to the exclusive jurisdiction of the courts of Norway, with Oslo District Court as legal venue.

15 SELLING AND TRANSFER RESTRICTIONS

15.1 General

As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares offered hereby.

Other than in Norway and Sweden, the Company is not taking any action to permit a public offering of the Shares in any jurisdiction. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any jurisdiction other than Norway, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Shares, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer Shares, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

15.2 Selling restrictions

United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority or any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States to QIBs in reliance on Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act; or (ii) to certain persons in offshore transactions in compliance with Regulation S under the U.S. Securities Act, and in each case, in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Accordingly, each Manager has represented and agreed that it has not offered or sold, and will not offer or sell, any of the Offer Shares as part of its allocation at any time other than those it reasonably believes to be QIBs in the United States in accordance with Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act or outside of the United States in offshore transactions in compliance with Rule 903 of Regulation S. Transfer of the Offer Shares will be restricted and each purchaser of the Offer Shares in the United States will be required to make certain acknowledgements, representations and agreements, as described under Section 15.5 "*United States*".

Any offer or sale in the United States will be made by affiliates of the Managers who are broker-dealers registered under the U.S. Exchange Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of Offer Shares within the United States by a dealer, whether or not participating in the Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A of the U.S. Securities Act or another exemption from the registration requirements of the U.S. Securities Act and in connection with any applicable state securities laws.

United Kingdom

This Prospectus is only being distributed to and is only directed at, and any investment or investment activity to which the document relates is available only to, and will be engaged in only with, (a) persons who have professional experience, knowledge and expertise in matters relating to investments and qualifying as "investment professionals" for the purposes of article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (all such persons being referred to as "relevant persons") and (b) only in circumstances falling within the circumstances set out in Part 1 of Schedule 1 to the POATRs (including, amongst other circumstances, the fact that the Offer Shares are offered subject to a minimum subscription amount per UK Applicant equivalent to at least GBP 100,000. Consequently, the Applicant understands that the Offer Shares may be offered only to “qualified investors” as defined in paragraph 15 of Schedule 1 to the POATRs, or to limited numbers of UK investors, or only where minimum consideration is required for the securities offered. Any application or purchase of Offer Shares is available only to relevant persons and will be engaged in only with relevant persons and each UK Applicant warrants that it is a relevant person. Any person who is not a relevant persons should not act or rely on this Prospectus or any of its contents.

European Economic Area

Each person in a Relevant Member State (other than persons in Norway and Sweden) must represent, warrant and agree that:

a) it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation; and

b) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) the Offer Shares acquired by it in the offer have not been acquired on behalf of, nor with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Joint Global Coordinators has been given to the offer or resale; or (ii) where Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Offer Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

15.3 *Additional jurisdictions*

Canada

No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the Offer Shares. The Offer Shares have not been, and will not be, qualified for sale under the securities laws of Canada or any province or territory thereof and no securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this Prospectus or the merits of the Offer Shares and any representation to the contrary is an offence.

The Offer Shares may not be offered, sold or distributed, directly or indirectly, in Canada or to or for the benefit of any resident of Canada, other than in compliance with applicable securities laws and, without limiting the generality of the foregoing:

a) any offer, sale or distribution of the Offer Shares in Canada may be made only to purchasers that are (i) "accredited investors" (as such term is defined in section 1.1 of National Instrument 45- 106 *Prospectus Exemptions* ("**NI 45-106**") or, in Ontario, as such term is defined in section 73.3(1) of the Securities Act (Ontario)) and "permitted clients" (as such term is defined in section 1.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*), (ii) purchasing as principal, or are deemed to be purchasing as principal in accordance with applicable Canadian securities laws, and (iii) not a person created or used solely to purchase or hold the Offer Shares as an "accredited investor" as described in paragraph (m) of the definition of "accredited investor" in section 1.1 of NI 45-106; and

b) no offering material in connection with any offering of the Offer Shares, other than this Prospectus, may be distributed or delivered in or to a resident of Canada other than in compliance with applicable Canadian securities laws.

Hong Kong

The Offer Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the Offer Shares may be issued or may be in the possession of any person for the purposes of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Offer Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

Switzerland

The Offer Shares may not be publicly offered in Switzerland and will not be listed on the Swiss Exchange (SIX) or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under article 652a or article 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under article 27 ff of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Offer Shares or the Offering may be publicly distributed or otherwise made publicly available in Switzerland. Neither this document nor any other offering or marketing material relating to the Offering, the Company or the Shares has been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the Offering will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA, and the Offering has not been and will not be authorised under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Singapore

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares may not be circulated or distributed, nor may they be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person, or any person pursuant to section 275(1A), and in accordance with the conditions, specified in section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

15.4 *Other jurisdictions*

The Offer Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Japan, Australia or any other jurisdiction in which it would not be permissible to offer the Offer Shares.

In jurisdictions outside the United States and the EEA where the Offering would be permissible, the Offer Shares will only be offered pursuant to applicable exceptions from prospectus requirements in such jurisdictions.

15.5 Transfer restrictions

United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered or sold except: (i) within the United States only to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S, and in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this Section.

Each purchaser of the Offer Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed decision and that:

- The purchaser is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to significant restrictions on transfer.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares was located outside the United States at the time the buy order for the Offer Shares was originated and continues to be located outside the United States and has not purchased the Offer Shares for the benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares to any person in the United States.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S described in this Prospectus.
- The Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above restrictions.
- The purchaser acknowledges that these representations are required in connection with the securities laws of the United States and that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the Offer Shares within the United States pursuant to Rule 144A or another available exemption under the Securities Act will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.
- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it may be made in reliance on Rule 144A and (iii) is acquiring such Offer Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Offer Shares, as the case may be.
- The purchaser is aware that the Offer Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.
- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Offer Shares, as the case may be, such Shares may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction meeting the requirements of Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

- The Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Offer Shares, as the case may be.
- The Company shall not recognise any offer, sale pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions.
- The purchaser acknowledges that these representations and undertakings are required in connection with the securities laws of the United States and that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

European Economic Area

Each person in a Relevant Member State (other than, in the case of paragraph (a), persons receiving offers contemplated in this Prospectus in Norway) who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with each Manager and the Company that:

a) it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation; and

b) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) the Offer Shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Joint Global Coordinators has been given to the offer or resale; or (ii) where Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purpose of this representation, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Offering and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares.

16 CERTAIN ASPECTS OF SECURITIES TRADING IN NORWAY

16.1 Introduction

The following is a summary of certain information in respect of trading and settlement of shares on Euronext Oslo Børs, securities registration in Norway and certain provisions of applicable Norwegian securities law, including the Norwegian Securities Trading Act, in effect as of the date of this Prospectus. This summary does not purport to be complete and is qualified in its entirety by Norwegian law.

16.2 Market value of shares on Euronext Oslo Børs

The market value of all shares on Euronext Oslo Børs, including the Shares following the Listing, may fluctuate significantly, which could cause investors to lose a significant part of their investment. The market value of listed shares could fluctuate significantly in response to a number of factors beyond the respective issuer's control, including quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, announcements by the respective issuer or its competitors of new product and service offerings, significant contracts, acquisitions or strategic relationships, publicity about the issuer, its products and services or its competitors, lawsuits against the issuer, unforeseen liabilities, changes in management, changes to the regulatory environment in which the issuer operates or general market conditions.

Furthermore, future issuances of shares or other securities may dilute the holdings of shareholders and could materially affect the price of the shares. Any issuer, including the Company, may in the future decide to offer additional shares or other securities to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes, including for refinancing purposes. There are no assurances that any of the issuers on Oslo Børs will not decide to conduct further offerings of securities in the future. Depending on the structure of any future offering, certain existing shareholders may not have the ability to purchase additional equity securities. If a listed company raises additional funds by issuing additional equity securities, the holdings and voting interests of existing shareholders could be diluted and thereby affect share price.

16.3 Trading and settlement

As of the date of this Prospectus, trading of equities on Euronext Oslo Børs is carried out in the electronic trading system Optiq, which is the electronic trading system of Euronext Optiq.

Official regular trading for equities on Euronext Oslo Børs takes place between 09:00 (CET) and 16:20 (CET) each trading day, with pre-trade period between 07:15 (CET) and 09:00 (CET), closing auction from 16:20 (CET) to 16:25 (CET) and a post-trade period from 16:25 (CET) to 17:30 (CET). Reporting of after exchange trades can be done until 18:00 (CET).

The settlement period for trading on Euronext Oslo Børs is two trading days (T+2). This means that securities will be settled on the investor's account in ESO two days after the transaction, and that the seller will receive payment after two days.

Securities traded on Euronext Oslo Børs are cleared through a central counterparty (CCP). The three central counterparts currently authorised to clear trades in shares on Euronext Oslo Børs are Euro CCP, LCH Limited and Six X-Clear.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from an EEA member state or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a license to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a license to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, such market-making activities do not as such require notification to the Norwegian FSA or the Oslo Børs except for the general obligation of investment firms that are members of Oslo Børs to report all trades in stock exchange listed securities.

16.4 Information, control and surveillance

Under Norwegian law, Oslo Børs is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of Oslo Børs monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company (i.e., precise information about financial instruments, the issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or

related financial instruments, and which are not publicly available or commonly known in the market). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public.

16.5 The ESO and transfer of shares

The Company's principal share register is operated through ESO. ESO is the Norwegian paperless centralised securities register. It is a computerised book-keeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded.

All transactions relating to securities registered with ESO are made through computerised book entries. No physical share certificates are, or may be, issued. ESO confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (being the Central Bank of Norway'), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in ESO is prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholding or has reported and shown evidence of such share acquisition, and the acquisition is not prevented by law, the Company's Articles of Association or otherwise.

ESO is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside ESO's control which ESO could not reasonably be expected to avoid or overcome the consequences of. Damages payable by ESO may, however, be reduced in the event of contributory negligence by the aggrieved party.

ESO must provide information to the Norwegian FSA on an ongoing basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from ESO regarding any individual's holdings of securities, including information about dividends and interest payments.

16.6 Shareholder register – Norwegian law

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. . As a general rule, there are no arrangements for nominee registration and Norwegian shareholders are not allowed to register their shares in ESO through a nominee. However, foreign shareholders may register their shares in ESO in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In case of registration by nominees, the registration in the ESO must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions, but cannot vote in general meetings on behalf of the beneficial owners. There is no assurance that beneficial owners of Shares will receive notices of any general meetings in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners. For more information on nominee accounts see Section 13.12 *"The Articles of Association and certain aspects of Norwegian law"* under the subheading *"Voting rights – amendments to the articles of association"*.

16.7 Foreign investment in shares listed in Norway

Foreign investors may trade shares listed on Euronext Oslo Børs through any broker that is a member of Oslo Børs, whether Norwegian or foreign. Foreign investors are, however, to note that the rights of holders of listed shares of companies incorporated in Norway are governed by Norwegian law and by the respective company's articles of association. These rights may differ from the rights of shareholders in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For instance, under Norwegian law, any action brought by a listed company in respect of wrongful acts committed against such company will be prioritised over actions brought by shareholders claiming compensation in respect of such acts. In addition, it may be difficult to prevail in a claim against such company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions. For more information, see Section 13.12 *"The Articles of Association and certain aspects of Norwegian law".*

16.8 Disclosure obligations

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify Oslo Børs and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

16.9 Insider trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in Chapter 2 of the Article Market Abuse Regulation (EU) 596/2014, pursuant to section 3-1 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

16.10 Mandatory offer requirement

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a company listed on a Norwegian regulated market (with the exception of certain foreign companies) to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the company and the Norwegian FSA decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered (or provided that the person, entity or consolidated group has not already stated that it will proceed with the making of a mandatory offer).

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Norwegian FSA and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by the Norwegian FSA before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered. The settlement must be guaranteed by a financial institution authorised to provide such guarantees in Norway.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, the Norwegian FSA may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a general meeting, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, the Norwegian FSA may impose a cumulative daily fine that runs until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a company listed on a Norwegian regulated market (with the exception of certain foreign companies) is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered (provided that the person, entity or consolidated group has not already stated that it will proceed with the making of a mandatory offer).

Any person, entity or consolidated group that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

16.11 Compulsory acquisition

Pursuant to the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares in a Norwegian public limited company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the company has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing more than 90% of the total number of issued shares, as well as more than 90% of the total voting rights, through a voluntary offer in accordance with the Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution authorised to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition. However, where the offeror, after making a mandatory or voluntary offer, has acquired more than 90% of the voting shares of a company and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to section 4-25 of the Norwegian Public Limited Liability Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory/voluntary offer unless specific reasons indicate another price.

Absent a request for a Norwegian court to set the price or any other objection to the price being offered, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline.

16.12 Foreign exchange controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a company that has its shares registered with ESO who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

16.13 Other information

16.13.1 *Future issuances of Shares or other securities could dilute the holdings of shareholders and could materially affect the price of the Shares*

The Company may in the future decide to offer and issue new Shares or other securities in order to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes. Depending on the structure of any future offering, certain existing shareholders may not have the ability to purchase additional equity securities. An issuance of additional equity securities or securities with rights to convert into equity could reduce the market price of the Shares and would dilute the economic and voting rights of the existing shareholders if made without granting subscription rights to existing shareholders. Accordingly, the Company's shareholders bear the risk of any future offerings reducing the market price of the Shares and/or diluting their shareholdings in the Company.

16.13.2 *Investors could be unable to recover losses in civil proceedings in jurisdictions other than Norway*

The Company is a public limited liability company organised under the laws of Norway. The majority of the members of the Board of Directors and management reside in Norway. As a result, it may not be possible for investors to effect service of process in other jurisdictions upon such persons or the Company, to enforce against such persons or the Company judgments obtained in non-Norwegian courts, or to enforce judgments on such persons or the Company in other jurisdictions.

16.13.3 *Norwegian law could limit shareholders' ability to bring an action against the Company*

The rights of holders of the Shares are governed by Norwegian law and by the Company's Articles of Association. These rights may differ from the rights of shareholders in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For example, under Norwegian law, any action brought by the Company in respect of wrongful acts committed against the Company will be prioritised over actions brought by shareholders claiming compensation in respect of such acts. In addition, it could be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions.

16.13.4 *Investors could be unable to exercise their voting rights for Shares registered in a nominee account*

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) must vote their shares through their nominee prior to the shareholders' meeting. In accordance with section 1-8 of the Norwegian

Public Limited Liability Companies Act, as well as the regulation on intermediaries set out in section 4-5 of the Norwegian Central Securities Depository Act and related implementing regulations, notice of the general meeting is sent to the nominees who are responsible for forwarding this notice to the shareholders for whom they hold Shares. Owners of Shares held through nominee accounts must communicate with their nominees, who are responsible for conveying advance votes, proxies and/or notice of participation at the general meeting on behalf of the shareholder. In accordance with section 5-3 (1) of the Norwegian Public Limited Liability Companies Act, registration must be completed no later than two business days prior to the general meeting. Failure by the nominee to forward the notice of the general meeting of shareholders in time may prevent the shareholders from whom they hold Shares from being able to vote at the general meeting.

16.13.5 *Pre-emptive rights to subscribe for Shares in additional issuances could be unavailable to U.S. or other shareholders*

Under Norwegian law, unless otherwise resolved at the Company's general meeting of shareholders, existing shareholders have pre-emptive rights to participate on the basis of their existing ownership of Shares in the issuance of any new Shares for cash consideration. Shareholders in the United States, however, could be unable to exercise any such rights to subscribe for new Shares unless a registration statement under the U.S. Securities Act is in effect in respect of such rights and Shares or an exemption from the registration requirements under the U.S. Securities Act is available. Shareholders in other jurisdictions outside Norway could be similarly affected if the rights and the new Shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction.

The Company is under no obligation to file a registration statement under the U.S. Securities Act or seek similar approvals under the laws of any other jurisdiction outside Norway in respect of any such rights and Shares. Doing so in the future could be impractical and costly. To the extent that the Company's shareholders are not able to exercise their rights to subscribe for new Shares, their proportional interests in the Company will be diluted.

17 TAXATION

17.1 Introduction

The tax legislation in the Company's jurisdiction of incorporation and the tax legislation in the jurisdiction in which the shareholders are resident for tax purposes may have an impact on the income received from the Shares.

The summary regarding Norwegian taxation set out in this Section 17 is based on the laws in force in Norway as of the date of this Prospectus, which may be subject to any changes in law, administrative practice or interpretation occurring after such date. Such changes could possibly be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of Shares in the Company. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisers. Shareholders resident in jurisdictions other than Norway and shareholders who cease to be residents in Norway for tax purposes (under domestic tax law or under tax treaties) should specifically consult with and rely upon their own tax advisers with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway for tax purposes.

As will be evident from the description, the taxation will differ depending on whether the shareholder is a limited liability company or a natural person.

Please note that for the purpose of the summary below, a reference to a Norwegian or non-Norwegian shareholder refers to the tax residency rather than the nationality of the shareholder.

17.2 Taxation of dividends

17.2.1 *Norwegian Personal Shareholders*

Dividends received by shareholders who are natural persons resident in Norway for tax purposes ("**Norwegian Personal Shareholders**") are taxable as ordinary income currently at a rate of 22%, to the extent the dividends exceed a statutory tax-free allowance (Nw. *skjermingsfradrag*). With effect from the fiscal year 2026 the taxable amount is multiplied by a factor of 1.72, resulting in an effective tax rate of 37.84% (22% x 1.72).

The tax-free allowance is calculated on a share-by-share basis. The allowance for each Share is equal to the cost price of the Share multiplied by a determined risk-free interest rate based on the effective rate of interest on treasury bills (Nw. *statskasseveksler*) with three months' maturity plus 0.5 percentage points, after tax. The allowance is calculated for each calendar year and is allocated solely to Norwegian Personal Shareholders holding Shares at the expiration of the relevant calendar year. The risk-free interest rate is published in January in the year following the income year. The risk-free interest rate for January and February is 3.4% (updated bi-monthly).

Norwegian Personal Shareholders who transfer Shares will thus not be entitled to deduct any calculated tax-free allowance related to the year of the transfer when determining the taxable amount in the year of transfer. Any part of the calculated tax-free allowance one year that exceeds the dividend distributed on a Share ("**Excess Allowance**") may be carried forward and set off against future dividends received on, or gains upon realization of, the same Share.

Norwegian Personal Shareholders may hold the Shares through a Norwegian share saving account (Nw. *Aksjesparekonto*). Dividends received on Shares held through a share saving account will not be taxed with immediate effect. Instead, withdrawal of funds from the share saving account exceeding the paid in deposit will be regarded as taxable income, regardless of whether the funds are derived from gains or dividends related to the Shares held in the account. Such income will be taxed with an effective tax rate of 37.84%, cf. the description above concerning taxation of dividends.

The tax-free allowance is, when investing through share saving accounts, calculated based on the lowest paid in deposit in the account during the income year, plus any unused tax-free allowance from previous years. The tax-free allowance can only be deducted in order to reduce taxable income and cannot increase or produce a deductible loss. Any Excess Allowance may be carried forward and set off against future withdrawals from the account.

17.2.2 *Norwegian Corporate Shareholders*

Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**") are largely exempt from tax on dividends distributed from the Company, pursuant to the Norwegian participation exemption method (Nw. *fritaksmetoden*). However, unless the Norwegian Corporate Shareholder holds more than 90% of the Shares and the voting rights of the company, 3% of the dividend income distributed to the Norwegian Corporate Shareholder is taxable as ordinary income at a rate of 22% resulting in an effective tax rate of 0.66% (22% x 3%).

17.2.3 *Non-Norwegian Personal Shareholders*

Dividends distributed to shareholders who are natural persons not resident in Norway for tax purposes ("**Non-Norwegian Personal Shareholders**") are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is

normally reduced through tax treaties between Norway and the country in which the shareholder is resident. The withholding obligation lies with the company distributing the dividends, and the Company assumes this obligation.

Non-Norwegian Personal Shareholders resident within the EEA for tax purposes may apply individually to Norwegian tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual Share (please see Section 17.2.1 "*Norwegian Personal Shareholders*"). However, the tax-free allowance deduction does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

If a Non-Norwegian Personal Shareholder carries out business activities in or managed from Norway and the Shares are, in effect, connected to such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Personal Shareholder, as described above.

Non-Norwegian Personal Shareholders who have been imposed with a higher withholding tax than set out in an applicable tax treaty, may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted, if certain documentation requirements are met. Non-Norwegian Personal Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming a refund of withholding tax.

Non-Norwegian Personal Shareholders, who are resident in an EEA country may hold the Shares through a Norwegian share saving account (Nw. *Aksjesparekonto*) to the same extent as Norwegian shareholders. Please refer to Section 17.2.1 "*Norwegian Personal Shareholders*" above for a description of taxation of shares held on a share saving account.

17.2.4 *Non-Norwegian Corporate Shareholders*

Dividends distributed to shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes ("**Non-Norwegian Corporate Shareholders**") are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident.

Dividends distributed to Non-Norwegian Corporate Shareholders resident within the EEA for tax purposes are exempted from Norwegian withholding tax, provided that the shareholder is the beneficial owner of the Shares and is considered to be "genuinely established and performs genuine economic activity" in the relevant EEA jurisdiction for Norwegian tax purposes.

If a Non-Norwegian Corporate Shareholder carries out business activities in or managed from Norway and the Shares are, in effect, connected to such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Corporate Shareholder, as described above.

Non-Norwegian Corporate Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty, may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted. The same will apply to Non-Norwegian Corporate Shareholders who have suffered withholding tax although qualifying for the Norwegian participation exemption method.

All Non-Norwegian Corporate Shareholders must document their entitlement to a reduced withholding tax rate by either (i) presenting an approved withholding tax refund application or (ii) present an approval from the Norwegian tax authorities confirming that the recipient is entitled to a reduced withholding tax rate. In addition, certain other documentation requirements must be met, and the relevant documentation must be provided to either the nominee or the account operator registered with ESO. Non-Norwegian Corporate Shareholders should consult their own advisers regarding the possibility of effectively obtaining a reduced withholding tax rate pursuant to either an applicable tax treaty or the participation exemption method.

17.3 Taxation of capital gains on realization of shares

17.3.1 *Norwegian Personal Shareholders*

Sale, redemption or other disposal of Shares is considered a realisation for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Shareholder through a disposal of Shares is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the Norwegian Personal Shareholder's ordinary income in the year of disposal. Ordinary income is in 2026 taxable at a rate of 22%. However, with effect from the fiscal year 2026, the taxable capital gain (after the tax-free allowance reduction, cf. below) or tax-deductible loss shall be adjusted by a factor of 1.72, resulting in a marginal effective tax rate of 37.84%.

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of Shares disposed of.

The taxable gain/deductible loss is calculated per Share as the difference between the consideration for the Share and the Norwegian Personal Shareholder's cost price of the Share, including costs incurred in relation to the acquisition or realizations of the Share. Norwegian Personal Shareholders are entitled to deduct a statutory tax-free allowance from any capital gain, provided that such allowance has not already been used to reduce taxable dividend income. Please refer to Section 17.2.1 "*Norwegian Personal Shareholders*" above for a description of the calculation of the tax-free allowance. The allowance may only be deducted

in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realization of a Share will be annulled.

If the Norwegian Personal Shareholder owns Shares acquired at different points in time, the Shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

Gains derived upon the realization of Shares held through a share saving account will be exempt from immediate Norwegian taxation and losses will not be tax deductible. Instead, withdrawal of funds from the share saving account exceeding the Norwegian Personal Shareholder's paid in deposit, will be regarded as taxable income, subject to tax at an effective tax rate of 37.84% (please see Section 17.2.1 "*Norwegian Personal Shareholders*" above for more information regarding share saving accounts).

17.3.2 *Norwegian Corporate Shareholders*

Norwegian Corporate Shareholders are generally exempt from tax on capital gains derived from the realization of Shares, pursuant to the Norwegian participation exemption method. Correspondingly, losses upon the realization and costs incurred in connection with the purchase and realization of such Shares are not deductible for tax purposes.

17.3.3 *Non-Norwegian Personal Shareholders*

Gains from the sale or other disposal of Shares by a Non-Norwegian Personal Shareholder will not be subject to taxation in Norway unless the Shares held by the Non-Norwegian Personal Shareholder are, in effect, connected to business activities carried out in or managed from Norway, or the Shares are held by a Non-Norwegian Personal Shareholder who has been a resident of Norway for tax purposes with unsettled/postponed exit tax calculated on the Shares at the time of cessation of Norwegian tax residency.

Please refer to Section 17.2.3 "*Non-Norwegian Personal Shareholders*" above for a description of the availability of a Norwegian share saving account for Non-Norwegian Personal Shareholders. Please refer to Section 17.2.1 "*Norwegian Personal Shareholders*" for a description of the taxation of dividends on Shares held on a share saving account.

17.3.4 *Non-Norwegian Corporate Shareholders*

Capital gains derived from the sale or other realization of Shares by Non-Norwegian Corporate Shareholders are not subject to taxation in Norway unless the Shares held by the Non-Norwegian Corporate Shareholder are, in effect, connected with business activities carried out in or managed from Norway.

17.4 Net wealth tax

The value of Shares is included in the basis for the computation of net wealth tax imposed on Norwegian Personal Shareholders. With effect from the fiscal year 2026, the marginal net wealth tax rate is 1% of the tax assessment value of total net assets exceeding NOK 1.9 million (NOK 3.8 million jointly for married couples), increased to 1.1% of the tax assessment value of total net assets exceeding NOK 21.5 million. The value for assessment purposes for listed Shares is, with effect from the fiscal year 2026, equal to 80% of the listed value as of 1 January in the year of assessment (i.e., the year following the relevant fiscal year).

Norwegian Corporate Shareholders are not subject to net wealth tax.

Shareholders not resident in Norway for tax purposes are not subject to Norwegian net wealth tax. Non-Norwegian Personal Shareholders may, however, be liable for Norwegian net wealth tax if the shareholding is, in effect, connected to business activities carried out in or managed from Norway.

17.5 VAT and transfer tax

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of Shares.

17.6 Inheritance tax

A transfer of Shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

17.7 The Company's responsibility for the withholding of taxes

The Company is responsible for and shall deduct, report and pay any applicable withholding tax to the Norwegian tax authorities.

18 ADDITIONAL INFORMATION

18.1 Independent auditor

The Company's independent auditor is BDO AS (BDO), with registration number 993 606 650 and business address at Bygdøy allé 2, 0257 Oslo, Norway. BDO is a member of Den norske Revisorforeningen. BDO has been the Company's auditor throughout the period covered by financial information included in this Prospectus.

The Annual Financial Statements as of and for the years ended 31 December 2025, 2024 and 2023 have been audited by BDO as set forth in their report included herein. BDO has not audited, reviewed or produced any report on any other information provided in this Prospectus.

18.2 Advisors

ABG Sundal Collier ASA (address: Ruseløkkveien 26, 0251 Oslo, Norway) and DNB Carnegie, a part of DNB Bank ASA (address: Dronning Eufemias gate 30, 0191 Oslo, Norway) are acting as Joint Global Coordinators and Joint Bookrunners in connection with the Listing and the Offering. Arctic Securities AS (address: Haakon VIIs gate 5, 0161 Oslo, Norway) is acting as Joint Bookrunner in the Offering. Advokatfirmaet Wiersholm AS (address: Dokkveien 1, 0250 Oslo, Norway) is acting as Norwegian legal counsel to the Joint Global Coordinators.

Advokatfirmaet Schjødt AS (address: Tordenskiolds gate 12, NO-0201 Oslo, Norway) functions as the Company's legal counsel.

18.3 Documents on display

Copies of the following documents will be available for inspection at the Company's offices at Vangkroken 2, 1351 Rud, Norway, during normal business hours from Monday to Friday each week (except public holidays) for a period of twelve months from the date of this Prospectus:

- the Company's certificate of incorporation and Articles of Association;
- all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in this Prospectus; and
- this Prospectus.

The documents are also available at the Company's website www.generaloceans.com. The content of www.generaloceans.com is not incorporated by reference into, or otherwise form part of, this Prospectus.

19 DEFINITIONS AND GLOSSARY

The following definitions and glossary apply in this Prospectus unless otherwise dictated by the context, including the foregoing pages of this Prospectus:

Table 47 – Definitions and glossary

Defined terms	Meanings
ADCPs	Acoustic doppler current profilers.
Additional Shares	The number of Shares amounting to a maximum of 15% of the aggregate number of New Shares and Sale Shares initially allocated in the Offering, being 50,000,000 Shares.
Annual Financial Statements	The Company's audited consolidated financial statements for the financial years ended 31 December 2025, 2024 and 2023.
Anti-Money Laundering Legislation	Applicable anti-money laundering legislation, including the Norwegian Money Laundering Act 1 June 2018 No. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 No. 1324.
APMs	Alternative Performance Measures.
Application Period	The application period for the Retail Offering.
Articles of Association	The Company's articles of association.
ASIC	The Australian Securities and Investments Commission.
AUV	Autonomous underwater vehicle.
BDO	BDO AS.
Board / Board of Directors	The Company's board of directors.
Bookbuilding Period	The offer period for the Institutional Offering.
CAGR	Compound annual growth rate.
CEO	The Company's chief executive officer.
CFO	The Company's chief financial officer.
Company	General Oceans ASA.
Corporate Governance Code	The Norwegian Code of Practice for Corporate Governance dated 28 August 2025.
Corporations Act	The Corporations Act 2001 of the Commonwealth of Australia.
DVLs	Doppler velocity logs.
EEA	The European Economic Area.
ESMA	European Securities and Markets Authority.
ESO	Euronext Securities Oslo.
ESO Registrar	Equro Issuer Services AS
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.
EUR	Euro, the lawful common currency of the EU member states.
Euronext Oslo Børs	A regulated market operated by Oslo Børs ASA
EVP	Executive Vice President.
Excess Allowance	Part of the calculated tax-free allowance one year that exceeds the dividend distributed on a Share.

Exempt Investors	Investors in Australia who (i) fall within one or more of the categories set out in section 708 of the Corporations Act 2001 of the Commonwealth of Australia, to whom an offer may be made without disclosure under Chapter 6D of the Corporations Act, and/or (ii) are "wholesale clients" within the meaning of section 761G of the Corporations Act, such that disclosure under Chapter 6D and Part 7.9 of the Corporations Act is not required.
Facilities Agreement	The RCF and the Term Loan with Nordea
Ferd	Ferd Go Holding As
FinSA	The Swiss Financial Services Act.
FSMA	The Financial Services and Markets Act 2000 (as amended).
FTEs	Full-time equivalent.
GDP	Gross Domestic Product
GDPR	The General Data Protection Regulation (Regulation (EU) 2016/679).
Greenshoe Option	The option to purchase a number of Shares equal to the number of Additional Shares to cover any over-allotments made in connection with the Offering.
Group	The Company and its consolidated subsidiaries.
IFRS	The International Financial Reporting Standards as adopted by the EU.
Institutional Closing Date	Delivery of and payment for Offer Shares is expected to take place in the Institutional Offering.
Institutional Offering	An offering to persons reasonably believed to be QIBs in the United States as defined in, and in reliance on, Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act of 1933, as amended.
IPO Bonus Scheme	The Company has also implemented a short-term incentive program in the form of a bonus scheme for the team based in the UK.
ISIN	International securities identification number.
Managers	ABG Sundal Collier ASA, DNB Carnegie, a part of DNB Bank ASA and Arctic Securities AS.
Joint Global Coordinators and Joint Bookrunner	ABG Sundal Collier ASA and DNB Carnegie, a part of DNB Bank ASA.
Joint Bookrunner	Arctic Securities AS.
Klein	Klein Marine Systems.
KPIs	Key performance indicators.
LEI	Legal Entity Identifier.
Lending Option	The option to borrow a number of Shares equal to the number of Additional Shares.
Listing	The admission to listing and trading of the Shares on Euronext Oslo Børs.
Lock-up	The Lock-up Undertakings provided by the Lock-up Shareholders to the Joint Global Coordinators in connection with the Offering and Listing.
Lock-up Shareholders	The shareholders that are subject to the Lock-up Undertaking.
Lock-up Shares	The shares and/or securities in the Company and its subsidiaries subject to the Lock-up Undertaking.
Lock-up Undertaking	The lock-up undertaking for the Lock-up Shareholders.
Lock-up Restrictions	The restrictions under the Lock-up Undertakings.
M&A	Mergers and acquisitions.
Management	The members of the senior management of the Group.
Managers	The Joint Bookrunners and the Joint Global Coordinators.
MAR	Regulation (EU) No 596/2014 (the Market Abuse Regulation).

NCI	National Client Identifier.
NOK	Norwegian kroner, the lawful currency of Norway.
NOM-account	Nominee account.
Non-Norwegian Corporate Shareholders	Shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes.
Non-Norwegian Personal Shareholders	Shareholders who are natural persons not resident in Norway for tax purposes.
Nordea	Nordea Bank Abp, Norwegian Branch.
Nordnet	Nordnet Bank AB.
Norwegian Act on Overdue Payments	The Norwegian Act relating to Interest on Overdue Payments of 17 December 1976 no. 100.
Norwegian FSA	The Financial Supervisory Authority of Norway.
Norwegian Personal Shareholders	Shareholders who are natural persons resident in Norway for tax purposes.
Norwegian Public Limited Companies Act	The Norwegian Public Limited Companies Act of 13 June 1997 no. 45.
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended.
Ocean Synaptics	Ocean Synaptics AS.
Offer Price	The price at which the Offer Shares will be sold.
Offer Shares	The New Shares, the Sale Shares and the Additional Shares.
Offering	The initial public offering of Shares.
Order	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended.
Oslo Børs	Oslo Børs ASA.
Other Borrowings	The Group's business loans at a fixed interest rate of 0.55% with monthly repayments.
Payment Date	The date the accounts will be debited, on or about 26 March 2026.
POATRs	The Public Offers and Admissions to Trading Regulations 2024.
President	The president and chief executive officer of the Company.
Primary Insiders	Board members Asta Ellingsen Stenhagen, Siw Ødegaard, Trond Brandsrud and Kim Steinsland
Program	The Company's long-term incentive program in the form of a share option scheme for eligible employees.
Prospectus	This Prospectus dated 16 March 2026.
Placing Agreement	The placing agreement expected to be entered into, following expiry of the Bookbuilding Period for the Institutional Offering, between the Company, the Selling Shareholders and the Managers.
QIBs	Qualified institutional buyers in the United States as defined in, and in reliance on, Rule 144A.
Qualified Investors	Persons who are "qualified investors" within the meaning of Article 2(e) of the EU Prospectus Regulation.
Qualifying Investors	Persons in South Africa who fall within the exemptions set out in Section 96(1)(a) of the South African Companies Act, to whom the Offering is specifically addressed and to whom this Prospectus may lawfully be made available by way of private placement.
R&D	Research and development
RCF	The NOK 150 million revolving credit facility.
Regulation S	Regulation S under the U.S. Securities Act.

Relevant Persons	Persons who are (i) investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, (ii) high net worth entities as referred to in Article 49(2)(a) to (d) of the Order, (iii) located outside the United Kingdom, or (iv) any other persons to whom the Prospectus may lawfully be communicated, and who are also qualified investors within the meaning of Article 2(e) of Regulation (EU) 2017/1129 as it forms part of UK domestic law.
Restricted Period	The restricted period under the Lock-up Undertakings.
Retail Application Form	Application form in the form attached to this Prospectus as Appendix C.
Retail Offering	The retail offering to the public in Norway and Sweden.
RS Aqua	RS Aqua Holdings Ltd, RS Aqua Ltd and RS Aqua Technical Services Ltd.
ROVs	Remotely operated vehicles.
Rule 144A	Rule 144A under the U.S. Securities Act of 1933, as amended, providing an exemption from registration for resales of certain restricted securities to persons reasonably believed to be QIBs.
Sale Shares	26,190,477 existing Shares of the Company, offered by the Selling Shareholders in the Offering.
SEK	Svensk krona, the lawful currency of Sweden.
SFA	The Securities and Futures Act, Chapter 289 of Singapore.
Selling Shareholders	Atle Lohrmann and Ferd Go Holding AS.
Shares	All the ordinary shares of the Company.
SRS	Strategic Robotic Systems.
Stabilisation Manager	ABG Sundal Collier ASA is the stabilisation manager on behalf of the Managers.
Stabilisation Period	The period commencing on the first day of Listing (on or about 26 March 2026) and ending on or about 26 April 2026, during which the Stabilisation Manager may, upon exercise of the Lending Option, effect transactions with a view to supporting the market price of the Shares.
SURF	Subsea umbilicals, risers and flowlines.
Target Market Assessment	The assessment carried out in accordance with the MiFID II product governance requirements, which has determined that the Shares are compatible with an end target market of retail investors, professional clients and eligible counterparties, and are eligible for distribution through all permitted distribution channels under MiFID II.
Term Loan	The NOK 255 million term loan facility.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
US Target	A U.S.-based company engaged in the design and manufacture of subsea equipment, with which the Company is currently negotiating a potential acquisition of 100% of its share capital.
UAE	United Arab Emirates.
UK Prospectus Regulation	Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.
United States or U.S.	The United States of America.
UUVs	Unmanned underwater vehicles.
WROV	Work Class ROV.

APPENDIX A

ARTICLES OF ASSOCIATION

VEDTEKTER
FOR
GENERAL OCEANS ASA
(org.nr. 927 002 264)

§ 1
Foretaksnavn

Selskapets foretaksnavn er General Oceans ASA.

Selskapet er et allmennaksjeselskap.

§ 2
Forretningskontor

Selskapets forretningskontor er i Bærum kommune.

§ 3
Selskapets virksomhet

Morselskap i et internasjonalt fokusert teknologikonsern som leverer avanserte havteknologiske løsninger i utvalgte nisjemarkeder. Selskapets virksomhet er investering i aksjer og andre formuesgoder, samt virksomhet som naturlig står i forbindelse med dette, herunder å yte finansiering samt strategiske- og ledelsestjenester til selskapene i sin portefølje.

§4
Aksjekapital

Selskapets aksjekapital er NOK 5 726 816,62 fordelt på 168 435 783 aksjer hver pålydende NOK 0,034.

Selskapets aksjer skal være registrert i Euronext Securities Oslo (*Verdipapirsentralen*).

§ 5
Styret

Selskapets styre består av fra fire til syv aksjeeiervalgte medlemmer, i tillegg til eventuelle ansatterepresentanter. Styrets leder velges av generalforsamlingen.

UNOFFICIAL OFFICE TRANSLATION – IN CASE OF DISCREPANCY THE NORWEGIAN VERSION SHALL PREVAIL:

ARTICLES OF ASSOCIATION
FOR
GENERAL OCEANS ASA
(reg.no. 927 002 264)

Article 1
Company name

The name of the company is General Oceans ASA.

The company is a public limited liability company.

Article 2
Company's registered office

The company's registered office is in the municipality of Bærum.

Article 3
Operations of the company

Parent company of an internationally focused technology group delivering advanced ocean technology solutions in selected niche markets. The business of the company is investment in shares and other assets, as well as activities related thereto, including providing funding, strategic and management services to the companies in its portfolio.

Article 4
Share capital

The company's share capital is NOK 5,726,816.62 divided on 168,435,783 shares, each with a nominal value of NOK 0.034.

The company's shares shall be registered in Euronext Securities Oslo (*Verdipapirsentralen*).

Article 5
Board of directors

The company's board of directors shall consist of four to seven shareholder-elected members, in addition to any employee representatives.

The chair of the Board is elected by the general meeting.

§ 6
Signatur

To styremedlemmer i fellesskap har selskapets signatur.

Article 6
Signature

Two board members jointly are authorized to sign on behalf of the company.

§ 7
Generalforsamling

Styret kaller inn til generalforsamlinger ved skriftlig varsel til alle aksjonærer med kjent adresse. Innkallingen sendes minst 21 dager før generalforsamlingen skal avholdes, med mindre lovgivningen tillater en kortere frist.

Dokumenter som gjelder saker som skal behandles på generalforsamlingen, skal enten sendes som vedlegg til innkallingen eller gjøres tilgjengelige for aksjonærene på selskapets nettside samtidig som innkallingen sendes. En aksjonær kan likevel be om å få dokumentene tilsendt per post. Selskapet kan ikke kreve noen form for gebyr for utsendelse av dokumenter til aksjonærer.

På ordinær generalforsamling skal følgende saker behandles og avgjøres:

- vedtak av årsregnskap og årsberetning, herunder utdeling av utbytte,
- fastsettelse av godtgjørelse til styret og godkjenning av godtgjørelse til revisor,
- valg av styremedlemmer og revisor,
- enhver annen sak som etter lov eller vedtak hører inn under generalforsamlingen.

Article 7
General meeting

The board convenes general meetings by written notice to all shareholders with a known address. The notice is sent at least 21 days before the general meeting is to be held unless the legislation allows for a shorter notice period.

Documents concerning matters to be dealt with at the general meeting shall either be sent as attachments to the notice or made available to shareholders on the company's website at the same time as the notice is sent. A shareholder may still request to receive the documents by mail. The company cannot charge any form of fee for sending documents to shareholders.

The annual general meeting shall address and resolve the following:

- approval of the annual accounts and the annual report, including distribution of dividends,
- determination of remuneration to the board and approval of remuneration to the auditor,
- election of board members and auditor,
- any other matters which according to the law or the articles of association shall be considered by the general meeting.

§ 8
Forhåndsstemme

Styret kan besluttet at selskapets aksjonærer kan avgi forhåndsstemmer i en periode før generalforsamling. Forhåndsstemme kan avgis skriftlig eller elektronisk. For slik stemmegivning skal det benyttes en betryggende metode for å autentisere avsenderen.

Article 8
Advance voting

The board of directors may decide that the shareholders may cast prior votes during a period prior to the general meeting. The votes may be cast in writing or electronically. For such voting an adequate method for authenticating the sender shall be applied.

§ 9

Article 9

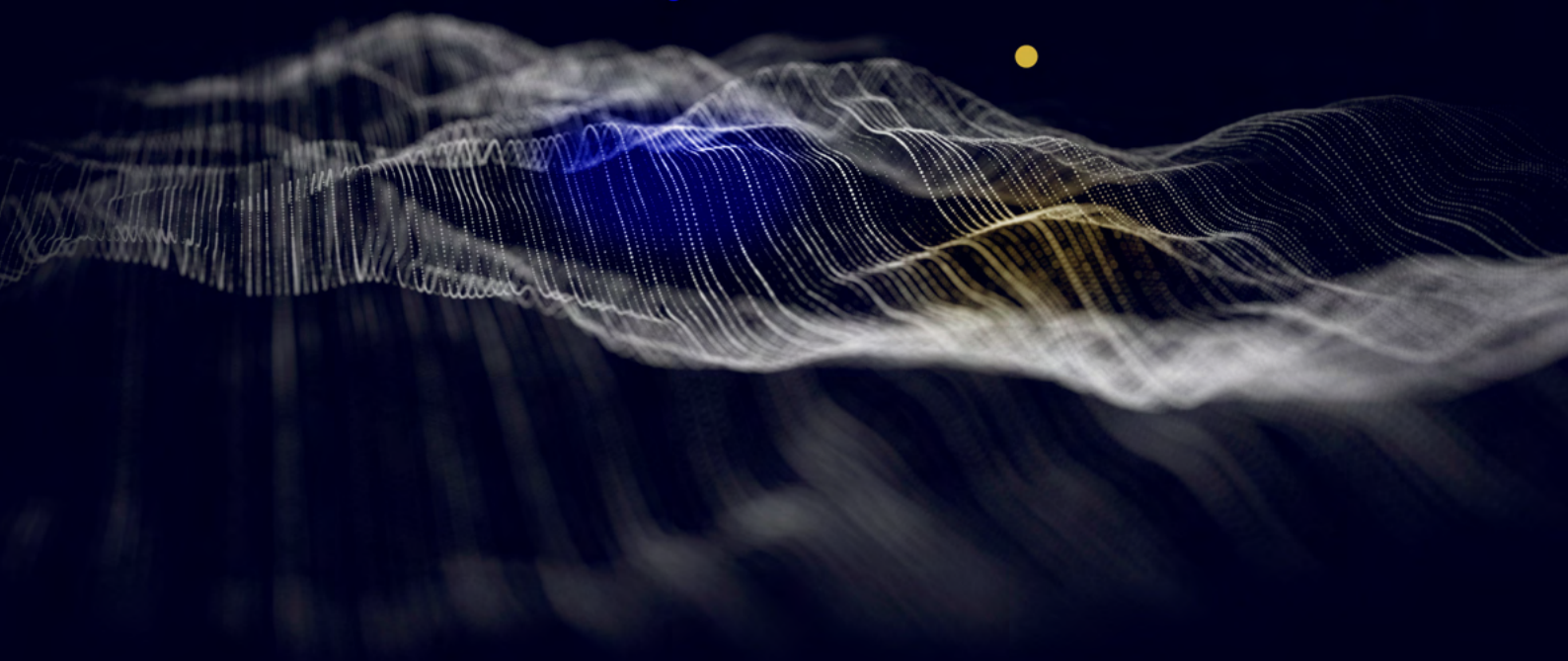
Påmelding til generalforsamling	Registration of attendance for general meetings
Aksjeeiere som vil delta på generalforsamlingen personlig eller ved fullmakt må gi selskapet melding om dette på forhånd.	Shareholders who wish to participate at general meetings, either in person or by proxy must notify the company of this in advance.
Selskapet kan i innkallingen til generalforsamlingen sette en frist for påmelding som ikke kan utløpe tidligere enn to virkedager før generalforsamlingen	The company may in the notice of a general meeting set a deadline for the notice of attendance, which cannot expire earlier than two business days prior to the general meeting.

APPENDIX B

AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2025, 2024 AND 2023 (IFRS)

2025 Annual Report

Empowering ocean technology



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At a glance

General Oceans is a global group of companies dedicated to providing advanced underwater technology, including sensors, systems and robotic solutions. With a strong foundation in engineering excellence, our brands develop customer-focused, cutting-edge solutions to serve industries, such as ocean science, defense and offshore energy. For over three decades, our sensors and systems have been crucial to ocean operations worldwide and continue to provide users with the confidence to operate safely and efficiently in one of the most challenging environments on the planet.

In numbers

372
GROUP EMPLOYEES

NOK 1.3bn
REVENUE IN 2025

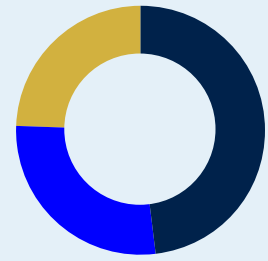
36%
REVENUE GROWTH IN 2025

6
BRANDS

18
OFFICES

Who we serve

SERVICE BY MARKET



48% Marine Construction
28% Defense & Security
24% Ocean Science

MARINE CONSTRUCTION

Across General Oceans, our brands provide advanced underwater technologies which help make underwater operations more efficient and often safer. By aiding hazard perception and obstacle avoidance, as well as situational awareness and intervention, our robust and reliable technology enables customers to complete complex underwater tasks in harsh environments.

DEFENSE AND SECURITY

Our brands have a strong history of working closely with navies, special operations teams and coast guards across the globe. The Group's technology is integral to mine countermeasures (MCM) operations, with multiple allied nations utilising our sensors and systems for these complex operations.

OCEAN SCIENCE

Academic and research institutions across the world have long been key customers of and collaborators with our brands. Nortek's extensive expertise in acoustic sensor technology for ocean research applications is notable and the brand has worked with these customers to develop systems which provide new capabilities for this market.

What we do

TECHNOLOGY

- Acoustic Doppler Current Profilers (ADCPs) for in-situ wave, current and turbulence measurement
- Doppler Velocity Logs (DVLs) and subsea sensors to aid underwater vehicle navigation
- Imaging sonars for collision avoidance and inspection
- High-resolution side scan sonar for seafloor imaging
- Passive acoustic sensors for underwater noise monitoring
- Electric manipulators for high-dexterity tasks
- Hybrid ROVs for defense and security missions

CUSTOMERS

- Offshore operators
- Navies, coast-guard agencies and border security
- Engineering companies
- Government agencies
- Offshore service companies
- Autonomous vehicle manufacturers
- Universities and academic institutions
- ROV manufacturers

Where we operate

General Oceans

Brands

Europe

UNITED KINGDOM

Aberdeen
London
Portsmouth
Southampton
Ulverston

NORWAY

Oslo
Trondheim

FRANCE

La Garde

NETHERLANDS

Hoofddorp

Asia

CHINA

Qingdao

JAPAN

Tokyo

SINGAPORE

Singapore

North America

UNITED STATES OF AMERICA

Boston
Newburyport
San Diego

Oceania

AUSTRALIA

Tasmania
Sydney

South America

BRAZIL

Rio Tavares

President's letter

As we move into the fifth year since General Oceans was founded, it is time to reflect on our original long-term goals and where we are on that path.

The vision was clear: to develop an underwater technology company capable of responding to significant subsea challenges. From the outset, we acknowledged that this would require size, a wide range of technologies, and significant resources. We also recognized that reaching a place of real significance would require joining forces with other companies.

This meant growth through mergers and acquisitions, which is a business exercise very different from running an existing company. Looking back, it is clearly one of those things we might never have started if we had known what we were getting into. However, having now integrated five new companies in addition to **Nortek**, we have learned what to look for, where to put our effort, and what to avoid.

We have changed leadership where required. We have set clear strategic goals. We have worked on product roadmaps, resolved product quality issues, developed our sales and marketing organizations, and established new support entities to strengthen software development and transducer design where needed. 2025 marks the year when this work truly came to fruition. It suggests that we made the right choices – but also confirms that meaningful work takes time.

More specifically, 2025 was marked by several relocations, expansions, and investments across the Group. **Nortek** expanded by several thousand square meters into an adjacent building at its main location and centralized software development is now housed at **Ocean Synaptics** in Oslo. At the beginning of Q2, **Klein Marine Systems** moved from an old building in New Hampshire to a modern facility in Newburyport, Massachusetts.

In the UK, we accelerated investment in our own transducer manufacturing at **Echosonics**. In-house transducer capability means faster development cycles, new technological solutions, and more predictable delivery times.

We also opened a new sales office in Singapore, staffed by full-time sales personnel from **Klein Marine Systems** and **Tritech**.

At the beginning of the year, **SRS** was still focused on resolving legacy technical challenges. During 2025, the company turned this around by securing the largest contract in its history and by returning to profitability for the first time since 2021.

As a result of improvements across the board, top-line total revenue grew by **36%**, including **RS Aqua**, which became part of General Oceans at the end of 2024. Adjusted EBITA increased to **NOK 235 million**, corresponding to **18% of revenue**.

Moving into 2026, we have the largest backlog in our history, in some cases extending well into the next twelve months. This gives us a level of predictability that is particularly valuable in a world where many things are changing quickly.

As I write this, we are working hard to meet the requirements for a listing on the Oslo Stock Exchange in the first half of 2026. It is a substantial amount of work, but also an exciting process in which we see how independent investors view General Oceans and the path we are on. So far, the investor response has been positive, with the usual caveat that no one can predict what the markets will do tomorrow.

As part of this process, we keep reminding ourselves – and our prospective investors – that being listed is not an end goal, but a point along the journey we laid out four years ago. A listing provides capital that can accelerate our M&A activity and gives us our own "currency", strengthening our ability to think bigger and broader in acquisitions and partnerships. Being part of a stock exchange also strengthens internal focus and discipline, and the added visibility helps us continue to attract talented people.

In sum, 2025 was everything we hoped it would be – and then some. It is an exciting journey we are on, and we look forward to sharing more as 2026 unfolds.

ATLE LOHRMANN

Our strategy

Our strategic growth

At General Oceans, our strategy for growth is to continue building a quickly expanding and profitable independent group within underwater sensors, systems and robotics by combining sustained organic growth with an active approach to mergers and acquisitions (M&A).

We have delivered sustained growth over time with an increase in revenue of NOK 0.3 billion to NOK 1.3 billion between 2021 and 2025. This success can be attributed to several factors. These include having a diverse portfolio of companies and products that serve a global customer base, as well as our geographic diversification with brand offices in 10 countries across five continents.

Our core brand portfolio

NORTEK

Tritech

KLEIN MARINE SYSTEMS

REACH ROBOTICS

SRS STRATEGIC ROBOTIC SYSTEMS

RS AQUA

Investment in two start-ups

ECHOSONICS

Ocean Synaptics

Our process

At General Oceans, the approach we take to any investment begins with a careful assessment of risks and potential returns. We then strategically invest in promising growth-oriented opportunities, actively supporting our brands. By offering hands-on support across strategy, operations and finance, we ensure each investment has the resources and guidance necessary to achieve sustainable growth and long-term success.

FUSION
SRS
STRATEGIC ROBOTIC SYSTEMS

Our business model

The General Oceans business model is centred on our brands designing, manufacturing and supplying high-performance underwater technology that addresses the complex needs of the customer.

THE GROUP PRIMARILY GENERATES REVENUE FROM:

- Sale of instruments and systems
- Associated software and firmware
- Services and support activities
- System integration work
- Project based, defense-related deliverables

OUR VALUE PROPOSITION IS BASED ON:

- The mission-critical reliability and performance of our technology
- Advanced technology developed over years of R&D
- A global sales network with local representation through brand offices and distributors
- Integrated solutions spanning sensors, imaging, navigation, vehicles, manipulators and software

Our business overview

The Group has developed into an industrial group since its formation in 2021. Organic growth has been supported by strong margins, with acquisitions executed with a focus on creating a solid basis for long term growth.

Deep technical competence across the Group results in functional and reliable products:

80+
EMPLOYEES WORKING WITH ENGINEERS/R&D

50+
PRODUCTS ACROSS THE GROUP

372
GROUP EMPLOYEES

Strong global presence with in-house sales in all key markets:

18
GLOBAL OFFICES

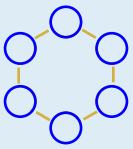
50+
SALES REPRESENTATIVES

65+
COUNTRIES DELIVERED TO

Indepth knowledge and experience across the Group:

FOUNDER-LED WITH 30+ YEARS OF SUCCESSFUL GLOBAL EXPANSION

PROVEN TRACK RECORD OF ORGANIC GROWTH AND M&A



TECHNICAL EXPERTISE, INDUSTRY KNOWLEDGE, GLOBAL INSIGHT AND STRATEGIC LEADERSHIP

2025: A successful year of growth

At General Oceans, 2025 saw revenues of NOK 1.3 billion across the six brands. The year was busy with product launches, new partnerships, events and more:

JANUARY

Klein Marine Systems began the year with delivery of ultra-high resolution sonars to the Korea Institute of Ocean Science & Technology (KIOST) following the completion of successful Sea Acceptance Tests (SATs), which took place off the coast of Busan, South Korea.

The start of the year saw a lot of excellent coverage for **General Oceans** in the industry press. This included including a spread in *Ocean News & Technology* entitled 'The Future of Intervention Class Vehicles' and an interview with Will Marais, who has worked for both **Reach Robotics** and **Nortek**, in *Adresseavisen* and *MN24*.

FEBRUARY

In early 2025, **Tritech** launched the Gemini 1200id: a dual frequency version of their highly successful Gemini 720is imaging sonar. The sonar is utilised on workclass ROVs, primarily within the energy industry.

RS Aqua and **Tritech** both exhibited at Subsea Expo in early February. The show takes place in Aberdeen, which is regarded as the UK's energy capital, and brings together professionals from across the energy sector to exhibit subsea technology and to network.

MARCH

Nortek celebrated a record-breaking year for events with 10 dedicated events on top of over 100 trade shows. In March, it hosted a **Nortek** Day in Nelson, New Zealand, bringing together marine engineers, oceanographic researchers and subsea vehicle professionals to hear product experts speak and watch live technology demonstrations.

Klein Marine Systems strengthened its relationship with the University of New Hampshire's Centre for Coastal and Ocean Mapping/Joint Hydrography Centre (CCOM-JHC) by marking the opening of its Sonar Innovation Lab within the University's campus.

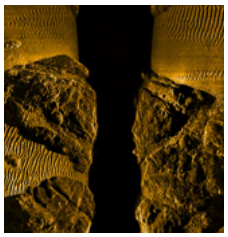
APRIL

Q2 began with all of the **General Oceans** brands exhibiting at Ocean Business in Southampton, UK. **RS Aqua** and **Strategic Robotic Systems (SRS)** also used the event as an opportunity to announce their partnership, with **RS Aqua** now reselling SRS' FUSION Remotely Operated Vehicle (ROV) in the UK.

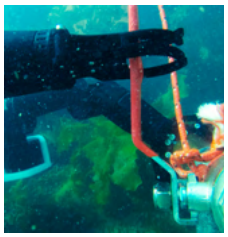
Klein Marine Systems continued their busy start to the year with a move to a new location in Newburyport, MA, and the announcement of a large sale of 20 sidescan systems to established customer RTSys.

MAY

Nortek and **RS Aqua** announced their new partnership, which saw **RS Aqua**'s WaveRadar Rex2 made available through **Nortek**'s global sales and distribution network, giving international customers easier access to this technology. **Nortek** also announced the launch of its OEM Nucleus 1000.



Klein Marine Systems secured a multi-million-dollar contract to deliver Synthetic Aperture Sonar (SAS) hardware to Saab Kockums AB in Linköping, Sweden. The sonar hardware will be integrated onto the Saab AUV62-MR, an Autonomous Underwater Vehicle (AUV), designed for Mine-Countermeasures (MCM) missions.



Q2 also saw **Reach Robotics** deliver its first deep-rated Reach X manipulators to the Australian Defence Force (ADF). This improved product includes an increased depth rating of 1000 m, enabling operators to complete complex underwater tasks at greater depth.

JUNE

In London at the start of June, **Nortek** brought together 65 of its sales staff, distributors and representatives from around the globe for its annual Sales Summit. The event was an opportunity to learn about **Nortek**, improve product knowledge and network with **Nortek** colleagues in the UK's capital city.

Klein Marine Systems celebrated the grand opening of its new premises in Newburyport, MA with a celebratory party. Guests included Atle Lohrmann (President, General Oceans), **Klein**'s founder Marty Klein, the Newburyport Chamber of Commerce, Newburyport Mayor Sean Reardon and State Representative Dawne Shand.

2025: A successful year of growth

JULY

RS Aqua celebrated the sale of its 1000th WaveRadar Rex system. Launched in 1999, WaveRadar Rex has been tried and tested across the globe. This wave measurement technology has been used on offshore platforms and cruise ships, as well as at ports.

AUGUST

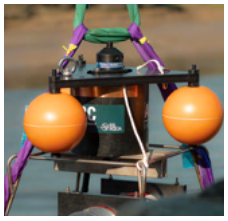
Q3 was a busy period for **Nortek**, which welcomed a new Executive Vice President and General Manager, Bjørn Ladegård. He joined **Nortek** with a wealth of commercial experience, including VP Renewables Operations and Senior Project Manager at Nexans, where he was responsible for US operations and European energy infrastructure projects.

Nortek launched the second generation of its Vector product and hosted the highly successful Blue Tech Summit event in Chile. This brought together over 100 attendees from the ocean science and technology industry in South America.

SEPTEMBER

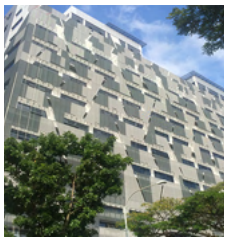
Tritech also welcomed a new Executive Vice President and General Manager in 2025 with Steve Ward joining at the end of Q3. He joins **Tritech** with extensive marine technology experience, including 8 years in leadership roles within the Atlas Elektronik Group. He has a background in the defense sector with strong ties to navies across the world.

Towards the end of Q3, **Klein Marine Systems**, **Tritech**, **Reach Robotics** and **Strategic Robotic Systems** came together to exhibit at Europe's largest defense show, DSEI in London. The event took place at the Excel Centre and brought together global military personnel and suppliers.



This year, **RS Aqua**'s MARLIN classification system was integrated with a partner's sub-surface acoustic float and deployed at NATO's naval exercise REPMUS in Portugal. The two systems combined detection with advanced machine-learning analysis to deliver stronger ASW capabilities and improved maritime awareness.

OCTOBER

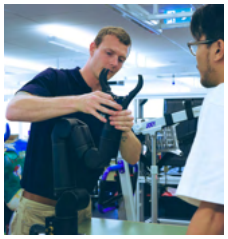


Q4 began with a celebration of the opening of the new **General Oceans** Singapore office. The event took place at the Norwegian Ambassador's residence and included industry colleagues, along with guests from the Norwegian Business Association of Singapore, Innovation Norway and the Norwegian embassy.

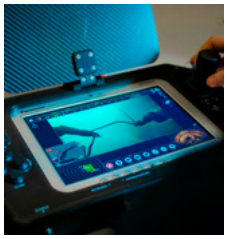
Following the success of last year's CASCADE24 event in London, **General Oceans** invited 30 leaders from across the Group to Boston, MA for CASCADE25, which consisted of three days of presentations, workshops and collaborative meetings.

NOVEMBER

Towards the middle of Q4, both **Nortek** and **RS Aqua** launched new products to the market. **Nortek** launched the DVL 333 Surface, which was designed specifically for Uncrewed Surface Vessels (USVs). **RS Aqua** announced the launch of its ARC Lite, a slimmer version of its hero product.



Reach Robotics exhibited at Indo Pacific International Maritime Exposition in Sydney, Australia, demonstrating its latest underwater manipulators. The event was a great opportunity to showcase **Reach Robotics**' advancement in underwater manipulator technology and network with Australian industry professionals.



RS Aqua and **Strategic Robotic Systems** teamed up to build a custom rotating sensor payload for the FUSION ROV to collect low-frequency underwater noise for a high-profile UK defense customer. The joint projected involved both brands collaborating with engineering and in-water trials conducted in both the USA and UK.

DECEMBER

Ocean Synaptics

General Oceans acquired consultancy **Ocean Synaptics** in the middle of Q4. This software company, based in Oslo, Norway, will develop intelligent, secure and user-friendly software systems that power ocean technology across the **General Oceans** brands.

Researchers at the University of Bergen (UiB) recently recovered a **Nortek** Signature 55 ADCP, which had been working for nearly four years in the Weddell Sea. The Signature was deployed in March 2021 and collected current-velocity data over 600 m every two hours. It ran solely on internal battery power for the entire duration of its deployment.

Corporate governance

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Our Board

The Board was elected in 2025 and provides effective and entrepreneurial leadership of General Oceans. It is collectively responsible for promoting the long-term success of the Group by ensuring the creation and delivery of sustainable stakeholder value under its guidance.

Gustav Martinsen

INTERIM CHAIR

Gustav Martinsen took on the role of Interim Chair in 2025 and also represents the second-largest shareholder, Ferd, on the Board of Directors. He is an investment professional at Ferd and was part of the deal team when Ferd invested in General Oceans. In addition to General Oceans, Gustav is responsible for Ferd's investments in Interwell, Norkart and Mintra. Prior to joining Ferd, he worked for the Boston Consulting Group.

Gustav holds a Master of Science in Industrial Economics and Technology Management from the Norwegian University of Science and Technology (NTNU).

Siw Ødegaard

BOARD MEMBER

Siw joined General Oceans' Board of Directors in December 2025. She has extensive experience in business development, finance, listing, IR and M&A from nearly three decades in the Technology, Telecoms and IT sectors. She has held executive positions in listed companies including Link Mobility (CFO, Head of IR and EVP M&A), Ayfie (CEO and CFO) and EcoOnline (CFO, Head of IR and Head of ESG).

Siw is currently on the Board of Webstep ASA and is also head of the Audit Committee. She's a Board Member at Forte Group AS, Spense AS and The People Company AS/Backer Skeie AS.

Siw holds a Bachelor of Arts from the University of London in the UK and a Master of Management Programmes from BI Norwegian Business School in Norway. She also completed the Executive Board Program at INSEAD in France.

Asta Stenhagen

BOARD MEMBER

Asta Stenhagen joined General Oceans Board of Directors from December 2023. She has over two decades of legal, finance and operational experience from her roles at Morrow Batteries, Tietoevry, Wilh. Wilhelmsen Group and law firm Thommessen, as well as numerous Board positions in listed and private companies.

Asta has served amongst the General Counsel for Morrow Batteries ASA and Head of Legal, Security and Compliance at Tietoevry Corp. She was Executive Vice President of Legal and Risk at EVRY ASA, and Legal Counsel at Wilh. Wilhelmsen Holding ASA.

Asta holds a Cand. Jur (Master of Law) Degree from the University of Oslo (UiO), including legal subject matters from University of Århus (Denmark) and project management from UiO.

Kim Steinsland

BOARD MEMBER

Kim Steinsland was a Board member of Nortek AS from 2018 to 2021 and joined the Board of General Oceans in May 2023. He is Managing Director of the Norwegian technology company Scanmatic AS and has worked within technology for field instrumentation, control systems and hydro acoustics for his whole career.

Prior to his present position in Scanmatic, Kim was central in the merger and creation of Volue ASA in 2020, where his role was Executive Vice President responsible for the IoT division.

Despite almost two decades in management, Kim insists on being a true technologist. He holds an MSc in Engineering Cybernetics from NTNU and a BSc in Industrial Electronics, in addition to Innovation Management Studies at INSEAD.

NORTEK

Executive Management Team

The Executive Management Team leads the Group and works with the brands to enable them to scale faster, develop the best talent and deliver on the strategy.

Atle Lohrmann

PRESIDENT

Atle Lohrmann is the founder of several companies in the oceanographic sensor space and, from 1999 onward, focused on developing Nortek into an international technology company. Under his leadership, Nortek opened subsidiary offices in eight countries, launched technical expertise centres in Europe and the United States, and established a global network of representatives.

Atle received a Master of Science in Physical Oceanography and Applied Mathematics from the University of Oslo and holds several pivotal patents in the industry.

Anton Van Heerden

CFO

Anton joined General Oceans as CFO in June 2022 and brings over 20 years of international financial experience. Immediately prior to joining, Anton was the CFO at Tquila Group, a privately held investment group investing in property and disruptive technologies. In the past, he was Finance Director of the European Division of the K2 Group, a large technology and talent placement agency. Anton also worked as Group Controller for Deep Ocean Group, a subsea services provider.

Anton brings a wealth of experience in successfully managing finance teams from incubation to maturity. His sector experience includes subsea services, staffing, consulting services, property, renewables and telecommunications. Anton holds an MBA from the University of Liverpool, degrees in accountancy and is a registered Chartered Accountant with SAICA.

London Team

The London Team is a lean group of experts who support the brands to achieve their potential and organise collaborative Group projects. They bring a wealth of skills and expertise from varied professional backgrounds.

Neri Gjovari

FINANCIAL PLANNING AND ANALYSIS MANAGER

Neri joined General Oceans with extensive experience in audit across a wide range of industries, gained during her time at EY, KPMG and PWC. She is a Fellow of the Association of Chartered Certified Accountants (FCCA) and brings a strong professional background in financial management and analysis.

Neri has significant experience in financial planning, budgeting and forecasting, which supports the development and execution of the Group's financial strategy. Her cross-industry experience provides valuable insight as General Oceans continues to grow and expand its operations.

Neri also holds a postgraduate degree in Data Science, enhancing her ability to analyse complex financial and operational data and translate insights into effective decisions that support the Group's long-term objectives.

Louisa Hesse

EXECUTIVE ASSISTANT

Louisa joined General Oceans in 2025 to support the President and the Board across executive operations and governance.

Louisa brings extensive experience from fast-growing fintech and climate-focused organisations, where she has supported executive teams across operations, compliance and strategic initiatives.

At General Oceans, she contributes to organisational effectiveness by supporting governance processes, overseeing key administrative and operational workflows, and enabling leadership to focus on the organisation's mission and long-term objectives.

Rachel McAlpine

GROUP MARKETING MANAGER

Rachel joined General Oceans in late 2023 following the successful acquisition of Tritech, where she served as Marketing Manager. During her tenure at Tritech, Rachel lead the company's rebranding initiative, a successful website launch and doubled Tritech's social media following. Prior to her role at Tritech, Rachel was a Content Manager for a former government body. Rachel brings with her a wealth of sales and marketing experience with a focus on content creation and project management.

Rachel holds undergraduate and postgraduate Masters degrees from the University of Glasgow and is a member of the Chartered Institute of Marketing.

Elizabeth Paull

GROUP ANALYST

Elizabeth joined General Oceans in 2023 as Head of Market Analysis. She provides the Group and operating companies with market analytics and insights to support commercial and technology strategy. With a background in ocean science and finance, Elizabeth has over a decade of experience in commercial and strategic leadership in ocean technology businesses. In the past, she was Managing Director of an ocean sensor company and Vice Chair of the Society of Maritime Industries.

Elizabeth holds a Masters degree in Oceanography from the University of Southampton and an MBA from the Open University.

Peter Smith

CPO

Peter came to General Oceans in 2023 in the newly created role of Chief People Officer (CPO), bringing a strong commercial HR background spanning automotive, technology, logistics and manufacturing. He has worked for high-profile brands such as Suzuki, Sony and the Ministry of Defense.

His expertise spans strategic and tactical elements of the CPO role. This includes learning and development, employment law, recruitment, benefits and reward, systems delivery, D&I and employee wellbeing. He will guide us through this pivotal stage of our journey as we strive to develop the 'People' pillar of strategy, with a Group framework that bolsters General Oceans as a destination employer for talented professionals.

Board of Directors' report

The Board of Directors' Report for the General Oceans Group comprises General Oceans AS ("General Oceans", the "Company") and all its subsidiaries. The parent company, General Oceans AS, is a Norwegian private limited liability company.

Business overview

General Oceans is a global provider of advanced underwater technology, delivering sensors, systems and robotic solutions used in demanding marine environments. The Group develops and supplies instrumentation technology for measuring and understanding the ocean and its dynamics, imaging and navigation systems, and remotely operated and autonomous vehicle solutions with associated manipulators and control systems. Underwater acoustics is at the core of the Group's technology, complemented by optical technology, environmental sensors, integrated underwater vehicles, and software capabilities.

General Oceans is organised as an industrial company comprising of individual brands within the underwater technology space and operates through two segments: sensors and robotics. The brands include Nortek, Tritech, Klein, RS Aqua (sensors), Reach Robotics, and SRS (robotics).

The holding company, General Oceans AS, is incorporated in and operates out of Norway, with management services provided by a team based in London. The Group's portfolio of brands operates across Norway, the UK, Australia, and the US, serving a global customer base via an extensive international sales and support network, including Singapore, Brazil, China, Japan, France and the Netherlands.

General Oceans operates with a centralised strategic framework combined with decentralised execution and brand autonomy. At the corporate level, owners and the Board of Directors provide alignment on strategic direction, governance and key decision-making, including budgets and M&A approvals. Group management is responsible for executing Group strategy, financial control, capital allocation, and the integration of acquisitions, including value creation plans and synergy realisation. The Group's brands lead market positioning, go-to-market activities and talent development. The Group's brands also hold P&L responsibility and manage product development, R&D and operations within its brand, however, also being involved in potential cross-brand collaborations and best-practice-sharing.

Summary of the year

In 2025, all brands achieved strong organic revenue growth. Reach Robotics and SRS returned to profitability, and Klein Marine Systems significantly reduced its operating losses and is trending upwards towards profitability.

Group consolidated total revenue increased by 35.7%, reaching NOK 1,303.9 million, driven by organic growth and the full year inclusion of RS Aqua. Adjusted EBITA grew by 146.2% to NOK 235.4 million. This was primarily impacted by operational restructuring and reviews conducted in 2024 bearing results in 2025, as well as strong organic growth and profitability in the Group's largest brands (Nortek and Tritech).

At year-end 2025, the Group's order backlog amounted to NOK 587.2 million (2024: NOK 585.7 million).

As a global group, General Oceans is exposed to macroeconomic trends and the dynamics of international trade. Despite broader concerns in business-to-business sectors, demand in our core markets – marine construction, defense, and science – remained strong, with the defense market growing most strongly in 2025. Ocean technology companies, including those in our portfolio, generally reported positive performance and outlook.

Financial review

Financial highlights

Several terms used in the financial review are not defined IFRS terms. These terms are defined in the Appendix – Definition of Alternative Performance Measures (page 98).

NOK (million)	2025	% OF REVENUE	2024	% OF REVENUE
Total revenue	1,303.9	–	960.6	–
Gross profit	844.8	64.8%	640.8	66.7%
EBITA	212.1	16.3%	95.6	10.0%
Adjusted EBITDA	235.4	18.1%	95.6	10.0%
EBIT	185.5	14.2%	69.9	7.3%
Net profit	165.1	12.7%	39.2	4.1%
Equity ratio	52.3%	–	54.6%	–
Net working capital	189.1	–	199.7	–
NWC as % of total revenue	14.5%	–	20.8%	–
CAPEX as a percentage of revenue	2.8%	–	1.6%	–
Free cash flow (FCF)	199.5	–	79.9	–
Free cash flow conversion	84.8%	–	83.6%	–
Net interest-bearing borrowings	(270.4)	–	(98.8)	–
NIBD / EBITDA	(1.1)	–	(0.7)	–

TOTAL REVENUE

Total revenue increased by NOK 343.2 million, or 35.7%, to NOK 1,303.9 million in 2025, compared to NOK 960.6 million in 2024. This growth was driven by strong organic performance across core markets and a full 12-month contribution from RS Aqua (acquired in November 2024, compared to 1.5 months in the prior year). Organic revenue growth (excluding the revenue contribution of the 2024 RS Aqua acquisition) amounted to 23.5%.

GROSS PROFIT

Gross profit increased by NOK 204 million, or 31.8%, reaching NOK 844.8 million in 2025, up from NOK 640.8 million in 2024. The gross profit margin remained relatively stable at 64.8% in 2025 (2024: 66.7%).

EBITA AND ADJUSTED EBITA

EBITA increased by NOK 116.5 million to NOK 212.1 million in 2025, compared to NOK 95.6 million in 2024. Adjusted EBITA increased by NOK 139.8 million to NOK 235.4 million in 2025, compared to NOK 95.6 million in 2024. Adjusted EBITA as a percentage of revenue increased from 10% in 2024 to 18% in 2025. The growth in adjusted EBITA was primarily impacted by strong, improved contributions from Reach Robotics, Klein Marine Systems, and SRS compared to 2024. Strong organic growth and profitability in the Group's largest brands (Nortek and Tritech) also contributed.

Adjusted EBITA is calculated by taking operating profit (or loss) and adding back amortisation and impairment charges, further adjusted to exclude non-recurring or non-operational items. The adjustments were amortisation NOK 26.6 million (2024: NOK 25.6 million); impairment charges NOK nil (2024: NOK nil); Klein acquisition inventory obsolescence NOK 9.7 million (2024: NOK nil); RS Aqua increased earn out expensed NOK 12.2 million (2024: NOK nil); IPO transaction fees NOK 2.2 million (2024: NOK nil); gain in the sale of the Klein Marine Systems building amounting to NOK (0.8) million.

EBIT

EBIT increased by NOK 115.6 million to NOK 185.5 million in 2025, compared to NOK 69.9 million in 2024. EBIT as a percentage of revenue increased from 7% in 2024 to 14% in 2025. The increase was largely attributable to the increase in EBITA in 2025.

TAXATION

The Group's corporate income tax expense for 2025 was NOK 22.2 million, up from NOK 21.5 million in 2024. The effective tax rate for 2025 was 11.8% (2024: 35.4%). The increase in tax expense reflects higher taxable income for the year, the full-year inclusion of newly acquired entities operating under various local tax regimes, and the impact of deferred tax recognised on prior years' tax losses incurred by SRS and Klein Marine Systems.

PROFIT / (LOSS) FOR THE YEAR

The Group reported a profit of NOK 165.1 million for 2025, compared to NOK 39.2 million in 2024.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of 31 December 2025, the Group had total assets of NOK 1,352.4 million, up from NOK 1,316.3 million at year-end 2024.

Total non-current assets amounted to NOK 526.6 million (2024: NOK 607.9 million), driven by decreases in intangible assets and property, plant, and equipment.

- Property, plant, and equipment, including right-of-use assets, decreased to NOK 211.6 million (2024: NOK 264.7 million), reflecting the sale of the Klein building at NOK 43 million, NOK 35.9 million in capital investments, and NOK 13.9 million in new right-of-use assets, partly offset by NOK 38.2 million in depreciation.
- Intangible assets decreased to NOK 161.5 million (2024: NOK 202.7 million), primarily due to NOK 26.6 million of amortisation charges.
- Net goodwill decreased to NOK 110.4 million (2024: NOK 116.3 million), attributable to foreign exchange movement.

Total current assets amounted to NOK 825.8 million (2024: NOK 708.4 million).

- Inventories rose by NOK 9.3 million to NOK 243.8 million (2024: NOK 234.5 million), mainly due to higher trading activity and long-term contracts resulting in increased inventory levels.
- Trade receivables increased to NOK 180 million (2024: NOK 151.8 million), reflecting strong sales activity in 2025.
- Other current receivables increased to NOK 53.9 million (2024: NOK 36.6 million), reflecting increased prepayment levels in 2025.
- Cash and cash equivalents improved to NOK 341.4 million (2024: NOK 281.6 million), strengthening the Group's liquidity position.

Total liabilities amounted to NOK 644.6 million (2024: NOK 597.9 million), with key components being interest-bearing borrowings, trade payables, and other current liabilities. Included in other current liabilities is a treasury share liability of NOK 103.6 million (see note 22 in the Financial Statements).

Total equity decreased to NOK 707.8 million (2024: NOK 718.4 million), representing an equity ratio of 52.3% (2024: 54.6%).

The decrease was mainly driven by:

- NOK 40.0 million in dividend payments
- NOK 99 million treasury shares
- NOK 37.1 million decrease in the translation reserve

Partly offset by:

- NOK 165.1 million in net profit for the year

CONSOLIDATED STATEMENT OF CASH FLOWS

Net cash from operating activities before interest and tax was NOK 270 million for 2025 (2024: NOK 172.6 million). This included a net decrease in working capital of NOK 32.9 million (2024: NOK 63.7 million), primarily driven by income taxes and contract liabilities, and partially offset by increases in inventory, trade receivables and other receivables.

Net cash generated from investing activities amounted to NOK 23.5 million (2024: utilised NOK 41.5 million).

This included:

- NOK 46.7 million proceed from the sale of the Klein building
- NOK 35.9 million in investments in property, plant, and equipment

Net cash outflow from financing activities was NOK 167.2 million (2024: generated NOK 14 million), primarily due to:

- NOK 111.7 million net decrease in interest-bearing borrowings
- NOK 40 million in dividends paid

SALES ORDER BACKLOG

The sales order backlog at year-end amounted to NOK 587.2 million (2024: NOK 585.7 million). The visibility profile of sales orders is typically 2 to 3 months, with large defense sales orders averaging 18 months.

Allocation of the parent company net results of the year

General Oceans AS generated a net profit of NOK 26.9 million for the financial year 2025. The Board of Directors proposes the following allocation of the net result:

- Dividend distribution: NOK 19.7 million
- Transferred to retained earnings: NOK 7.2 million

Subsequent events

Other than the matters disclosed below, no material events have occurred after the balance sheet date.

In December 2025, the Group entered into an agreement for term and revolving credit facilities with a total commitment of NOK 405 million. In January 2026, after the reporting date, the Group made a drawdown of NOK 80 million under the facilities, which was used to settle existing USD- and GBP-denominated term loans. The credit facilities are subject to customary covenants, including leverage and equity ratio requirements. As no amounts had been drawn as of the reporting date, the facilities have not been recognised as borrowings in the Group's financial statements at year-end.

In February 2026, the Board of Directors formally established an Audit Committee as a subcommittee of the Board. The Audit Committee will consist of a chair and two additional members. The members of the Audit Committee were elected at the same Board meeting.

In preparation for the planned Initial Public Offering (IPO), the Board also resolved to propose the following matters for approval at an Extraordinary General Meeting (EGM) scheduled for later in February 2026:

- Appointment of a new Chair of the Board; and
- Conversion of the Company from a private limited liability company (AS) to a public limited liability company (ASA).
- That NOK 0.12 per share is paid as dividend for the financial year 2025, amounting to NOK 19.7 million and representing 9.7% of net profit after tax.

These matters are subject to shareholder approval at the forthcoming EGM.

Risks and management

General Oceans is exposed to a range of risks that may impact the Group's operations, performance, and financial position. These risks are actively monitored by corporate management and regularly reported to the Board of Directors.

The overview below outlines the key business risks relevant to the achievement of General Oceans' long-term goals and strategic direction. This list is not exhaustive – other risks not currently deemed material or known could, in the future, adversely affect the Group's business, results of operations, or financial condition.

Operational risks

General Oceans may be adversely affected by various operational and economic factors. The Group undertakes periodic reviews and reassessments of its risk profile to ensure proactive management of these risks. Rather than ranking or quantifying risks, General Oceans takes a holistic approach to risk management, recognising that risks previously considered less critical may later become material.

Below is a summary of several operational risk areas:

SUPPLY CHAIN

In 2025, the Group did not experience significant supply chain shortages. Several brands experienced minor delays in their supply chain when sourcing transducers and titanium. The Group managed these conditions through existing procurement and inventory management processes. Management continues to monitor supply conditions and supplier availability. Disruptions in the supply chain may disrupt production scheduling and increase the risk of customer cancellations or lost business opportunities.

HUMAN RESOURCES

Attracting, retaining, and developing highly skilled personnel – particularly engineers – is essential to delivering the high-quality services General Oceans aims to provide. The Group competes in a tight labour market and the inability to attract or retain talent could hinder execution of strategic priorities. Special emphasis is placed on maintaining a collaborative environment and supporting the professional development of key personnel and senior management.

Market risks

The Group operates internationally in a competitive industry and is therefore exposed to macroeconomic fluctuations, evolving market dynamics, and sector-specific risks.

FUTURE ECONOMIC DOWNTURNS

As the subsea sector is closely linked to global economic activity, any future downturns may result in reduced customer spending, delayed projects, and reduced demand for the Group's products and services.

COMPETITIVE INDUSTRY

General Oceans operates in the highly competitive subsea landscape. Some current and future competitors may benefit from greater financial resources or operational scale, enabling them to be better positioned to withstand and adjust to changing market conditions. This could potentially affect General Oceans' ability to maintain or grow its market share.

INNOVATION

The subsea industry is rapidly evolving, particularly in areas such as extreme-environment operations. The focus of companies, from a subsea perspective, will include enabling technologies to operate safely in high pressure, extreme temperature and deep-water environments. Sustained investment in innovation is essential for meeting these challenges. The Group's long-term success depends on its ability to develop cutting-edge, cost-efficient technologies and products that address emerging customer needs. Research and development (R&D) represents a core strategic focus for General Oceans and underpins its competitive position in the advanced underwater technology market. The Group employs over 80 engineers and R&D specialists. R&D initiatives are centred on the creation of long-life products with ongoing upgrade paths, the resolution of customer challenges through market-led innovation, and the delivery of high reliability supported by extensive testing and validation. As the Group has expanded, R&D activities have increasingly benefited from cross-brand collaboration, enabling the scaling of shared technologies and product platforms. In addition, the Group's technological capabilities support value creation in acquisitions by enhancing acquired product portfolios. This sustained investment in engineering and development underpins a portfolio of more than 50 products offered across the Group's brands.

BRAND AND REPUTATION

General Oceans operates through a portfolio of distinct brands, which helps mitigate concentration risk. However, any negative events – such as adverse publicity or customer dissatisfaction – could still impact brand equity and customer trust. The Group continually works to strengthen its reputation for delivering high-quality, cost-effective solutions across all brands.

Political and regulatory risk

The Group's operations are subject to political, legislative, and regulatory developments in the jurisdictions where it operates. Changes to tax laws, environmental regulations, defense procurement rules, or trade policies could materially affect General Oceans, its suppliers, or its customers. Maintaining compliance and adapting to evolving frameworks are ongoing priorities.

Financial risks

CREDIT RISK

The Group is exposed to risk of financial loss if a customer or counterparty fails to meet its contractual obligations. The risk primarily arises from the Group's operating activities, including trade receivables and contract assets, as well as from cash deposits with banks and other financial institutions. As of 31 December 2025, total trade receivables amounted to NOK 180m (2024: 151.8 million) after a provision for expected credit losses of NOK 0.6million. The majority of trade receivables were current or less than 60 days.

The Group executes a large volume of transactions involving daily settlement of substantial amounts, exposing it to risk of contractual default by customers or other counterparties. The customer base includes defense-related and public sector entities, where delays in payment may occur due to administrative processes, changes in budget allocations or the timing of project approvals. Any such delays or defaults in payment could result in financial losses and adversely affect the Group's liquidity and financial performance. As a risk mitigation strategy, the exposure to credit risk is monitored on an ongoing basis within the financial departments.

LOAN COVENANTS

General Oceans is subject to covenants related to its USD 3.1 million (NOK 34.3 million) and GBP 2.7 million (NOK 36.6 million) facility agreements with Nordea. Failure to comply with financial or other covenants under these or other financing arrangements could result in increased borrowing costs, demands for additional security, or even cancellation or acceleration of repayment obligations.

Management actively monitors covenant compliance and associated financial indicators. Based on the Group's 2025–2026 business plan, the risk of breaching the loan covenants is considered to be low (refer to Note 21 in the financial statements).

FOREIGN EXCHANGE RISK

General Oceans operates across multiple currencies and is therefore exposed to foreign exchange risk. Currency fluctuations – driven by economic conditions, global financial markets, government actions, and other external factors – can impact the NOK value of the Group's assets, liabilities, and cash flows.

To mitigate this, General Oceans evaluates foreign exchange exposure at the entity level, focusing on net exposures after internal natural hedging (matching revenues and costs in the same currency).

Where mismatches exist, the Group may use financial instruments, including derivatives, such as futures contracts, to hedge or partially hedge these exposures. Foreign exchange risk is considered one of the Group's most significant financial exposures and is managed through established risk procedures at the subsidiary level.

INTEREST RATE RISK

General Oceans is exposed to interest rate risk primarily through its term loans, which are based on floating rates linked to SOFR and SONIA plus a margin.

An increase in interest rates could adversely affect the Group's financial performance and liquidity. However, due to the Group's high liquidity levels, management currently assesses the potential impact of interest rate volatility to be limited.

As part of its risk mitigation strategy, the Group regularly analyses its exposure and uses financial instruments, such as interest rate swaps to hedge, or partially hedge, expected future cash flows. These risk management procedures are implemented across operating subsidiaries and overseen at the corporate level.

Liquidity risk

The Group relies on operating cash flows, available cash and cash equivalents, and access to committed credit facilities to finance its operations and any strategic initiatives.

Liquidity requirements are primarily driven by working capital needs, capital expenditures, debt servicing, employee-related expenses, interest payments, and tax obligations. Periods of strong revenue growth tend to result in increased working capital requirements.

Liquidity is centrally managed at the corporate level to ensure sufficient funding is available under both normal and stressed market conditions, while avoiding undue risk or reputational damage.

The Group maintains internal financial discipline through two key mechanisms:

- Liquidity reserve floor: A minimum required level of available cash and credit
- Maximum leverage ratio: An internal ceiling to avoid excessive debt burden

Both metrics are closely monitored and remain within the limits set by existing financing agreements.

To ensure adequate liquidity, the Group routinely assesses short- and medium-term cash flow needs based on financial obligations and maturity profiles. This includes rolling forecasts of the liquidity reserve, which consists of cash and cash equivalents as well as available undrawn debt facilities.

Corporate social responsibility

General Oceans AS voluntarily adheres to the Norwegian Code of Practice for Corporate Governance. The company's practices are aligned with these recommendations to ensure transparency, accountability, and sound decision-making. The Board constituted and performed the functions of the Audit Committee until February 2026. In February 2026, the Board formally established an Audit Committee as a standing subcommittee of the Board.

The Board has approved the 2025 Corporate Governance Statement, which is included in the corporate governance section on page 38 of this annual report.

Corporate governance

Working environment and social responsibility

At the end of 2025, General Oceans Group's workforce totalled 372 people across 10 different countries. General Oceans is a global company that values the international diversity of its workforce as a competitive strength. The Group strives to foster an inclusive and supportive working environment where employees feel valued for their contributions.

Across the Group, efforts are made to:

- Promote diversity and equal opportunity, free from gender or ethnic bias
- Ensure a safe and healthy working environment
- Attract and retain highly qualified professionals
- Embed social responsibility into daily operations

Career development, salary progression, and alignment with the Group's objectives are determined solely by employee performance, regardless of gender or background.

Reporting on gender equality and anti-discrimination

The Board of Directors of General Oceans AS consists of four directors, two men and two women, with a male Chair. Group-wide, the gender distribution is 74% male and 26% female.

General Oceans complies with anti-discrimination laws in all jurisdictions where it operates and proactively promotes equality and fairness underpinned by the Group's Equal Opportunities and Diversity Policy. The Group promotes:

- Equal pay for work of equal value
- Annual performance-based salary adjustments
- Transparent, merit-based evaluation criteria

Salary differences reflect roles, responsibilities, qualifications, performance, and market competition in respective regions.

Working environment

CHALLENGES AND KEY RISKS

In 2025, new Executive Vice Presidents were appointed at Tritech and Nortek, the Group's two largest operating companies, measured by revenue and number of employees. The leadership transitions were executed without disruption to operations. The Board observes strong cooperation, continuity, and adaptability among employees throughout the change process, and no material workforce-related risks were identified during the year.

POSITIVE DEVELOPMENTS

The working environment across the General Oceans Group remained strong and stable in 2025. Key contributing factors include continued focus on employee development, growth opportunities and investment in early career entry schemes. No major workforce-related issues were identified, and the number of reported whistleblowing cases decreased compared to the previous year (2025: 0, 2024: 2).

WORKFORCE INDICATORS

- At year-end 2025, the Group employed 372 people, of whom 74% were men and 26% women. This gender distribution reflects the imbalance in the available talent pool, which is common in technology-, engineering-, and production-oriented industries.
- The Group gender pay ratio, where women earn 80% of men's pay, is calculated as an average across the Group at an aggregated level. The figure does not reflect pay comparisons within predefined job groups of equal value and is influenced by the overall distribution of men and women across salary levels.
- The group gender pay ratio (women earn 80% of men's pay) is calculated at an aggregated Group level and reflects salary data across predefined job groups of equal value, assessed based on competence, effort, and responsibility. The resulting ratio is influenced by a higher proportion of men in pay groups with higher salary levels.
- Total sick leave amounted to an absence rate of 1.5%, which the Board considers low and indicative of a generally healthy working environment.
- A total of 11 minor workplace accidents or injuries were recorded during the year. No serious or reportable incidents occurred, and the overall incident level is assessed as manageable.
- There were no reported cases of harassment or discrimination during the year.

GOVERNANCE AND DIVERSITY

The Group continues to place emphasis on sound governance and diversity at Board and management levels. Women represented 50% of the Board of Directors.

Overall, these findings demonstrate that the Group upholds a safe, stable, and well-functioning working environment. The absence of major workforce-related issues, a decrease in whistleblowing incidents, a low sick leave rate, and no serious workplace accidents or reports of discrimination all highlight the Group's commitment to employee well-being and effective workplace governance.

OUTLOOK

While the overall working environment is assessed as safe, stable, and well-functioning, the Board acknowledges the gender imbalance in the overall workforce and the existing gender pay gap. The Group will continue efforts to improve gender balance and pay equity. These initiatives are considered important to long-term diversity and sustainable value creation across the Group.

Environmental impact

General Oceans' primary production sites operate primarily as assembly, integration, and test facilities for high-precision underwater technology, carried out in controlled environments with limited environmental impact. Group companies operated certified management systems: ISO 9001- Quality (all brands) and ISO 14001- Environment (Nortek), covering quality management, production processes, supplier oversight and environmental controls.

- The Group's products are engineered for durability, repairability, and long service life.
- Group companies follow applicable regional waste management regulations and recyclable material fractions are sorted and recycled where feasible prior to external waste handling by reputable companies.
- The Group also seeks to limit its operational footprint by prioritizing digital meetings over business travel where possible.

GREENHOUSE GAS EMISSIONS

General Oceans measures and reports greenhouse gas emissions in line with the Greenhouse Gas Protocol. At present, emissions data covers the Group's three largest brands by revenue, Nortek, Tritech, and RS Aqua, which together account for approximately 86% of total Group revenue in 2025. As reporting capabilities are built across the Group, the emission coverage will gradually be extended to include the remaining brands.

The Group's carbon footprint for 2025 is primarily driven by indirect emissions in the value chain (Scope 3), reflecting the nature of the business and increased transparency through improved data coverage. Direct emissions from own operations (Scope 1) and indirect energy use (Scope 2) remain limited, while the detailed Scope 3 breakdown provides a strong basis for prioritising future reduction efforts across capital goods, purchased goods and services, business travel and the supply chain.

CARBON EMISSIONS

Total tCO_2e: 10,158

Comparative Total tCO_2e (2024): 8,500

Scope 1: Direct emissions from own operations 36 tCO_2e

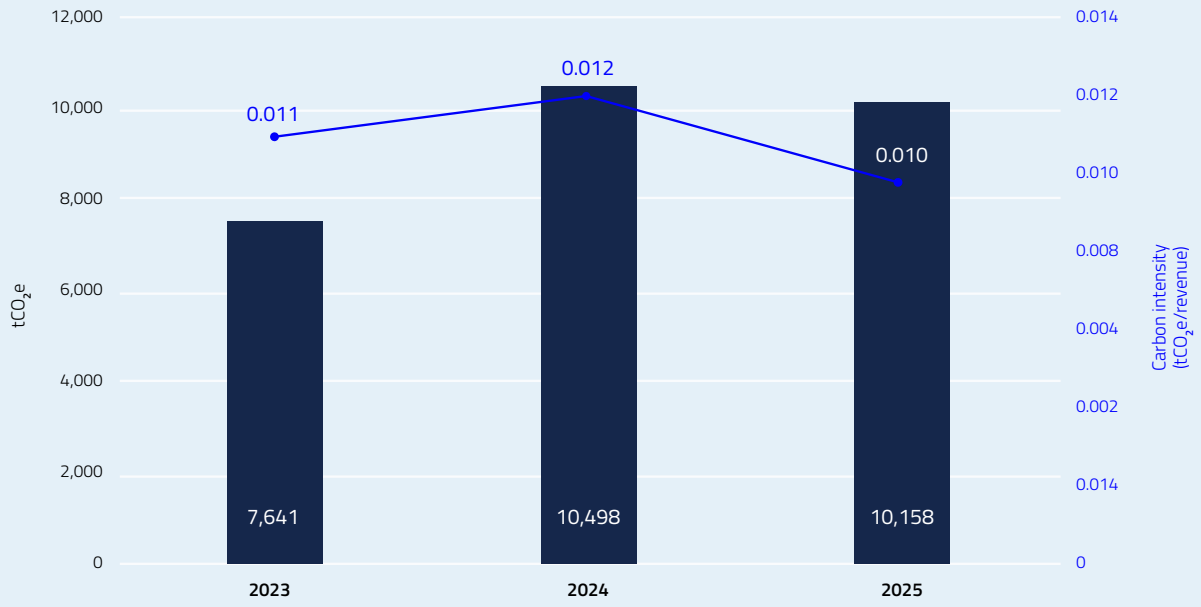
Scope 2: Emissions from indirect energy 173 tCO_2e

Scope 3: Other indirect emissions 9,949 tCO_2e

The carbon emissions above reference data from Nortek, Tritech and RS Aqua.

Total emissions increased over the period in line with Group revenue growth and an expanded reporting scope. The increase in 2025 is primarily related to the inclusion of an additional brand (RS Aqua). 2025 also represents the first year of full Scope 3 reporting, enabled by improved data quality through the implementation of the spend-based carbon accounting platform Ignite. At the same time, carbon intensity decreased from 2024 to 2025 by 19%, reflecting improved emissions efficiency per unit of revenue despite the Group's continued growth.

CARBON INTENSITY



OUTLOOK

The Board notes that the 2025 emission figures are not directly comparable with prior years due to an expanded reporting scope and improved calculation methodology, including the adoption of Ignite for Scope 3 emissions. Historical figures have therefore been recalculated where data availability allows using the updated methodology and may differ from emissions data reported in previous years.

The Board acknowledges that the Group is strengthening its carbon accounting capabilities, while an environmental strategy is still under development.

Looking ahead, the Board intends to further develop Environmental, Social, and Governance (ESG) through the establishment of a cross-functional ESG team aimed at supporting consistent reporting, while also enabling initiatives from the brands. This may involve broader operational participation across brands to better reflect the Group's diversity. The Board will oversee the gradual development of a formal ESG strategy, with a focus on transparency and appropriate monitoring over time.

Transparency Act

In 2025, General Oceans conducted due diligence in accordance with the Norwegian Transparency Act, focusing on identifying and mitigating risks to human rights and decent working conditions across its operations and supply chain. No serious violations were identified; however, proactive measures were implemented through enhanced supplier assessments, ESG audits and the continued enforcement of group-wide policies on anti-slavery, anti-bribery, and whistleblowing.

A digital due diligence system is deployed across the Group to classify and monitor over 1,200 suppliers and business partners based on geographic and industry-specific risks. These efforts reflect the Group's ongoing commitment to responsible business practices and continuous improvement.

The annual Transparency Act reports from General Oceans for 2025 will be published no later than 30 June 2026 on the General Oceans website www.generaloceans.com.

Director's and officers' liability insurance

General Oceans maintains comprehensive insurance coverage across the Group, including:

- Professional indemnity and general liability at the corporate level
- Localised insurance for operational risks, such as property and employee cover

A Directors and Officers (D&O) liability insurance policy is in place for the entire Group. This policy covers Board members, the president, and senior management against personal legal liabilities, including legal defense and associated costs.

Outlook

The outlook for the blue economy remains positive, driven by rising defense spending, expanding marine infrastructure investment, and sustained growth in scientific research, all supporting demand for General Oceans' robotics and sensor technologies. Defense, offshore wind and subsea energy projects, and increased focus on ocean science underpin medium-term market growth. General Oceans' business outlook is anchored in continued R&D-led organic growth, complemented by targeted M&A to accelerate scale, capability, and long-term value creation.

Market outlook

Strong market trends are at work in the underlying customer sectors across both segments – robotics and sensors.

The growth outlook within the defense segment is driven by accelerated defense spending and focus on technology enabling autonomous underwater operations, battlespace awareness, and surveillance and tactical reconnaissance. NATO members are expanding their defense budgets, and by 2025 all 32 members are expected to meet the 2% of Gross Domestic Product (GDP) target, compared to 10 members in 2023. The increasing share of equipment expenditure directly supports demand for technologies aligned with General Oceans' subsea defense and research portfolio.

Marine infrastructure is entering a period of strong growth, supported by large investment pipelines in both offshore wind and subsea oil and gas. Together, these sectors are driving steady growth in demand for the survey, inspection, monitoring, and intervention technologies that General Oceans offers.

It is anticipated that the science segment will grow as research efforts continue into mapping resources, understanding climate change, and safeguarding marine ecosystems. Over the past two decades, the ocean has emerged as one of the most closely watched indicators of global climate change.

Business outlook

The Group's medium-term growth ambitions are anchored in a combination of continued organic development and an active M&A strategy.

Organic growth is expected to be driven by ongoing investment in core technology R&D, expansion into adjacent and diversifying technologies, strengthened capabilities in defense-related applications, increased benefits from cross-brand collaboration, and a broader position in integrated systems.

R&D is a key strategic priority for General Oceans, supporting its position in the advanced underwater technology market. In both the sensors and robotics segments, investment in product development over the past few years is set to deliver new products to the market in 2026, with revenue impact in 2027 and beyond. Continued investment will ensure a cohesive roadmap of new and upgraded products for the future.

M&A remains a complementary lever, targeting new platforms, add-ons, growth enhancers and selected restructurings to accelerate scale and capability. These initiatives are supported by Group-wide efforts in software and data augmentation, including expanded investment in AI and analytics, as well as operational excellence programmes aimed at enhancing automation, improving efficiency, and realising synergies across acquired businesses.

Going concern

It is confirmed that the going concern assumption remains appropriate for General Oceans AS and the Group. The financial statements have been accordingly prepared on a going concern basis, supported by forecasts of future earnings and long-term strategic projections. The Group maintains a strong financial and economic position.

Board of Directors

The members of the Board of Directors have signed the financial statements pursuant to their statutory obligations under The Norwegian Civil Code.

Oslo, 18 February 2026

Electronically signed	***Electronically signed***
GUSTAV MARTINSEN Interim Chair of the Board of Directors	**ASTA ELLINGSEN STENHAGEN** Director
Electronically signed	***Electronically signed***
KIM STEINSLAND Director	**SIW ØDEGAARD** Director

Corporate governance report

General Oceans AS (the "Company, the Group or General Oceans") seeks to comply with the principles of corporate governance as set out in the Norwegian Code of Practice for Corporate Governance (the "Code" or the "Code of Practice"). This report sets out General Oceans' main corporate governance policies and practices. The application of the Code is based on the "comply or explain" principle.

Good corporate governance is important for General Oceans, and the Company continuously works on its corporate governance principles, documents, and the procedures of its governing bodies (Board of Directors, Leadership Team) to ensure alignment of its practices with the Code. Like most companies, General Oceans is dependent upon good relations with its stakeholders to succeed, and this is a priority for the Group. A good reputation and solid financial development over time is important so we can build and maintain stakeholder trust and confidence. This includes customers, investors, suppliers, employees, advisors, partners, and public authorities. Good control and oversight of the business is required, as is transparent reporting of financial results and material events. Equal treatment of shareholders is also important to increase share value and maintain investor confidence.

General Oceans is aware of its social responsibilities for anti-corruption, working environment, discrimination, environment, employees, and human rights.

The purpose of the corporate governance policy is to ensure appropriate separation of roles and responsibilities between shareholders, the Board, and executive management, as well as to ensure satisfactory controls of the Group's business activities. The Board and executive management perform an annual assessment of its principles for corporate governance.

Deviations from the Code: None

Business

General Oceans AS is a holding and management company, and its business is connected to the ownership in its subsidiaries, each of which is engaged in the ocean technology business.

The Board of Directors sets the direction of the Group by determining the objectives, strategy and risk profile of the Group, so it creates and sustains value for shareholders, while taking financial, social, and environmental considerations into account. These objectives, strategies and risk profiles are evaluated on an annual basis by the Board of Directors through a strategic review process. Information concerning the objectives and principal strategies of the Group and changes thereto, as well as business risks aspects, will be disclosed to the market in the context of the Group's annual report, marketing presentations and on the Group's website.

Deviations from the Code: None

Equity and dividends

General Oceans strives for a strong balance sheet. The Board of Directors and the Executive Management Team meet regularly to monitor the Group's capital structure including equity structure/levels, so they remain appropriate for the Group's objectives, strategy, and risk profile. Authorisations to the Board of Directors to increase the Company's share capital are granted with a defined purpose and limited to no later than 24 months from the date of granting. General Oceans has ambitious goals for future growth, and the overall objective is to create long-term value for its owners. To reach these goals, the Group will endeavour to have an optimal capital structure.

Excess capital will be evaluated on a continuous basis, taking into consideration, among other market conditions, regulatory requirements, counterparty and market perceptions, as well as the Group risk profile. The Board of Directors endeavours to periodically return excess capital to shareholders through dividends. This will require authorisation from the General Assembly.

Deviations from the Code: None

Equal treatment of shareholders and free trade of shares

General Oceans is dedicated to ensuring equitable treatment for all shareholders. The Shareholders Agreement, last updated on 15 December 2023, regulates the conduct of every shareholder within the company. Notably, large shareholders hold a right of first refusal, further supported by an arrangement allowing one of the significant shareholders to augment their shareholding to 34% of the issued shares.

Comprehensive governance provisions are outlined in the Shareholders Agreement, covering aspects such as the Board composition and proceedings, liquidity event considerations, and other governance matters related to shares.

Deviations from the Code: None

General Assembly

The General Assembly is open to all shareholders of the Company, and the Board of Directors strives to ensure that as many as possible of the Company's shareholders participate in the General Assembly. The Company will send out a Notice of the General Assembly within the time limits set by applicable requirements. An agenda, documents, and information about the matters to be resolved will be included in the Notice, so shareholders can be prepared and informed on the issues to be decided upon at the General Assembly. Shareholders can vote on each individual matter, and those unable to attend the meeting in person or electronically, may vote by proxy. A proxy form is included in the Notice convening the General Assembly. Any deadline for shareholders to give notice of their intention to attend the meeting will be set as close to the date of the General Assembly as possible. The General Assembly can elect an independent chairperson for the General Assembly and a shareholder may be represented through power of attorney.

Minutes of the General Meeting of Shareholders are taken, and the Board of Directors keeps records of all resolutions in writing. The records shall be deposited at the Company's office for inspection by the shareholders and persons with meeting rights. On application, each will be provided with a copy/extract from the records as required.

Deviations from the Code: None

Board of Directors and executive management

The Norwegian Companies Act (Aksjeloven) stipulates that the Board of Directors shall be elected by the General Assembly, normally for a period of one year. The composition of the Board of Directors aims to ensure that the interests of all shareholders are attended to; that the roles and responsibilities of management are clearly defined; that corporate governance requirements are met and that they meet the Company's need for expertise, capacity, and diversity, while at the same time functioning effectively as a collegiate body.

A majority of the shareholder-elected Board members are independent of executive personnel, material business contacts, or major shareholders. Members of the Board of Directors are encouraged to own shares in the Company. The Board of Directors has a fixed yearly compensation which is decided by the General Assembly and reflective of the Board's responsibilities, competencies, use of time, and complexity of the Company. The remuneration of the Board of Directors is not dependent on results, but Board members might be granted options for shares in the Company as part of their remuneration.

Non-Executive Board members (or companies they are affiliated with) do not normally assume tasks for the Company in addition to the Board position. If such a commitment were to be established, the entire Board would be informed and the fee for any engagement would be subject to Board approval. If remuneration is given to the members of the Board beyond the Board fee, this will be stated in the annual report. The remuneration of the Board of Directors and key management personnel are set out in the Notes to the Consolidated Financial Statements.

The President is responsible for the daily management and operations of General Oceans and is supported in his tasks by members of the London Team. His responsibilities include setting and achieving the Group's strategic risks, legal compliance and social responsibility matters that are relevant to General Oceans' business. The President is accountable in these areas to the Board of Directors. In performing his duties, the President is guided by the interests of the Group, taking into consideration the interests of General Oceans' stakeholders. The President provides the Board of Directors with all information necessary to help exercise the duties of the Board of Directors in a timely manner. Furthermore, the President consults with the Board of Directors on important matters and submits important decisions to the Board of Directors for its approval in advance.

Deviations from the Code: None

Board committees

The Board has not established any additional sub-committees as at 31 December 2025. The Board will continuously assess whether the establishment of further sub-committees is appropriate in light of the Group's size, complexity and regulatory requirements.

Sub-committee of the Board: Audit Committee

The Audit Committee is appointed by the Board. As at 31 December 2025, the Board as a whole performed the functions of the Audit Committee.

On 13 February 2026, the Board formally constituted a separate Audit Committee comprising a Chair and two additional members.

Deviations from the Code: None

Risk management and internal control

The Board shall ensure that the Group has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the group's activities.

The objective of risk management and internal control is to ensure the successful conduct of the group's business and to support the quality of its financial reporting.

The Board of Directors meets regularly to assess and review the strategy and risk factors of the Group. The Board of Directors receives updated financial information at every Board meeting. The financial position is analysed and compared against budgets, strategic plans, and last year's performance. The Board of Directors review the

management reports, and risk factors for the Group are discussed and evaluated. The Board of Directors has an annual review, together with the Auditor, before approving the annual report.

Deviations from the Code: None

Compensation to management

It is important for General Oceans that it is recognised as an attractive employer. The Group strives to attract competent employees with relevant experience and give them opportunity for further development. Compensation is always determined at the market rate and is reviewed at appropriate intervals.

The Company will establish and implement guidelines for the remuneration of the executive management, which will be presented to the General Assembly. The principles presented in such guidelines provide a framework for the remuneration of key personnel within General Oceans and aim to support the Group's business strategy and long-term interests.

The Company has established financial incentives for employees, which include a bonus arrangement and in some instances this may include shares. Some employees are also shareholders. Key management personnel are included in the same pension and insurance plan as other employees, as determined in their respective domestic jurisdictions. In November 2025, a share option program was established for key employees.

The Board of Directors set terms and conditions for the President. The President determines the remuneration of executive personnel based on the guidelines established by the Board of Directors, reflecting the overall guidelines to be adopted by the General Assembly. Terms and Conditions are set at market terms and evaluated on an annual basis.

Deviations from the Code: None

Information and communication

The Company wishes to maintain an open dialogue with shareholders, potential investors, and other stakeholders in the securities market. The Company will, before a listing, establish principles for investor relations, which include guidelines for the Company's contact with shareholders, as well as the financial community.

Auditor

In addition to serving as the Group's auditor, the independent auditor firm is also used as an external consultant in respect of accounting issues, tax calculations, and issues. The auditor is not used when establishing the company strategy or in other operational matters. Only the President or the Chief Financial Officer can procure non-audit services from the auditor.

The auditor participates in the Board meeting where approval of the annual report takes place. In this meeting, the auditor reports to the Board its views on accounting matters and principles, risk areas and internal control matters. The Auditor participates in other meetings at the Board's request when the auditor's view on a specific matter may be required.

Compensation to the auditor for both audit and non-audit related services, is set by the General Assembly and is described in the Notes to the Consolidated Financial Statements.

Deviations from the Code: None

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CONSOLIDATED STATEMENT OF **PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

(For the year ended 31 December)

NOK (thousands)	NOTE	2025	2024
Revenue	7	1,280,410	953,269
Lease and other income	8	23,452	7,352
Raw materials	17	(459,060)	(319,815)
Employee benefits	9	(427,673)	(371,141)
Depreciation and amortisation	13,14,15	(64,818)	(59,385)
Other operating expenses	10	(158,632)	(140,470)
Other gains and losses	10	(8,221)	133
OPERATING PROFIT		**185,458**	**69,943**
Finance income	11	49,906	41,228
Finance expense	11	(48,112)	(48,732)
Share of gains / (losses) from an associate		–	(1,782)
PROFIT BEFORE TAX		**187,252**	**60,657**
Income tax expense	12	(22,171)	(21,475)
PROFIT		**165,081**	**39,182**
Other comprehensive income			
Foreign currency translation differences of foreign operations		(37,138)	49,870
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**127,943**	**89,052**
EARNINGS PER SHARE (NOK)			
Basic earnings per share	23	0.98	0.23
Diluted earnings per share	23	0.98	0.23
TOTAL COMPREHENSIVE INCOME IS ATTRIBUTABLE TO:			
OWNERS OF GENERAL OCEANS AS		127,943	89,052

CONSOLIDATED STATEMENT OF **FINANCIAL POSITION**

(As at 31 December)

NOK (thousands)	NOTE	2025	2024
ASSETS			
Non-current assets			
Goodwill	15	110,393	116,258
Intangible assets	15	161,474	202,748
Property, plant and equipment	13	130,029	178,447
Right-of-use assets	14	81,618	86,321
Deferred tax assets	12	42,108	24,122
Other non-current receivables		972	–
		526,594	**607,896**
Current assets			
Inventories	17	243,819	234,534
Trade receivables	18	180,048	151,810
Contract assets	7	339	3,787
Other current receivables	19	53,920	36,602
Other current financial assets	16	6,337	–
Cash and cash equivalents	20	341,356	281,632
		825,819	**708,365**
TOTAL ASSETS		**1,352,413**	**1,316,261**
EQUITY			
Share capital	23	5,727	5,615
Share premium	23	549,015	549,127
Treasury shares	23	(98,984)	–
Other reserves		495	–
Foreign exchange differences reserve		76,109	113,247
Retained earnings		175,481	50,400
TOTAL EQUITY		**707,843**	**718,389**
LIABILITIES			
Non-current liabilities			
Non-current loans and borrowings	21	–	38,407
Non-current lease liabilities	14	70,349	77,282
Non-current financial liabilities	16	828	15,690
Deferred tax liability	12	40,009	46,942
		111,186	**178,321**
Current liabilities			
Trade payables		45,652	52,149
Contract liabilities	7	166,807	96,336
Current loans and borrowings	21	70,964	144,424
Current lease liabilities	14	17,490	15,118
Income tax payable		32,617	33,015
Current financial liabilities	25	19,654	–
Other current liabilities	22	180,200	78,509
		533,384	**419,551**
TOTAL LIABILITIES		**644,570**	**597,872**
TOTAL EQUITY AND LIABILITIES		**1,352,413**	**1,316,261**

CONSOLIDATED STATEMENT OF **FINANCIAL POSITION (CONT.)**

Electronically signed

GUSTAV MARTINSEN
Interim Chair of the Board of Directors

Electronically signed

ASTA ELLINGSEN STENHAGEN
Director

Electronically signed

KIM STEINSLAND
Director

Electronically signed

SIW ØDEGAARD
Director

Electronically signed

ATLE LOHRMANN
President

CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**

(For the year ended 31 December)

NOK (thousands)	NOTE	SHARE CAPITAL	SHARE PREMIUM	TREASURY SHARES	OTHER RESERVES	FOREIGN EXCHANGE RESERVE	RETAINED EARNINGS	TOTAL EQUITY
Balance at 1 January 2024		**5,570**	**535,115**	–	–	**63,377**	**21,218**	**625,280**
Comprehensive income for the year								
Profit for the year		–	–	–	–	–	39,182	39,182
Other comprehensive income								
Foreign currency translation differences		–	–	–	–	49,870	–	49,870
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**–**	**–**	**–**	**–**	**49,870**	**39,182**	**89,052**
Contribution by and distribution to owners								
Issue of shares		45	14,012	–	–	–	–	14,057
Dividends	5	–	–	–	–	–	(10,000)	(10,000)
TOTAL TRANSACTIONS WITH OWNERS		**45**	**14,012**	**–**	**–**	**–**	**(10,000)**	**4,057**
BALANCE AT 31 DECEMBER 2024		**5,615**	**549,127**	**–**	**–**	**113,247**	**50,400**	**718,389**
Balance at 1 January 2025		**5,615**	**549,127**	**–**	**–**	**113,247**	**50,400**	**718,389**
Comprehensive income for the year								
Profit for the year		–	–	–	–	–	165,081	165,081
Other comprehensive income								
Foreign currency translation differences		–	–	–	–	(37,138)	–	(37,138)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**–**	**–**	**–**	**–**	**(37,138)**	**165,081**	**127,943**
Contribution by and distribution to owners								
Share split 1:3	23	112	(112)	–	–	–	–	–
Treasury shares	22	–	–	(98,984)	–	–	–	(98,984)
Share based payments reserve	9	–	–	–	495	–	–	495
Dividends	5	–	–	–	–	–	(40,000)	(40,000)
TOTAL TRANSACTIONS WITH OWNERS		**112**	**(112)**	**(98,984)**	**495**	**–**	**(40,000)**	**(138,489)**
BALANCE AT 31 DECEMBER 2025		**5,727**	**549,015**	**(98,984)**	**495**	**76,109**	**175,481**	**707,843**

CONSOLIDATED STATEMENT OF **CASH FLOWS**

(For the year ended 31 December)

NOK (thousands)	NOTE	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) for the year		165,081	39,182
Adjustments for:			
Net profits from sales of assets	10	(4,027)	133
Depreciation and amortisation expense	13,14,15	64,818	60,197
Bad debt provision	18	275	49
Share-based payments	9	495	–
Net finance expenses	11	(1,794)	7,505
Share of losses from an associate		–	1,782
Change in contingent consideration	10	12,248	–
Income tax expense	12	22,171	21,475
(Increase) in inventories		(9,285)	(26,888)
(Increase) decrease in trade receivables		(28,238)	9,087
(Increase) decrease in other receivables		(17,318)	2,032
(Increase) decrease in contract assets		3,448	(3,281)
Increase (decrease) in trade payables		(6,497)	(8,190)
Increase (decrease) in other current liabilities		(1,895)	(5,770)
Increase (decrease) in contract liabilities		70,471	75,261
Cash generated from operations		269,953	172,574
Income taxes paid		(46,047)	(30,967)
Interest paid		(15,490)	(11,437)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**208,416**	**130,170**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		5,127	18,871
Capital contribution to an associate		–	(1,075)
Proceeds from sale of assets		55,081	1,008
Purchase of intangible assets	15	(678)	(2,221)
Purchases of plant and equipment	13	(35,891)	(15,666)
Acquisition of subsidiaries (net of cash)	25	(170)	(42,372)
NET CASH GENERATED FROM INVESTING ACTIVITIES		**23,469**	**(41,455)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from interest bearing loans	21	34,269	198,160
Repayment of interest bearing loans		(146,017)	(155,892)
Lease liabilities repaid	14	(20,057)	(18,241)
Dividends paid		(40,000)	(10,000)
Proceeds from share options exercised		4,602	–
NET CASH GENERATED FROM FINANCING ACTIVITIES		**(167,203)**	**14,027**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**64,682**	**102,742**
Cash and cash equivalents at beginning of the period		281,632	172,652
Effect of foreign exchange rate changes		(4,958)	6,238
CASH AND CASH EQUIVALENTS AT END OF YEAR		**341,356**	**281,632**

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Notes to the consolidated financial statements

NOTE 1 | CORPORATE INFORMATION

General Oceans AS (the "Company") was incorporated on 7 April 2021 in Norway. The principal activities of the Company and its subsidiaries (the "Group") are the development and manufacture of oceanographic sensors, underwater vehicle systems, robotic manipulators and integrated software provided as part of these systems.

The registered office of the Company is Vangkroken 2, RUD, 1351, Norway.

The Company has 23 wholly owned subsidiaries with global operations. The subsidiaries are listed in note 24.

NOTE 2 | ADOPTION OF NEW AND REVISED STANDARDS

New and amended IFRS® Accounting Standards that are effective for the current year

Some accounting pronouncements have become effective from 1 January 2025 and have therefore been adopted and do not have significant impact on the Group's financial results or position.

New and revised IFRS® Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

IFRS 18	Presentation and Disclosure in Financial Statements (effective for reporting periods beginning on or after 1 January 2027)
IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Annual Improvements	Annual improvements to IFRS Accounting Standards – Volume 11 (effective for reporting periods beginning on or after 1 January 2026)

IFRS 18 PRESENTATION AND DISCLOSURE IN THE FINANCIAL STATEMENTS

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 21 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share. Entities are required to classify all income and expenses within the statement of profit or loss into five categories: operating, investing, financing, income taxes, and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management -defined performance measures, subtotals of income and expenses. It also includes new requirements for aggregation and disaggregation of financial information based on 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.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The Group's reporting process will need to be updated to capture and report information in accordance with new requirements.

The impact of IFRS 18 on the General Oceans Group financial statements is in process. These changes cannot be reasonably predicted as of 31 December 2025. A comprehensive impact assessment and implementation plan will be finalised during 2026 to ensure readiness for the adoption of IFRS 18 as of 1 January 2027 with 2026 comparatives. General Oceans Group does not plan to early adopt IFRS 18 early.

The Board of Directors of the Group ('the Board') anticipate that the application of these amendments may have an impact on the group's consolidated financial statements in future periods.

NOTE 3 | SIGNIFICANT ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all reporting periods presented in these consolidated financial statements, except as indicated below.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the IASB and Interpretations (collectively "IFRS®"), as adopted by the European Union, as well as additional Norwegian reporting requirements pursuant to the Norwegian Accounting Act.

The consolidated financial statements have been prepared on a historical cost basis, except for the following items:

- Derivative financial instruments – fair value through profit or loss
- Contingent consideration is at fair value through profit or loss

The consolidated financial statements are presented in Norwegian Kroner ("NOK"), which is also the Company's functional currency. Amounts are rounded to the nearest thousand, unless otherwise stated.

The consolidated financial statements provide comparative information in respect of the previous period.

The accounting policies are set out below.

Going concern

The Board has, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, it continues to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the parent company and all entities controlled by the parent company (its subsidiaries) as of the end of each reporting period. All subsidiaries in the Group are owned 100% and deemed to be fully controlled for consolidation purposes.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Contingent consideration arising from a business combination represents additional consideration payable based on the future performance of the acquired business and is recognised at fair value as part of the consideration

transferred at the acquisition date. Subsequent changes in the fair value of contingent consideration that do not qualify as measurement period adjustments are recognised in profit or loss in accordance with IFRS 3.

Goodwill impairment

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. See note 15 for additional information related to the goodwill impairment testing.

Revenue from customers and equipment lease income

The Group recognises revenue from customers the following sources:

- Product sales
- Services

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

PRODUCT SALES

The Group sells sensors, operational platforms, and subsea vehicles to customers. Sometimes, these products are customized extensively. However, this customisation does not limit the Group's ability to resell the products if an order is cancelled, albeit such cancellations are rare.

Revenue is recognised when control of the products has transferred, generally when the Group has made the products available to the customer. The Group acts as a principal in the transaction, as it has control over the products before their transfer to the customer. A receivable is recognised by the Group when the products are made available to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

SERVICE REVENUE

The Group sells various supporting services in relation to its products, such as repairs and maintenance, staff deployment and training services, which can be either part of the same contract with product sales or a separate contractual agreement.

When included within the same contract, the Group evaluates all promised goods and services to determine whether they are distinct. A promised good or service is considered distinct of (i) the customer can benefit from it either on its own or together with readily available resources, and (ii) it is separately identifiable from other promises in the contract. Where these criteria are met, the services are treated as separate performance obligations. The Group then allocates the transaction price to each performance obligation based on its relative stand-alone selling prices, determined using observable prices, where available, or if not, suitable estimation methods such as cost-plus. Revenue is subsequently recognised for each performance obligation either at a point in time or over time, depending on when control of the related service transfers to the customer.

The Group applies the practical expedient under IFRS 15, paragraph B16, for certain short-term services where the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date. The Group recognises revenue on these services in the amount to which the Group has a right to invoice.

LEASES OF EQUIPMENT INCOME

The Group leases equipment on a short-term basis. Short-term rental income arising from operational leases is recognised in accordance with IFRS 16 Leases on a straight-line basis over the lease term, unless another systematic basis reflects the pattern in which the economic benefits from the leased assets are consumed.

Warranty provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

WARRANTIES

The Group provides warranties for general repairs of equipment with defects that existed at the time of sale. This service relates to maintenance work that may be required to be carried out on the equipment for a 12-month period after sale or over the service period. These assurance-type warranties are accounted for as warranty provisions in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

Leases

THE GROUP AS A LESSEE

The Group enters into lease arrangements for buildings and vehicles. The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (which mainly consist of small items of office furniture). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date, where applicable
- The amount expected to be payable by the lessee under residual value guarantees

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Foreign currency

In preparing the financial statements of the group entities, transactions in currencies other than the entity's functional currency (foreign currency) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise as a finance expense or income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the annual average exchange rates. Exchange differences are recognised in other comprehensive income and accumulated in a foreign exchange reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Share-based compensation

The Group has share-based compensation schemes. The plans are both equity-based and cash-based compensation plans. The fair value of the stock options are measured at the grant date using a Black-Scholes valuation model. Share-based payment expense is recognized in profit or loss over the option vesting period. The share-based payments equity reserve is used to recognize the grant date fair value of options issued to employees but not exercised and transfer from share-based payments reserve to share capital on exercise of the options. See note 9 for additional information.

Short-term and other long-term service benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured using the projected unit credit method and then discounted using yields available on high-quality corporate bonds that have maturity dates approximating to the expected remaining period to settlement and are denominated in the same currency as the post-employment benefit obligations.

Taxation

The income tax expense represents the sum of current and deferred income tax expense.

CURRENT TAX

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the parent company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

DEFERRED TAX

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

CURRENT TAX AND DEFERRED TAX FOR THE YEAR

Current and deferred tax are recognised in profit or loss. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Freehold land is not depreciated.

Plant, machinery, fixtures, and fittings are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognised to systematically allocate the depreciable amount of an asset (cost or valuation less its residual value) over its useful life, using the straight-line method. Freehold land is not depreciated. Refer to note 13 for further details.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset.

An item of property, plant, and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

EXTERNALLY ACQUIRED INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

INTANGIBLE ASSETS ACQUIRED IN A BUSINESS COMBINATION

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

RESEARCH AND DEVELOPMENT COSTS

To assess whether an internally generated intangible asset meets the criteria for recognition, an entity classifies the generation of the asset into (a) research phase; and (b) a development phase. If the process is not distinguishable, the Group treats the expenditure on that project as if it were incurred in the research phase only. Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- The intention to complete the intangible asset and use or sell it
- The ability to use or sell the intangible asset
- How the intangible asset will generate probable future economic benefits
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- The ability to measure reliably the expenditure attributable to the intangible asset during its development

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

A summary of the policies applied to the Group's intangible assets is as follows:

	INTELLECTUAL PROPERTIES, PATENTS AND LICENSES	TRADEMARKS AND CUSTOMER RELATIONSHIPS	DEVELOPMENT COSTS
Useful lives	Finite (5-20 years)	Finite (10 years)	Finite (4 years)
Amortisation method	Amortised on a straight-line basis	Amortised on a straight-line basis	Amortised on a straight line basis over the period of expected future sales from the related project
Internally generated or acquired	Acquired	Acquired	Internally generated

DERECOGNITION OF INTANGIBLE ASSETS

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

The significant intangibles recognised by the Group, their useful economic lives and the methods used to determine the cost of intangibles acquired in a business combination are outlined in note 15.

Impairment of non-financial assets (excluding goodwill)

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At the end of each reporting period, operating companies review and assess impairments for their inventories based on turnover and inventory age. Slow-moving inventories that have not yet reached obsolescence are reviewed by management at brand level, and provisions are recognised where necessary based on management's judgment of the recoverable value.

Cash and cash equivalents

In the statement of financial position, cash and bank balances comprise cash and bank balances.

Bank balances of which use by the Group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed in notes 20 and 21.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade and other receivables and contract assets that do not have a significant financing component, which are measured at transaction price according to IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate.

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

CLASSIFICATION AND SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS

The Group's financial assets comprise of cash and cash equivalents, trade and other receivables and contract assets. These financial assets are measured subsequently at amortised costs as they are held within a business model whose objective is to collect contractual cash flows and their contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest.

FOREIGN EXCHANGE GAINS AND LOSSES

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'finance income' line item (see note 11).

IMPAIRMENT OF FINANCIAL ASSETS

The Group recognises a provision for impairment on trade and other receivables and contract assets. The amount of provision for impairment is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Impairment provisions for trade and other receivables and contract assets are recognised based on the simplified approach in the determination of the lifetime expected credit losses. Under this approach, the Group assesses the credit risk of each customer individually, taking into account factors such as their financial position, payment history, and current economic conditions.

Trade and other receivables and contract assets are reported net of impairment provisions. Amounts confirmed as uncollectible are written off against the associated provision.

FINANCIAL LIABILITIES AND EQUITY

Financial liabilities at amortised cost

The Group's financial liabilities comprise trade payables, loans and borrowings from banks, lease liabilities and contingent consideration. All financial liabilities other than derivative financial liabilities and contingent consideration are measured subsequently at amortised cost.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost, the foreign exchange gains and losses are recognised in the 'finance expense' line item in profit or loss (note 11).

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the

recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps. Further details of derivative financial instruments are disclosed in note 16.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability. Foreign-exchange forward contracts are offset in the financial statements as the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

WARRANTIES

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

Dividends

Dividends are recognised when they become legally payable. In the case of dividends to equity shareholders, this is when approved by the shareholders at the General Assembly.

NOTE 4 | CRITICAL ACCOUNTING ESTIMATES

In applying the Group's accounting policies management is required to make estimates and judgements that impact the measurement of the carrying amounts of assets and liabilities. The critical estimates are based on historical experience and other relevant factors. Actual results may differ from these estimates. The estimates assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and in future periods if the revision affects both current and future periods.

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

Key sources of estimation uncertainty

- Contingent consideration (see note 25)
- Deferred tax assets – Estimate of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised (see note 12)

NOTE 5 | FINANCIAL RISK MANAGEMENT

Overview

The Group's activities expose it to a variety of financial risks, which can be categorised as:

- Currency risk
- Interest rate risk
- Credit risk
- Liquidity risk

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Financial instruments by category and fair value

The Group's financial instruments comprise trade receivables, cash and cash equivalents, trade payables, loans and borrowings and derivative instruments.

FINANCIAL INSTRUMENTS AT AMORTISED COST

The following financial assets and liabilities are measured at amortised cost:

- Trade receivables
- Cash and cash equivalents
- Trade payables
- Loans and borrowings

The carrying amounts of these financial instruments approximate their fair value.

FINANCIAL INSTRUMENTS AT FAIR VALUE – DERIVATIVES

Derivative financial instruments are measured at fair value at each reporting date. All derivative financial instruments are measured at fair value and are classified as Level 2 in the fair value hierarchy. Level 2 valuation uses inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair values of derivative financial instruments are determined by independent third-party counterparties using valuation techniques that utilise observable market inputs, including:

- Forward interest rates
- Foreign exchange rates
- Discount factors derived from observable yield curves

These valuation techniques maximise the use of observable inputs and do not rely on significant unobservable inputs.

Financial risk management objectives

The Group's CFO provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The group does not use hedge accounting.

The Group's CFO reports regularly to the Board, who monitors risks and policies implemented to mitigate risk exposures.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates (see below). The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency and interest rate risk, including:

- Forward foreign exchange contracts to hedge the exchange rate risk
- Interest rate swaps to mitigate the risk of rising interest rates

Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

Currency risk

Group entities have transactions denominated in currencies that are not denominated in the entity's functional currency. Predominantly for the Group, these transactions are sales denominated in USD. Expenses are primarily incurred in the local functional currency. Group policy related to intercompany loans is to denominate any subsidiary loans in the subsidiary's functional currency. Exchange rate exposures for the group are managed centrally within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Group's financial assets and financial liabilities exposed to currency risk are as follows:

	2025					
NOK (thousands)	CASH AND CASH EQUIVALENTS	TRADE RECEIVABLES	TRADE PAYABLES	LOANS AND BORROWINGS	DERIVATIVE FINANCIAL ASSETS / (LIABILITIES)	NET EXPOSURE
United States dollar ("USD")	70,989	66,113	(1,449)	(34,269)	6,337	107,721
Euro ("EUR")	28,786	–	(5)	–	–	28,781
Great Britain pound ("GBP")	7,167	2,613	(1,865)	(36,645)	–	(28,730)
Australian dollar ("AUD")	7,167	3,801	–	–	–	3,801
Other	8,616	–	–	(50)	–	8,566
	115,558	**72,527**	**(3,319)**	**(70,964)**	**6,337**	**120,139**
	2024					
United States dollar ("USD")	39,401	78,007	(11,630)	(139,987)	(10,148)	(44,357)
Great Britain pound ("GBP")	950	32,419	(17,060)	(42,675)	–	(26,366)
Australian dollar ("AUD")	–	115	(1,725)	–	–	(1,610)
Euro ("EUR")	6,685	1,837	(4,064)	(169)	–	4,289
Other	5,823	8,243	(7,610)	–	–	6,456
	52,859	**120,621**	**(42,089)**	**(182,831)**	**(10,148)**	**(61,588)**

FOREIGN CURRENCY SENSITIVITY ANALYSIS

The Group is mainly exposed to USD.

The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. A positive number below indicates an increase in profit and equity where USD strengthens against NOK. For the weakening of USD against NOK, there would be a comparable impact on the profit and equity, and the balances below would be negative.

The Group's exposure to foreign currency changes for all other currencies is not considered material and is therefore not included in the sensitivity analysis given below.

NOK (thousands)	CHANGE IN USD RATE	EFFECT ON PROFIT BEFORE TAX	EFFECT ON PRE-TAX EQUITY
2025	10%	(10,772)	–
	-10%	10,772	–
2024	10%	(4,436)	–
	-10%	4,436	–

Interest rate risk

The Group is exposed to interest rate risk from borrowings at floating interest rates. Interest rate risk is managed by maintaining an appropriate mix between fixed and floating rate borrowings, and through the use of interest rate swap derivative contracts. Economic hedging activities are evaluated regularly to align with interest rate views and defined risk exposure levels; ensuring the most cost-effective hedging strategies are applied.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

The Group is exposed to interest rate risk in respect of SOFR and SONIA on loans and borrowings denominated in USD and GBP, respectively (2024: SOFR and SONIA).

INTEREST RATE SENSITIVITY ANALYSIS

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and long-term borrowings at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

NOK (thousands)	EFFECT ON PROFIT BEFORE TAX 2025	EFFECT ON PROFIT BEFORE TAX 2024
Interest rates – increase by 100 basis points	(37)	(43)
Interest rates – decrease by 100 basis points	37	43

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2025 and 31 December 2024, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties, arises from its trade receivables and cash and cash equivalents.

It is Group policy, implemented locally, to assess the credit risk of new customers before entering contracts. The Group's customers are typically within the defense, public sector or public sector sponsored institutions, and are generally considered to have a good rating and ability to pay and are thereby considered low risk in credit terms. Credit quality is based on historic experience, their financial position, and other factors. Management assesses credit risk for the group as not material based on historically low credit losses and effective credit risk assessments of new customer.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Further disclosures regarding trade receivables, which are neither past due nor impaired, are provided in note 18.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 90 days.

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. For non-derivative financial liabilities, the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest cash flows are floating rate, the undiscounted amount is derived from interest rate curves at the reporting date.

For the foreign exchange forward contracts which are settled on a net basis, undiscounted net cash outflows are presented based on contractual maturities. The undiscounted amounts are derived from exchange rates at the reporting date.

For the interest rate swaps which are settled on a net basis, undiscounted net cash outflows are presented based on the expected interest payment. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

NOK (thousands)	UP TO 1 YEAR	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 5 YEARS	OVER 5 YEARS
AT 31 DECEMBER 2025				
Trade payables	45,652	–	–	–
Loans and borrowings	70,964	–	–	–
Lease liabilities	18,571	17,509	26,244	34,182
Current financial liabilities (Contingent considerations and Treasury share liability)	123,240	–	–	–
TOTAL	**257,365**	**17,509**	**26,244**	**34,182**
AT 31 DECEMBER 2024				
Trade payables	52,149	–	–	–
Loans and borrowings	154,083	41,057	–	–
Lease liabilities	18,309	15,643	33,737	39,858
Non-current financial assets (Derivatives)	2,112	(9,979)	–	–
TOTAL	**226,653**	**46,721**	**33,737**	**39,858**

Capital management

The Group's capital allocation framework and strategy are determined by the Board of Directors. Based on the framework, General Oceans has made the following capital priorities to ensure continued profitable growth, while at the same time maintaining a robust financial position to mitigate financial risks:

1. Maintain a strong balance sheet
2. CAPEX investments to support organic growth (between 2% to 4% of revenue)
3. Strategic acquisitions to accelerate growth
4. Shareholder distributions

The Group's objectives when managing the robustness of its balance sheet and liquidity position are the following:

1. Safeguard its ability to continue as a going concern, so that it can provide a competitive risk-adjusted return for shareholders and benefits for other stakeholders
2. Maintain financial robustness and an optimised capital structure to reduce cost of capital
3. Provide for financial flexibility
4. Maintain a robust headroom to covenants in loan agreements

To optimise the capital structure, the group may adjust the dividends paid to shareholders, return capital to shareholders, issue new shares, reduce investments, or sell assets to reduce debt.

COVENANTS

The Group monitors its covenants based on the following leverage ratios:

1. Carrying value of total equity as per cent of carrying value of total assets
2. Net interest-bearing debt (NIBD) including lease liabilities over EBITDA ("NIBD ratio")

General Oceans has a policy of maintaining a NIBD ratio in the range of 1.0 – 2.0 to ensure a solid balance sheet.

Under the terms of the major borrowing facilities, the group is required to comply with the following financial covenants:

1. Equity ratio: Carrying value of total equity as per cent of carrying value of total assets shall exceed 35 per cent. To be reported by 31 March, 30 June, 30 September and 31 December
2. NIBD ratio: Total interest-bearing borrowings and lease liabilities less cash and cash equivalents over EBITDA (IFRS, as reported but adjusted for exceptional items, share-based payments, and transaction costs) shall not exceed 3.5 times. To be reported each quarter. EBITDA is calculated on a 12-month rolling basis.

The Group has complied with these covenants throughout the reporting period and as per year-end 2025 and 2024. For further information regarding loan covenants, refer to note 21.

DIVIDEND POLICY

General Oceans' dividend policy objective is to provide shareholders with a long-term competitive return through an increase in the share price and payment of dividends. The dividend policy is to pay out annual ordinary dividends between 40 and 60 per cent of the company's net profit after tax, with the flexibility to deviate based on M&A and accredited investment opportunities.

When proposing the total dividend payment, the Board of Directors will take into account the company's financial position, investment plans, and any restrictions by law, as well as the needed financial flexibility to provide for sustainable growth. To that end, the company has set long-term financial targets relating to its capital structure to have a NIBD/EBITDA ratio between 1.0 – 2.0.

The Board of Directors has proposed that NOK 0.12 per share is paid as dividend for the financial year 2025, representing NOK 19.7 million, representing 9.7 per cent of net profit after tax. This consists of an ordinary dividend of NOK 0.12 per share and an extraordinary dividend of NOK nil per share.

In 2025, General Oceans paid NOK 0.2375 per share in dividends to the shareholders (NOK 40 million) for the financial year 2024, representing 102.1 per cent of net profit after tax.

NOTE 6 | SEGMENT INFORMATION

2025

NOK (thousands)	SENSORS	ROBOTICS	CORPORATE/OTHER	ELIMINATIONS	GROUP
Revenue	1,133,038	169,672	52,705	(75,005)	1,280,410
Lease and other income	13,637	9,815			23,452
Raw materials	(421,318)	(57,859)	(299)	20,416	(459,060)
Employee benefits	(347,313)	(63,859)	(18,059)	1,558	(427,673)
Other operating expenses	(142,370)	(28,538)	(37,687)	49,963	(158,632)
Other gains and losses	4,027		(12,248)		(8,221)
Depreciation	(28,957)	(7,057)	(2,184)		(38,198)
EBITA	**210,744**	**22,174**	**(17,771)**	**(3,068)**	**212,078**
EBITA as a % of Revenue & Other Income	18%	12%			16%
Amortisation of intangible assets	(10,859)	(15,747)	(14)		(26,620)
OPERATING PROFIT/ (LOSS)	**199,885**	**6,427**	**(17,785)**	**(3,068)**	**185,458**

2024

NOK (thousands)	SENSORS	ROBOTICS	CORPORATE/OTHER	ELIMINATIONS	GROUP
Revenue	882,203	79,048	370	(8,352)	953,269
Lease and other income	5,505	1,847	–	–	7,352
Raw materials	(293,649)	(30,831)	(166)	4,831	(319,815)
Employee benefits	(299,460)	(58,384)	(13,297)	–	(371,141)
Other operating expenses	(121,295)	(19,632)	(13,330)	13,787	(140,470)
Other gains and losses	133	–	–	–	133
Depreciation	(25,595)	(6,482)	(1,690)	–	(33,767)
EBITA	**147,842**	**(34,434)**	**(28,113)**	**10,266**	**95,561**
EBITA as a % of Revenue & Other Income	17%	-44%			10%
Amortisation of intangible assets	(7,774)	(17,844)	–	–	(25,618)
OPERATING PROFIT/ (LOSS)	**140,068**	**(52,278)**	**(28,113)**	**10,266**	**69,943**

The Group's operating segments are identified on the basis of internal reports that are regularly reviewed by the Chief Operating Decision Maker ("CODM") for the purposes of allocating resources and assessing performance. The CODM is the Executive Committee, comprising the Board of Directors, the President and the Chief Financial Officer.

The CODM primarily reviews consolidated Group financial results, supplemented by reporting on operating segment performance for the purposes of assessing performance and allocating resources. The CODM receives internal reporting monthly.

In accordance with IFRS 8 Operating Segments, the Group has identified brands as operating segments. These operating segments have been aggregated into two reportable segments – Sensors and Robotics – as management has concluded that they meet the aggregation criteria in IFRS 8.12.

The Sensors segment includes the design, manufacture, integration and sale of acoustic and environmental subsea sensors used for underwater perception, navigation, seabed mapping, and oceanographic measurement.

The Robotics segment includes integrated underwater robotic vehicles and manipulators used for unmanned subsea operations, inspection, intervention and defense applications.

In determining that aggregation is appropriate, management assessed the criteria in IFRS 8.12, including the nature of products and services, production processes, customer classes and distribution methods. Within each reportable segment, the operating segments provide similar products and services, utilise comparable assembly- and component-based production processes, serve overlapping customer classes across marine infrastructure, naval defense and ocean science, and distribute products through similar direct and representative-based sales channels.

Management also assessed the long-term economic characteristics of the operating segments, primarily using normalised EBITA margins as the key profitability indicator. The operating segments within each reportable segment are expected to achieve similar long-term profitability levels consistent with the Group's target margin profile. Accordingly, management concluded that the aggregated operating segments are presented in the financial statements.

Segment reporting is prepared based on aggregated results by brand or legal entity groupings. Corporate and other non-allocated costs include holding entities, sales offices and startup entities that are insignificant and are not reported separately to the CODM.

Segment performance is evaluated using EBITA, which represents earnings before interest, tax and amortisation and is consistent with the same measure for the Group. EBITA is used by management as the primary measure to assess segment performance and is the measure used for internal reporting to the CODM.

Management considers raw materials, employee benefits and other operating expenses to be material expense categories for understanding the segment performance and therefore discloses these by reportable segment. Certain income statement items are not allocated to segments where they are managed on a Group basis and are not part of the segment measures reviewed by the CODM. These items are included within the reconciliation to the consolidated financial statements and are presented within Other or as unallocated items, as relevant.

The segment information presented is prepared in line with internal reporting reviewed by the CODM. Segment revenue and expenses are presented on a gross basis and therefore include intercompany transactions. Intercompany eliminations are presented in a separate column and include all eliminations arising from transactions both within and between the Group's segments. Corporate and other non-allocated costs comprise costs that are managed centrally and are not allocated to the reportable segments.

No single customer contributed 10 per cent or more to the Group's revenue in either 2025 or 2024.

Because the Group manages long-term debt and taxes on a group basis, Profit Before Tax and Profit are presented only for the group as a whole.

The CODM does not review segment assets and segment liabilities and therefore this information is not disclosed for the Group's reportable segments.

The accounting policies used for segment reporting reflect those used for the Group.

Sensors – Revenue by customer type

NOK (thousands)	2025	2024
Marine construction	596,909	558,435
Defense	258,365	186,990
Ocean science	277,764	136,778
	1,133,038	**882,203**

Sensors – Revenue by geographic area

NOK (thousands)	2025	2024
Europe	608,838	398,423
Asia and Oceania	275,657	255,200
Americas	223,483	212,699
Rest of the world	25,060	15,881
	1,133,038	**882,203**

Robotics – Revenue by customer type

NOK (thousands)	2025	2024
Marine construction	19,282	18,119
Defense	144,321	47,053
Ocean science	6,069	13,876
	169,672	**79,048**

Robotics – Revenue by geographic area

NOK (thousands)	2025	2024
Europe	27,612	15,430
Asia and Oceania	55,360	28,059
Americas	69,814	35,184
Rest of the world	16,886	375
	169,672	**79,048**

The revenue breakdown by customer type and geographic area reported by segment includes intercompany transactions. Consequently, aggregating the individual segment revenue will not reconcile to the total consolidated group revenue.

NOTE 7 | REVENUE

The Group has disaggregated revenue from contracts with customers into various categories in the following table, which is intended to depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic date.

Revenue by nature

NOK (thousands)	2025	2024
Product sales	1,193,875	901,096
Services	86,535	52,173
	1,280,410	**953,269**

Revenue by customer type

NOK (thousands)	2025	2024
Marine construction	616,182	573,916
Defense	354,396	230,067
Ocean science	309,832	149,286
	1,280,410	**953,269**

Revenue by geographic area

NOK (thousands)	2025	2024
Europe	656,296	415,084
Asia and Oceania	341,452	283,600
Americas	237,680	246,260
Rest of the world	44,982	8,325
	1,280,410	**953,269**

Timing of revenue recognition

Most revenue is recognised at a point in time, as the performance obligation is satisfied upon delivery/transfer of control to the customer. Revenue recognised over time includes services, comprising engineering services, repair and servicing, training, and extended warranties.

NOK (thousands)	2025	2024
At a point in time	1,193,875	900,996
Over time	86,535	52,273
	1,280,410	**953,269**

Contract assets and liabilities

Contract liabilities represent consideration received from customers for which the related performance obligations have not yet been satisfied. The transaction price allocated to remaining performance obligations includes both amounts recognised as contract liabilities and amounts that are not yet invoiced or recognised in the statement of financial position.

CONTRACT ASSETS

NOK (thousands)	2025	2024
Accrued revenue (not invoiced)	339	3,787
BALANCE AT 31 DECEMBER	**339**	**3,787**

CONTRACT LIABILITIES

NOK (thousands)	2025	2024
Prepayment from customers	140,491	89,026
Invoiced revenue, not delivered	26,316	7,310
BALANCE AT 31 DECEMBER	**166,807**	**96,336**

NOK (thousands)	2025	2024
Non-current		93
Current	166,807	96,243
BALANCE AT 31 DECEMBER	**166,807**	**96,336**

Management expects 100% of the related revenue (NOK 166,807 thousand) to be recognised during the next reporting period. The year-on-year increase of NOK 70,470 thousand relates to a contract entered into in 2025 and expected to conclude by the end of 2026.

TRANSACTION PRICE ALLOCATED TO REMAINING PERFORMANCE OBLIGATIONS (SALES ORDER BACKLOG)

The table below presents the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the reporting date. The amounts disclosed represent the Group's order backlog and are not the same as contract liabilities recognised in the statement of financial position.

NOK (thousands)	2025	2024
Revenue expected to be recognised:		
- Within one year	578,713	582,248
- Between one to two years	8,482	3,473
TOTAL TRANSACTION PRICE ALLOCATED TO REMAINING PERFORMANCE OBLIGATIONS	**587,195**	**585,721**

NOTE 8 | LEASE AND OTHER INCOME

NOK (thousands)	2025	2024
Short-term rental income	10,358	6,145
Grants	11,382	406
Other	1,712	801
TOTAL LEASE AND OTHER INCOME FOR THE PERIOD	**23,452**	**7,352**

NOTE 9 | EMPLOYEE BENEFITS

The employee costs include employee benefit plans and pensions

NOK (thousands)	2025	2024
Wages and salaries	352,830	338,360
Social security contributions and similar taxes	38,574	26,846
Defined contribution pension costs	16,983	5,935
Board fees	1,038	–
Other payroll and benefit costs	17,753	–
	427,178	**371,141**
Number of employees at year-end	372	334

Key management personnel compensation

Key management personnel are the chief operating decision makers, comprising the Board of Directors, President, and the CFO of the Group.

NOK (thousands)	2025	2024
Wages and salaries	4,732	4,857
Social security contributions and similar taxes	652	605
Defined contribution pension costs	342	412
	5,726	**5,874**
The number of shares held by key management and Board members [1]	97,196,076	94,886,430
The number of share options held by key management and Board members [1]	–	682,500

[1] Comparative share option numbers have been restated to reflect the 2025 1:3 share split.

The President's remuneration consisted solely of a salary of NOK 1,624 thousand.

Board of Directors' compensation and share holdings

Remuneration to the Board of Directors consists of paid fees and share-based compensation in the form of share options. Payments to the Board of Directors in 2025 amounted to NOK 1,184 thousand (2024: NOK 1,232 thousand). Three members of the Board of Directors held 682,500 (restated for the 1:3 share split) share options as at 31 December 2024. These options were granted in 2023 and early vested in December 2025. All awarded and outstanding options were exercised in December 2025. Total cash received upon exercise of the options was NOK 4,602 thousand and a total of 546,000 shares were issued to the Board members upon exercise from existing treasury shares.

As at 31 December 2025, Board member Stein Dale held no share options (2024: 273 thousand). These share options were exercised in December 2025 at a strike price of NOK 8.43. As at year-end, Stein Dale was no longer a serving Board member.

As at 31 December 2025, Board member Kim Steinsland held no share options (2024: 136.5 thousand). These share options were exercised in December 2025 at a strike price of NOK 6.86. At year-end Kim Steinsland controlled 136.5 thousand ordinary shares.

As at 31 December 2025, Board member Asta Stenhagen held no share options (2024: 136.5 thousand). These share options were exercised in December 2025 at a strike price of NOK 10.00. At year-end, Asta Stenhagen held 136.5 thousand ordinary shares.

Key employee share-based compensation

In November 2025, a share option program was established for group brand managers. The options have a performance measurement feature where targets related to EBIT and sales must be met before the options are granted. EBIT and sales targets are established individually for the different brands based on market conditions and expectations for each of the specific brands. Achievement of the performance targets is evaluated in March 2026 based on 2025 results, and earned options are awarded if the performance targets are met.

EQUITY-SETTLED

Options granted to brand managers in the rest of the world are equity based and have a vesting period of three years and an exercise period of five years.

A total of 2,025,000 share options have been awarded for the performance measurement period 2025, and 450,000 share options have been awarded for the performance measurement period 2026, to key individuals within the Group. Included in the aforementioned share options totals, the following number of share options were awarded to the Company's primary insiders, which also represents such persons' total holdings of share options following the award: 450,000. None of the options have vested. Share options will be finally awarded by the Board following assessment of achievement of the performance measures post year-end.

The share-based-payment-reserve in equity increased to NOK 495 thousand (2024: nil).

CASH-SETTLED

Options granted to brand managers in the USA are cash based, the vesting schedule is three years from the award date and the exercise schedule is equal to the vesting schedule.

A total of 675,000 share options have been awarded for the performance measurement period 2025 to key individuals within the Group. None of the options have vested. Share options will be finally awarded by the Board following assessment of achievement of the performance measures post year-end.

The increase in cash-settled liability amounted to NOK nil (2024: NOK nil).

CASH-SETTLED

	2025		2024	
	WEIGHTED AVERAGE EXERCISE PRICE (NOK)	NUMBER	WEIGHTED AVERAGE EXERCISE PRICE (NOK)	NUMBER
Outstanding at 1 January	8.74	682,500	8.74	682,500
Granted during the year	12.98	3,150,000	–	–
Exercised during the year	8.43	(546,000)	–	–
Lapsed during the year	10.00	(136,500)	–	–
Outstanding at 31 December	**12.98**	**3,150,000**	**8.74**	**682,500**

The following information is relevant in the determination of the fair value of options granted during the year under the equity and cash settled share-based remuneration scheme operated by the Group.

	2025
EQUITY-SETTLED	
Option pricing model used	Black-Scholes
Weighted average share price at grant date (in NOK)	20.00
Exercise price (in NOK)	11.67
Weighted average contractual life (in days)	1,237
Expected volatility	35.0%
Risk-free interest rate	3.9%
CASH-SETTLED	
Option pricing model used	Black-Scholes
Weighted average share price at grant date (in NOK)	20.00
Exercise price (in NOK)	13.33
Weighted average contractual life (in days)	1,237
Expected volatility	35.0%
Risk-free interest rate	3.9%

Neither the President nor the CFO, and none of the members of the Board of Directors, hold any share options in the Company at period end 2025.

The Group did not enter into any share-based payment transactions with parties other than employees during the current or previous period.

NOTE 10 | OTHER OPERATING EXPENSES AND OTHER GAINS AND LOSSES

Other operating expenses

The direct operating and sales, general and administrative expenses combined are referred to as expenses from operating activities. Included in the expenses from operating activities are the following items:

NOK (thousands)	2025	2024
Sales and marketing	19,703	17,458
Travel expenses	21,535	16,365
Professional fees	33,200	28,166
Research and development (materials and services)	15,491	20,638
IT costs	21,849	18,651
Office expenses	26,066	27,961
Other operating costs	20,788	11,231
	158,632	**140,470**

Other operating costs include NOK 275 thousand increase in bad debt provision. Included within professional fees are audit fees amounting to NOK 2,907 thousand and IPO-related costs of NOK 2,200 thousand. Audit fees are as follows:

AUDIT FEES

NOK (thousands)	2025	2024
Group audit	1,108	767
Component audit	1,405	973
Other assurance services	74	23
Tax services	191	95
Other	129	145
TOTAL FEES	**2,907**	**2,003**

Other gains and losses

NOK (thousands)	2025	2024
Gains from sale of assets	4,027	133
Increase in liability in relation to contingent considerations	(12,248)	–
	(8,221)	**133**

The increase in the contingent consideration liability relates to the acquisition of RS Aqua in 2024. Based on management's assessment, it was determined that the probability of achieving the performance targets increased, resulting in an upward remeasurement of the contingent consideration at fair value.

NOTE 11 | FINANCE INCOME AND EXPENSE

NOK (thousands)	2025	2024
FINANCE INCOME		
Bank interest income	4,959	4,352
Other interest income	168	7
Change in fair value of financial assets	15,286	–
Foreign exchange gain	29,493	36,869
TOTAL FINANCE INCOME	**49,906**	**41,228**
FINANCE EXPENSE		
Bank interest expense	8,503	9,795
Bank charges	1,396	1,772
Other interest expense	5,591	4,516
Foreign exchange expense	32,622	32,649
TOTAL FINANCE EXPENSE	**48,112**	**48,732**

NOTE 12 | INCOME TAX

Amounts recognised in profit or loss

NOK (thousands)	2025	2024
Current income tax	46,034	38,946
Income tax – prior year adjustment	(839)	–
Change in deferred tax	(23,024)	(17,471)
TOTAL INCOME TAX EXPENSE	**22,171**	**21,475**

Reconciliation of effective tax rate and tax expense

NOK (thousands)		2025 NOK'000		2024 NOK'000
PROFIT BEFORE TAX		**187,252**		**60,657**
Tax using the Company's domestic tax rate of 22% (2024: 22%)	186.3%	41,304	62.1%	13,345
Effect of different income tax rates in other jurisdictions	54.0%	11,974	3.6%	774
Expenses (taxable) / not deductible for tax purposes	0.0%	–	(4.7%)	(999)
Tax losses	5.0%	1,103	91.0%	19,539
Prior year adjustments	14.2%	3,154	0.0%	–
Change in deferred tax	(2.7%)	(588)	(81.4%)	(17,471)
Capital allowances	(115.8%)	(25,676)	(0.8%)	(166)
R&D tax credit	(8.2%)	(1,825)	0.0%	–
Group relief	8.1%	1,806	0.0%	–
Other	(41.0%)	(9,082)	30.0%	6,453
TOTAL INCOME TAX EXPENSE FOR THE YEAR	**100.0%**	**22,171**	**100.0%**	**21,475**
Effective tax rate		11.8%		35.4%
Effective tax rate (excluding goodwill impairment)		11.8%		35.4%

Deferred taxes

	CONSOLIDATED STATEMENT OF FINANCIAL POSITION		CONSOLIDATED STATEMENT OF PROFIT OR LOSS	
	2025	2024	**2025**	2024
Intangible and fixed assets	(41,814)	(47,287)	(5,236)	12,696
Other assets and liabilities	9,445	16,097	6,364	(19,387)
Tax losses	34,468	8,370	(24,969)	(10,780)
DEFERRED TAX EXPENSE / (BENEFIT)			**(23,841)**	**(17,471)**
NET DEFERRED TAX ASSETS / (LIABILITIES)	**2,099**	(22,820)		

Significant judgment – recoverability of deferred tax assets

The recognition of deferred tax assets requires significant judgment, particularly in jurisdictions where the Group has incurred recent losses. Management must assess whether it is probable that future taxable profits will be available against which tax losses and deductible temporary differences can be utilised.

Although the Group incurred recent losses in the United States, management concluded that the recognition criteria in IAS 12 were met based on a detailed one-year forecast demonstrating a return to taxable profitability. Management determined that the one-year forecast represents the period over which projections can be made with sufficient reliability and constitutes appropriate supporting evidence in the circumstances.

If actual taxable profits differ from these forecasts, the carrying amount of deferred tax assets may require adjustment in future periods.

At the reporting date, recognized deferred tax assets for tax losses amounted to NOK 34,468 thousand (2024: NOK 8,370 thousand), of which NOK 30,439 thousand (2024: 5,438 thousand) relate to tax losses in the United States. A reduction of taxable profits compared to the one-year forecast could result in the non-recoverability of part or all of the recognized deferred tax assets.

Under U.S. federal tax regulations, net operating losses may be carried forward indefinitely, whereas the State of California limits the carry forward period to 20 years.

NOTE 13 | PROPERTY, PLANT AND EQUIPMENT

	LAND AND BUILDINGS	PLANT, MACHINERY AND EQUIPMENT	FIXTURES AND FITTINGS	TOTAL
COST				
Balance at 1 January 2024	**121,858**	**100,456**	**34,568**	**256,882**
Business combinations	–	8,449	2,478	10,927
Additions	1,919	10,204	3,543	15,666
Reclassifications	–	227	–	227
Retirement and disposals	–	(9,242)	(1,223)	(10,465)
Exchange differences	13,098	7,163	2,490	22,751
BALANCE AT 31 DECEMBER 2024	**136,875**	**117,257**	**41,856**	**295,988**
Balance at 1 January 2025	**136,875**	**117,257**	**41,856**	**295,988**
Business combinations	–	–	40	40
Additions	10,028	18,435	7,428	35,891
Reclassifications	(3,501)	(8,233)	11,734	–
Retirement and disposals	(53,408)	(4,700)	(86)	(58,194)
Exchange differences	(9,907)	(2,905)	(1,863)	(14,675)
BALANCE AT 31 DECEMBER 2025	**80,087**	**119,854**	**59,109**	**259,050**
ACCUMULATED DEPRECIATION				
Balance at 1 January 2024	(14,754)	(61,872)	(20,973)	(97,599)
Business combinations	–	(1,901)	(2,352)	(4,253)
Depreciation charge	(3,455)	(11,577)	(3,804)	(18,836)
Reclassifications	–	–	–	–
Retirement and disposals	–	8,647	943	9,590
Exchange differences	(1,655)	(5,157)	369	(6,443)
BALANCE AT 31 DECEMBER 2024	(19,864)	(71,860)	(25,817)	(117,541)
Balance at 1 January 2025	(19,864)	(71,860)	(25,817)	(117,541)
Business combinations	–	–	3	3
Depreciation charge	(2,757)	(13,453)	(5,019)	(21,229)
Reclassifications	124	6,595	(6,719)	–
Retirement and disposals	3,421	3,719	–	7,140
Exchange differences	1,543	618	445	2,606
BALANCE AT 31 DECEMBER 2025	(17,533)	(74,381)	(37,107)	(129,021)
CARRYING AMOUNTS				
Balance at 1 January 2024	107,104	38,584	13,595	159,283
Balance at 31 December 2025	117,011	45,397	16,039	178,447
Balance at 1 January 2025	117,011	45,397	16,039	178,447
BALANCE AT 31 DECEMBER 2025	62,554	45,473	22,002	130,029

During the year ended 31 December 2025, depreciation expenses of NOK nil (2024: NOK 812 thousand) were charged to raw materials as factory overheads on production facilities.

NOTE 14 | RIGHT-OF-USE ASSETS AND LEASES

The Group as a lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets
- Leases with a duration of 12 months or less.

The Group leases a number of properties in the jurisdictions from which it operates. In some jurisdictions, it is customary for lease contracts to provide for payments to increase each year by inflation and in others to be reset periodically to market rental rates. In some jurisdictions' property leases, the periodic rent is fixed over the lease term.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the Group's incremental borrowing rate on commencement of the lease is used.

Right-of-use assets

NOK (thousands)	BUILDINGS	VEHICLES	TOTAL
Balance at 1 January 2025	**86,321**	**–**	**86,321**
Additions / modifications	12,408	1,488	13,896
Depreciation expense	(16,749)	(220)	(16,969)
Exchange differences	(1,633)	3	(1,630)
BALANCE AT 31 DECEMBER 2025	**80,347**	**1,271**	**81,618**
Balance at 1 January 2024	**75,976**	**–**	**75,976**
Additions – new leases	11,595	–	11,595
Additions – business combinations	2,333	–	2,333
Additions – lease modifications	9,728	–	9,728
Depreciation expense	(15,743)	–	(15,743)
Exchange differences	2,431	–	2,431
BALANCE AT 31 DECEMBER 2023	**86,321**	**–**	**86,321**

Lease liabilities

NOK (thousands)	2025	2024
Balance at 1 January	**(92,400)**	**(80,423)**
Additions / modifications	(14,751)	(22,941)
Additions – business combinations	–	(2,265)
Interest expense	(3,409)	(3,313)
Lease payments	20,057	18,241
Exchange differences	2,664	(1,699)
BALANCE AT 31 DECEMBER	**(87,839)**	**(92,400)**
Non-current	(70,349)	(77,282)
Current	(17,490)	(15,118)
BALANCE AT 31 DECEMBER	**(87,839)**	**(92,400)**

Lease liabilities have multiple maturity dates, refer to note 5 Liquidity Risk section for a maturity analysis of lease liabilities.

The Group as a lessor

A building was previously leased to tenants under short-term operating leases, with rentals payable monthly. The lease did not include an option for the lessee to purchase the property at the end of the lease term. The building was owned by the Group but was sold during 2025, and accordingly no future rental income from buildings is expected. The Group continues to generate revenue from the rental of products under short-term operating leases, as disclosed in note 8 Lease and other income.

NOTE 15 | INTANGIBLE ASSETS

NOK (thousands)	GOODWILL	INTELLECTUAL PROPERTIES, PATENTS AND LICENSES	TRADEMARKS AND CUSTOMER RELATIONSHIPS	DEVELOPMENT COSTS	TOTAL
COSTS					
Balance at 1 January 2024	**196,930**	**54,256**	**161,403**	**4,108**	**416,697**
Additions	–	504	–	1,717	2,221
Business combinations	31,178	7,984	30,528	199	69,889
Retirement and disposals	–	(5,294)	–	–	(5,294)
Exchange differences	9,221	4,925	16,008	(0)	30,154
BALANCE AT 31 DECEMBER 2024	**237,329**	**62,375**	**207,939**	**6,024**	**513,667**
Balance at 1 January 2024	**237,329**	**62,375**	**207,939**	**6,024**	**513,667**
Additions	–	678	–	–	678
Reclassifications	–	–	–	–	–
Retirement and disposals	–	–	–	(1,717)	(1,717)
Exchange differences	(9,615)	(3,801)	(17,431)	(199)	(31,046)
BALANCE AT 31 DECEMBER 2025	**227,714**	**59,252**	**190,508**	**4,108**	**481,582**
AMORTISATION AND IMPAIRMENT					
Balance at 1 January 2024	**(117,321)**	**(16,482)**	**(30,888)**	–	**(164,691)**
Amortisation charge	–	(7,235)	(16,777)	(1,606)	(25,618)
Impairment	–	–	–	–	–
Retirement and disposals	–	1,547	–	–	1,547
Exchange differences	(3,750)	1,581	(3,730)	–	(5,899)
BALANCE AT 31 DECEMBER 2024	**(121,071)**	**(20,589)**	**(51,395)**	**(1,606)**	**(194,661)**
Balance at 1 January 2025	**(121,071)**	**(20,589)**	**(51,395)**	**(1,606)**	**(194,661)**
Amortisation charge	–	(6,905)	(18,643)	(1,072)	(26,620)
Impairment	–	–	–	–	–
Reclassifications	–	–	–	–	–
Retirement and disposals	–	–	–	1,717	1,717
Exchange differences	3,750	650	4,762	687	9,849
BALANCE AT 31 DECEMBER 2025	**(117,321)**	**(26,844)**	**(65,276)**	**(274)**	**(209,715)**
CARRYING AMOUNTS					
At 1 January 2024	79,609	37,774	130,515	4,108	252,006
At 31 December 2024	116,258	41,786	156,544	4,418	319,006
At 1 January 2025	116,258	41,786	156,544	4,418	319,006
AT 31 DECEMBER 2025	**110,393**	**32,408**	**125,232**	**3,834**	**271,867**

Research and development material and service costs of NOK 15,491 thousand (2024: NOK 20,638 thousand) are not eligible for capitalisation. These costs have been expensed in the year incurred and they are recognised in other operating expenses.

Impairment testing

The Group assesses at each reporting date whether there is an indication that an intangible asset may be impaired in accordance with note 3. The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's cash-generating units (CGUs), to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of four to five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

IMPAIRMENT TESTING FOR GOODWILL

At 31 December 2025 and 2024, the Group's goodwill arising from business combinations amounted to NOK 110,393 and 116,262 respectively. The table below sets out the allocation of goodwill by CGU and the key assumptions applied in the impairment testing.

		ASSUMPTIONS		
NOK (thousands)	**2025**	**REVENUE CAGR**	**DISCOUNT RATE**	**TERMINAL GROWTH RATE**
Reach Robotics Pty Ltd ("Reach Robotics")	34,786	10%	14%	2%
Tritech International Ltd ("Tritech")	36,651	10%	14%	2%
Klein Marine Systems Inc	8,906	10%	14%	2%
RS Aqua Ltd	30,050	16%	14%	2%
	110,393			

		ASSUMPTIONS		
NOK (thousands)	**2024**	**REVENUE CAGR**	**DISCOUNT RATE**	**TERMINAL GROWTH RATE**
Reach Robotics Pty Ltd ("Reach Robotics")	36,316	10%	14%	2%
Tritech International Ltd ("Tritech")	38,410	10%	14%	2%
Klein Marine Systems Inc	10,032	10%	14%	2%
RS Aqua Ltd	31,500	10%	14%	2%
	116,258			

The recoverable amount for each CGU (and CGU group containing goodwill) has been determined solely using the value-in-use (VIU) method, as management considers VIU to be the most appropriate and reliable basis. No fair value less costs of disposal calculations were performed.

Cash flow projects for each CGU are derived from five-year management approved budgets and forecasts, reflecting historic performance, operational expectations and market conditions relevant to each unit. A terminal value is applied beyond five-year using a conservative growth rate.

CAGR (compound annual growth rate) represents the average annual growth rate of revenue over a specified period, assuming the revenue grows at a constant rate and compounds each year.

Discount rates reflect the time value of money and risks specific to each CGU. However, due to similarity in operating environments and risk exposures, the Group applies a consistent rate across CGUs for aggregation purposes.

Impairment test outcome

Based on sensitivity analyses performed, management considers that no reasonably possible change in the key assumptions would lead to an impairment.

NOTE 16 | OTHER CURRENT FINANCIAL ASSETS AND NON-CURRENT FINANCIAL LIABILITIES

NOK (thousands)	2025	2024
DERIVATIVE FINANCIAL ASSETS		
Forward foreign exchange contracts	6,337	–
TOTAL DERIVATIVE FINANCIAL ASSETS	**6,337**	–
DERIVATIVE FINANCIAL LIABILITIES		
Forward foreign exchange contracts	–	(14,491)
Interest rate swap	(828)	(1,199)
TOTAL DERIVATIVE FINANCIAL LIABILITIES	**(828)**	**(15,690)**

Foreign exchange risk arises when individual group operations enter into transactions denominated in a currency other than their functional currency. To reduce the Group's exposure to FX fluctuations with the USD, the Group takes out a foreign exchange forwarding contract to the value of USD 750 thousand per month. At the reporting date, the Group had 13 (2024: 30) active foreign exchange forwarding contracts maturing monthly up to December 2026 (2024: June 2026).

In 2023, the Group entered into an interest rate swap agreement with a notional amount of NOK 158,900 thousand (USD 14,000 thousand) whereby the interest rate was fixed as 4.649% against the variable SOFR-OIS rate. The interest rate swap hedged balance at year-end 2025 was NOK 109,400 thousand (USD 10,900 thousand) and 2024 NOK 143,100 thousand (USD 12,600 thousand). This agreement enables the Group to mitigate the risk of changing interest rates on the cash flow exposures on variable rate loans and borrowings.

These contracts were not designated as hedging instruments for the purposes of hedge accounting in accordance with IFRS 9 Financial Instruments.

The derivative financial instruments are all net settled; therefore, the maximum exposure to credit risk at the reporting date is the fair value of the derivative financial instruments that are included in the consolidated statement of financial position.

Gains and losses in fair valuing foreign exchange forwarding contracts are recognized in 'finance costs' in the consolidated statement of profit or loss. Gains and losses on maturity are recognized in 'finance costs' in the consolidated statement of profit or loss.

NOTE 17 | INVENTORIES

The inventories comprise of the following:

NOK (thousands)	2025	2024
Raw materials and consumables	139,537	165,396
Work-in-progress	30,588	11,002
Finished goods and goods for resale	86,556	59,271
Provisions for inventory obsolescence	(12,862)	(1,135)
TOTAL INVENTORY AT 31 DECEMBER	**243,819**	**234,534**

Charges / (credits) to Profit or Loss

NOK (thousands)	2025	2024
Cost of inventories recognised as COS	441,976	319,815
Write down of inventories	11,283	–
Provisions recognised / (reversed)	5,801	–
TOTAL INVENTORY RELATED EXPENSES FOR THE PERIOD	**459,060**	**319,815**

The cost of inventories utilised are recognised as an expense in raw materials.

At 31 December 2025, slow-moving inventories of NOK 11,283 thousand have been written off (31 December 2024: NOK 1,135 thousand). Of the total write-off, NOK 9,676 thousand represents a one-off write-off related to the discontinuation of certain products within the Sensors segment, which resulted in the associated inventories becoming obsolete.

NOTE 18 | TRADE RECEIVABLES

NOK (thousands)	2025	2024
Trade receivables	180,679	152,532
Less: provision for impairment of trade receivables	(631)	(722)
NET TRADE RECEIVABLES	**180,048**	**151,810**

The creation and release of the allowance for doubtful debts for impaired receivables have been charged to profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

Ageing of trade receivables

NOK (thousands)	2025	2024
Current	68,660	82,568
1-30 days	63,457	42,070
31-60 days	23,995	12,811
61-90 days	4,819	5,505
>90 days	19,117	8,856
BALANCE AT 31 DECEMBER	**180,048**	**151,810**

NOTE 19 | OTHER CURRENT RECEIVABLES

NOK (thousands)	2024	2023
Prepayments	33,660	17,425
VAT receivable	2,055	81
Bonds, deposits, guarantees	1,938	1,257
Related party receivables	–	–
Other receivables	16,267	17,839
TOTAL	**53,920**	**36,602**

NOTE 20 | CASH AND CASH EQUIVALENTS

Included within cash and cash equivalents are restricted bank deposits of NOK 13,950 thousand, relating to employee tax deductions, out of a total cash balance of NOK 341,356 thousand.

NOTE 21 | LOANS AND BORROWINGS

NOK (thousands)	CURRENT	NON-CURRENT	TOTAL
2025			
Term loan	70,914	–	70,914
Other borrowings	50	–	50
TOTAL	**70,964**	**–**	**70,964**
2024			
Term loan	144,255	38,407	182,662
Other borrowings	169	–	169
TOTAL	**144,424**	**38,407**	**182,831**

As at 31 December 2025, the Group had two term loans: a USD-denominated loan with an outstanding balance of USD 3,057 thousand (NOK 34,269 thousand) (2024: USD 12,330 thousand, NOK 139,987 thousand), and a GBP-denominated loan with an outstanding balance of GBP 2,700 thousand (NOK 42,675 thousand).

The abovementioned USD-denominated facility was previously denominated in NOK. In January 2024, it was redenominated to a USD facility and, in the process, the loan was repaid and reissued, and contains the following covenants:

- Equity/assets at all times of at least 40%
- NIBD/EBITDA not to exceed 3.0
- Minimum cash balance of NOK 50,000 thousand

The interest is in line with market conditions and is based on SOFR (2024: SOFR) plus a margin of 2.0% to 2.5% (the spread depends on certain leverage covenants).

In November 2024, the Group secured a GBP 3,000 thousand (NOK 42,675 thousand) term loan facility to support the acquisition of RS Aqua. The interest is in line with market conditions and is based on SONIA plus a margin of 2.0% to 2.5% (the spread depends on certain leverage covenants).

In December 2025, the Group entered into an agreement for term and revolving credit facilities with a total commitment of NOK 405,000 thousand. The facilities bear interest at a variable margin linked to the Group's leverage ratio. At a leverage ratio of 1:0, the applicable margin is 1.65%, with lower margins applying at lower leverage levels. The facilities include financial covenants requiring that the leverage ratio does not exceed 3.5:1 and that the equity ratio is not less than 35%.

As no amounts were drawn as of the reporting date, the facilities have not been recognised as borrowings in the Group's financial statements at year-end.

In January 2026, after the reporting date, the Group made a drawdown of NOK 80,000 thousand, which was used to settle existing USD- and GBP-denominated term loans.

Loan Covenants

NOK (thousands)	2025	2024
EQUITY RATIOS		
Total equity	707,843	718,389
Total assets	1,352,413	1,316,261
EQUITY RATIO	**52%**	**55%**
NIBD RATIOS		
Loans and borrowings	70,964	160,114
Cash and cash equivalents	(341,356)	(281,632)
NIBD	(270,392)	(121,518)
EBITDA	250,276	129,328
NIBD TO EBITDA RATIO	**(1.1)**	**(0.9)**

The Group has complied with these covenants throughout 2025 and 2024.

Other borrowings comprise of business loans at a fixed interest rate of 0.55% (2024: 0.55%), repayments are monthly, the loans terminate in 2026.

Reconciliation of liabilities arising from financing activities

NOK (thousands)	LOANS	LEASES
Balance at 1 January 2025	**182,831**	**92,400**
Proceeds from interest bearing loans	34,269	–
Repayment of interest bearing loans	(146,017)	–
Lease additions / modifications	–	14,751
Lease liabilities paid	–	(20,057)
Interest expense	–	3,409
Effect of exchange differences	(119)	(2,664)
BALANCE AT 31 DECEMBER 2025	**70,964**	**87,839**
Balance at 1 January 2024	**140,545**	**80,423**
Proceeds from interest bearing loans	198,160	–
Repayment of interest bearing loans	(155,892)	–
Lease additions / modifications	–	25,207
Lease liabilities paid	–	(18,241)
Interest expense	–	3,313
Effect of exchange differences	18	1,698
BALANCE AT 31 DECEMBER 2025	**182,831**	**92,400**

NOTE 22 | OTHER CURRENT LIABILITIES

NOK (thousands)	2025	2024
Wage taxes and social securities	22,734	22,126
Accruals	43,197	35,813
Provision – Warranties	639	1,253
Provision – Dilapidations	556	636
VAT Payable	6,401	9,440
Treasury shares liability	103,586	–
Other payables	3,087	9,241
TOTAL	**180,200**	**78,509**

During the year, the Group entered into a commitment to purchase 5,179,290 treasury shares from existing group shareholders. In connection with the acquisition, the following price mechanism was agreed: In the event of an initial public offering (IPO), the price per share shall equal the price per share as determined in the bookbuilding completed in connection with the IPO net of fees payable to the Company's managers in the IPO. If an IPO does not occur, the shareholders may alternatively elect to receive NOK 12 per share or buy back the shares at the price equalling the selling price, resulting in no liability for the Group.

The options give rise to a contractual obligation for the Group to deliver cash upon the occurrence of specified events and are therefore accounted for as a financial liability in accordance with IAS 32 and IFRS 9.

Based on management's assessment that an IPO is the most likely outcome, and applying significant judgement, the Group has recognised a financial liability measured on estimated fair value at NOK 20.

NOTE 23 | SHARE CAPITAL AND EARNINGS PER SHARE

	NUMBER OF SHARES	ORDINARY SHARES	SHARE PREMIUM	TREASURY SHARES	TOTAL
		NOK (thousands)	NOK (thousands)	NOK (thousands)	NOK (thousands)
Balance at 1 January 2024	**55,699,597**	**5,570**	**535,115**	**–**	**540,685**
Shares issued	445,664	45	14,012	–	14,057
BALANCE AT 31 DECEMBER 2024	**56,145,261**	**5,615**	**549,127**		**554,742**
Balance at 1 January 2025	**56,145,261**	**5,615**	**549,127**	**–**	**554,742**
Share number increase 1:3	112,290,522	112	(112)	–	–
Treasury shares	(5,179,290)	–	–	(98,984)	(98,984)
Issue of share capital	546,000	–	–	–	–
BALANCE AT 31 DECEMBER 2025	**163,802,493**	**5,727**	**549,015**	**(98,984)**	**455,758**

The par value of each ordinary share has been reduced from NOK 0.1 to NOK 0.034.

During 2024, a share issue of 445,664 shares at NOK 0.1 each with a NOK 14,057 thousand share premium, was completed to fund the acquisition of RS Aqua.

During 2025, the shares were split 1:3, a transfer of NOK 112 thousand was made from share premium to share capital to achieve a nominal value of NOK 0.034 per share after the split. The company acquired 5,179,290 treasury shares and subsequently issued 546,000 treasury shares to extinguish options exercised by the Board of Directors at an average option price of NOK 8.43 per share.

The largest shareholders by year-end 31 December 2025 were:

	2025		2024	
SHAREHOLDER	**NUMBER OF SHARES**	**PERCENTAGE**	**NUMBER OF SHARES**	**PERCENTAGE**
Atle Lohrmann (President)	96,923,076	59.2%	92,786,430	55.1%
Ferd Go Holding AS	55,898,370	34.1%	53,215,551	31.6%
Loco Holding AS	1,890,000	1.2%	3,780,000	2.2%
KMB Enterprises Pty Limited ATF the KMB Investments Trust	1,632,435	1.0%	1,632,435	1.0%
S Nylund Holding AS	1,365,000	0.8%	2,730,000	1.6%
Rosenthal/Fleming Family Trust	1,196,790	0.7%	1,196,790	0.7%
Torstein Pedersen	1,050,000	0.6%	1,050,000	0.6%
DM Whillas Family Trust	840,000	0.5%	840,000	0.5%
S.D. Kamminga Beheer B.V.	708,750	0.4%	708,750	0.4%
Martin Michael Stemp	636,675	0.4%	636,675	0.4%
Antonio Pascoal	342,480	0.2%	627,480	0.4%
PRIBAS AS	273,000	0.2%	–	–
Mike Fallas	248,010	0.2%	–	–
Shaun Barlow	233,205	0.1%	–	–
Sesiso AS (controlled by Kim Steinsland, Board member)	136,500	0.1%	–	–
Asta Stenhagen (Board member)	136,500	0.1%	–	–
Miguel Ribeiro	114,030	0.1%	–	–
James Decker	114,030	0.1%	–	–
Ryan Mowat	63,642	0.0%	–	–
Freda Zifteh	–	0.0%	2,100,000	1.2%
James Barratt	–	0.0%	998,235	0.6%
Robin Sharphouse	–	0.0%	998,235	0.6%
Alltrust SIPP Limited fbo James Barratt M0005440	–	0.0%	828,135	0.5%
Embark SIPP re Robin Sharphouse S1077038	–	0.0%	828,135	0.5%
Luis Sebastiao	–	0.0%	712,950	0.4%
Ruth Stemp	–	0.0%	636,675	0.4%
Anders Gabriel Ridley-Smith	–	0.0%	466,410	0.3%
Estelle Richard	–	0.0%	276,360	0.2%
Other shareholders	–	0.0%	1,386,537	0.8%
	163,802,493	**100%**	**168,435,783**	**100%**

At 31 December 2025, the Board of Directors and key management held 97,196,076 shares (At 31 December 2024: 92,786,430). The number of shares for the comparative year have been restated to reflect the 1:3 share split that occurred in 2025.

Earnings per share (EPS)

	2025	2024
(LOSS) / EARNINGS (NOK THOUSANDS)		
(Loss) / profit attributable to shareholders	165,081	39,180
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (THOUSAND SHARES)	**168,240**	**167,253**
BASIC (LOSS) / EARNINGS PER SHARE (NOK)	**0.98**	**0.23**

Diluted earnings per share (EPS)

Diluted earnings per share for 2025 are equal to basic earnings per share, as the share options outstanding during the period would have an insignificant dilutive impact.

NOTE 24 | CONSOLIDATION COMPANIES

The subsidiaries of the Group, all of which have been included in these consolidated financial statements, are as follows:

NAME	BUSINESS OFFICE	OWNERSHIP PERCENTAGE	
		2025	2024
EchoSonics Ltd	Ulverston, UK	100%	100%
General Oceans Inc	Boston, US	100%	100%
General Oceans Ltd	London, UK	100%	100%
General Oceans Singapore Pte Ltd	Singapore	100%	100%
General Oceans UK Holdings Ltd	London, UK	100%	100%
Klein Marine Systems Inc	Salem, US	100%	100%
Nortek AS	Rud, Norway	100%	100%
Nortek Australia Pty Ltd	Melbourne, Australia	100%	100%
Nortek Brasil Representacoes, Consultoria	Florianopolis, Brazil	100%	100%
Nortek Instruments Hong Kong Ltd	Hong Kong	100%	100%
Nortek Instruments Ltd	Southampton, UK	100%	100%
Nortek Japan GK	Tokyo, Japan	100%	100%
Nortek Netherlands BV	Hoofddorp, Netherlands	100%	100%
Nortek Qingdao Measuring Equipment Co Ltd	Qingdao, China	100%	100%
Nortek USA Inc	Boston, US	100%	100%
Ocean Synaptics	Oslo, Norway	100%	100%
R.S. Aqua Holdings Ltd	Portsmouth, UK	100%	100%
R.S. Aqua Ltd	Portsmouth, UK	100%	100%
R.S. Aqua Technical Services Ltd	Portsmouth, UK	100%	100%
Reach Robotics Pty Ltd	Sydney, Australia	100%	100%
SAS Nortek Mediterrannee	La Garde, France	100%	100%
Strategic Robotic Systems Inc	San Diego, US	100%	100%
Tritech International Ltd	Ulverston, UK	100%	100%

NOTE 25 | BUSINESS COMBINATIONS

Ocean Synaptics

During the year, the Group acquired Ocean Synaptics, a provider of ocean data and sensing solutions amounting to NOK 170 thousand.

RS Aqua Ltd (“RS Aqua”)

On 18 November 2024, General Oceans UK Holding Ltd acquired 100 per cent ownership interest in RS Aqua for a total consideration of NOK 74,954 thousand. RS Aqua is a leading distributor of subsea products in the British Isles. The company was consolidated from the date of acquisition and the preliminary acquisition analysis gave rise to goodwill of NOK 31,357 thousand. Capitalized goodwill related to acquisitions comprises synergies, assets related to employees, other intangible assets that do not qualify for separate capitalisation, expectations of future profitability and growth and expectations of better market conditions.

The purchase agreement includes a component of contingent consideration, which is payable based on the financial performance of the acquired business over the two-year period ending 31 August 2026.

The contingent consideration, classified as a financial liability, was initially recognised at fair value on the acquisition date and is subsequently remeasured at fair value through profit or loss in accordance with IFRS 9. At the acquisition date, management measured the contingent consideration liability at NOK 5,338 thousand. The fair value of the contingent consideration was recognised as part of the purchase consideration and recorded as a financial liability in the consolidated statement of financial position.

During 2025, the contingent consideration liability increased by NOK 12,248 thousand to NOK 19,654 thousand (2024: NOK 5,338 thousand), reflecting the expectation that the maximum earn-out will be achieved and settled in 2026. The increase has been recognised as an expense in profit or loss (refer to note 10). As settlement is expected in 2026, the liability is therefore classified as a current liability.

NOK (thousands)	FAIR VALUE RECOGNISED ON ACQUISITION
Cash consideration	55,559
Shares	14,057
Variable deferred consideration	5,338
CONSIDERATION	**74,954**
RECOGNISED AMOUNTS OF IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED	
Property, plant, and equipment	6,663
Right-of-use assets	2,392
Customer relationships	21,023
Intellectual properties, patents and licenses	7,894
Trademark	9,505
Inventories	1,902
Trade and other receivables	11,495
Cash and cash equivalents	13,187
Deferred tax liabilities	(10,969)
Trade and other payables	(10,581)
Contract liabilities	(4,267)
Income tax payable	(2,621)
Lease liabilities	(2,314)
TOTAL IDENTIFIABLE NET ASSETS	**43,597**
GOODWILL	**31,357**
NET CASH OUTFLOW ON THE ACQUISITION	**55,559**

NOTE 26 | RELATED PARTIES

NOK (thousands)	EXPENSES	
	2025	2024
Ocean Illumination (CA)	2,309	732
	2,309	**732**

Ocean Illumination (CA) is owned by shareholders.

The Group holds a 25% equity interest in Hefring Engineering Inc., which is accounted for at a carrying amount of nil. The associate has ceased operations and is currently seeking new investors.

NOTE 27 | CONTINGENCIES AND CLAIMS

The Group was not involved in any material contingencies or legal claims as of 31 December 2025 and 2024.

NOTE 28 | EVENTS AFTER THE BALANCE SHEET DATE

Other than the matters disclosed below, no material events have occurred after the balance sheet date.

In December 2025, the Group entered into an agreement for term and revolving credit facilities with a total commitment of NOK 405 million. In January 2026, after the reporting date, the Group made a drawdown of NOK 80,000 thousand under the facilities, which was used to settle existing USD- and GBP-denominated term loans. The credit facilities are subject to customary covenants, including leverage and equity ratio requirements. As no amounts had been drawn as of the reporting date, the facilities have not been recognised as borrowings in the Group's financial statements at year-end.

In February 2026, the Board of Directors formally established an Audit Committee as a subcommittee of the Board. The Audit Committee will consist of a chair and two additional members. The members of the Audit Committee were elected at the same Board meeting.

In preparation for the planned Initial Public Offering (IPO), the Board also resolved to propose the following matters for approval at an Extraordinary General Meeting (EGM) scheduled for later in February 2026:

- Appointment of a new Chair of the Board
- Conversion of the Company from a private limited liability company (AS) to a public limited liability company (ASA)
- That a NOK 0.12 per share is paid as dividend for the financial year 2025, representing NOK 19.7 million or 9.7% per cent of net profit after tax.

These matters are subject to shareholder approval at the forthcoming EGM.

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PARENT STATEMENT OF **OPERATING INCOME AND OPERATING EXPENSES**

(For the year ended 31 December)

NOK	NOTE	2025	2024
Other income		26,772,961	24,442,108
Employee benefits expense	3	1,184,160	1,232,280
Other operating expenses		27,802,575	23,588,856
OPERATING PROFIT / (LOSS)		**(2,213,774)**	**(379,028)**
Financial income and expenses			
Income from subsidiaries		30,953,185	32,807,307
Other interest income		2,202,316	2,537,700
Other financial income		3,363,865	–
Other interest expenses		(8,545,612)	(9,537,935)
Other financial expenses		–	(7,806,753)
Net financial items		**27,973,754**	**18,000,319**
RESULT BEFORE TAX		**25,759,980**	**17,621,291**
Income tax expense	4	(1,142,505)	(3,323,845)
PROFIT / (LOSS)		**26,902,485**	**20,945,136**
Allocation to			
Dividends		19,656,299	40,000,000
Additional dividends		–	10,000,000
Other equity		7,246,186	–
Transferred from other equity		–	29,054,864
TOTAL ALLOCATION		**26,902,485**	**20,945,136**

PARENT STATEMENT OF **FINANCIAL POSITION**

(At 31 December)

NOK	NOTE	2025	2024
ASSETS			
Non-current assets			
Investments in subsidiaries	5	561,992,776	468,611,893
Deferred tax assets	4	2,294,376	1,151,871
TOTAL NON-CURRENT ASSETS		**564,287,152**	**469,763,764**
Current assets			
Receivables from group companies	6	80,615,160	182,823,276
Other short-term receivables		2,718,204	51,398
Bank deposits, cash and cash equivalents		25,703,940	30,139,668
TOTAL CURRENT ASSETS		**109,037,304**	**213,014,342**
TOTAL ASSETS		**673,324,456**	**682,778,107**
EQUITY			
Share capital	7	5,726,817	5,614,526
Share premium reserve		451,659,524	451,771,815
Treasury shares		(98,983,801)	–
Retained earnings		7,246,186	–
TOTAL EQUITY	**8**	**365,648,726**	**457,386,341**
LIABILITIES			
Non-current liabilities			
Liabilities to financial institutions	9	–	182,662,122
Total non-current liabilities		**–**	**182,662,122**
Current liabilities			
Trade payables		4,008,597	1,115,063
Public duties payable		141,990	32,626
Dividends		19,656,299	40,000,000
Liabilities to financial institutions	9	70,913,610	–
Liabilities to group companies	6	106,035,715	30,459
Other current liabilities	9	106,919,519	1,551,496
Total current liabilities		**307,675,730**	**42,729,644**
TOTAL LIABILITIES		**370,645,730**	**225,391,766**
TOTAL EQUITIES AND LIABILITIES		**673,324,456**	**682,778,107**

PARENT STATEMENT OF **FINANCIAL POSITION (CONT.)**

Electronically signed

GUSTAV MARTINSEN
Interim Chair of the Board of Directors

Electronically signed

ASTA ELLINGSEN STENHAGEN
Director

Electronically signed

KIM STEINSLAND
Director

Electronically signed

SIW ØDEGAARD
Director

Electronically signed

ATLE LOHRMANN
President

PARENT STATEMENT OF **CASH FLOW**

(For the year ended 31 December)

NOK	2025	2024
CASH FLOW FROM OPERATIONS:		
Profit before tax	25,759,980	17,621,291
Change in short-term receivables	19,511,442	(40,945,664)
Change in suppliers accounts	2,893,534	(441,070)
Change in other liabilities and accruals	(14,914,290)	(25,433,095)
CASH FLOW FROM OPERATIONS	**33,250,666**	**(49,198,538)**
CASH FLOW FROM INVESTMENT ACTIVITIES		
Investments in subsidiaries	(13,351,016)	(166,549)
NET CASH FLOW FROM INVESTMENT ACTIVITIES	**(13,351,016)**	**(166,549)**
CASH FLOW FROM FINANCING ACTIVITIES		
Capital increase/private placement (net proceeds)	–	14,056,236
Net proceeds from group internal financing activities (current accounts)	122,811,135	–
Proceeds from share options exercised	4,601,999	–
Dividend paid	(40,000,000)	(10,000,000)
Net change in long term borrowings	(111,748,512)	43,349,120
NET CASH FLOW FROM FINANCING ACTIVITIES	**(24,355,378)**	**47,405,356**
Change in liquid resources	(4,435,728)	(1,959,731)
Opening balance liquid resources	30,139,668	32,099,399
CLOSING BALANCE LIQUID RESOURCES	**25,703,940**	**30,139,668**

Notes to the parent financial statements

NOTE 1 | ACCOUNTING PRINCIPLES

The statutory annual accounts are prepared according to Norwegian accounting legislation and generally accepted accounting principles.

The Company is the parent company of an internationally focused technology group delivering advanced ocean technology solutions in selected niche markets. The business of the company is investment in shares and other assets, as well as activities related thereto, including providing funding, strategic and management services to the companies in its portfolio.

The group – consisting of 23 entities – conducts business activities in Europe, America, Asia and Australia. The subsidiary General Oceans UK acts as a subcontractor as to management services provided by General Oceans AS. General Oceans AS has no employees.

Revenues and expenses

Revenues are recognized as they are earned. The implication of this principle is that management fees, interests and dividends from companies in which one has an ownership stake are recognized when there is an unconditional right to receive a yield. Costs are accrued in the same period as the related income.

Classification and evaluation of balance items

Assets intended for long-term ownership are classified as non-current assets. Other assets are classified as current assets. Receivables subject to settlement within one year are always classified as current assets. Classification of debt is made by using analogous criteria.

Fixed assets are carried in the balance sheet at historical cost and written down to the recoverable amount when an impairment of the value is expected to be permanent. Long-term debt is stated at nominal value when incurred.

Current assets are stated at the lower of acquisition cost and recoverable amount. Short-term debt is carried at nominal value when incurred.

Receivables

Accounts receivables and other receivables are carried in the balance sheet at face value less any provisions for bad debt.

Taxes

Taxes are expensed as they accrue, hence taxes are related to profit before tax.

The taxes include both tax payable (tax on this year's profit) and change in deferred tax. Deferred tax is calculated with 22% on the basis of temporary differences that exist between book values and values according to the tax basis for assets and liabilities, and losses carried forward at year-end.

Investments in subsidiaries

Investments in subsidiaries are valued at the cost of acquiring the shares, providing they are not impaired.

Dividends and group contributions are recognised in the same year as they are recognised in the subsidiary. If dividends exceed retained earnings after acquisition, the exceeding amount is regarded as reimbursement of invested capital and the distribution will reduce the recorded value of the acquisition in the balance sheet.

Foreign currencies

Monetary items in foreign currencies are recognized in the balance sheet at the rate of exchange at year-end. Currency gains and losses are stated in the profit and loss under financial items. Transactions in foreign currency are booked at the rate of exchange on the transaction date.

Consolidated financial statements

Consolidated accounts are prepared for General Oceans AS and its wholly owned subsidiaries (as disclosed in note 5) and their wholly owned subsidiaries. Refer to Note 24 of the consolidated annual report for a full list of subsidiaries.

NOTE 2 | GROUP INTERNAL INCOME AND EXPENSES

NOK	MANAGEMENT FEE	PURCHASE OF SERVICES
Nortek AS	13,996,629	
Klein Marine Systems, Inc	1,707,142	
Reach Robotics Pty Ltd	1,402,124	
RS Aqua Ltd	2,852,373	
Strategic Robotic Systems Inc	1,996,574	
Tritech International Ltd	4,818,118	
Nortek AS		305,718
General Oceans UK		20,944,241
TOTAL	**26,772,961**	**21,249,959**

NOTE 3 | REMUNERATION TO BOARD MEMBERS AND AUDIT FEE

NOK	2025	2024
Board member remuneration	1,037,827	1,080,000
Social security costs	146,333	152,280
TOTAL	**1,184,160**	**1,232,280**

At 31 December 2025 Board members held 273,000 shares.

The auditor fee for the reporting period is NOK 1,327,464.

NOTE 4 | TAX

NOK	2025	2024
Basis for payable tax		
Profit before tax	25,759,980	17,621,291
Change in temporary differences	206,467	1,781,189
Permanent differences/adjustments	(30,953,185)	(32,729,675)
THIS YEAR'S TAX PROFIT/LOSS	**(4,986,738)**	**(13,327,195)**
Deferred tax		
Other temporary differences	7,884,952	8,091,419
Loss brought forward	(18,313,932)	(13,327,195)
Basis for deferred tax	(10,428,980)	(5,235,776)
Deferred tax	(2,294,376)	(1,151,871)
Tax		
Change in deferred tax	(1,142,505)	(3,323,845)
TOTAL TAX	**(1,142,505)**	**(3,323,845)**

NOTE 5 | INVESTMENT IN SUBSIDIARIES

NOK (thousands)	BUSINESS ADDRESS	OWNERSHIP	PROFIT 2025	EQUITY	BOOK VALUE
General Oceans Inc	Newburyport	100%	(211)	215,354	229,590
General Oceans UK Holding Ltd	Ulverston	100%	(14,256)	88,110	257,460
General Oceans Singapore Pte Ltd	Singapore	100%	(98)	1,743	2,000
Nortek AS	Bærum	100%	98,568	343,280	61
Ocean Synaptics AS	Oslo	100%	(74)	1,942	2,170
Reach Robotics Pty Ltd	Sydney	100%	19,380	15,952	70,711
TOTAL					**561,992**

NOTE 6 | GROUP RECEIVABLES AND LIABILITIES

NOK	RECEIVABLES	LIABILITIES	NET BALANCE
General Oceans Ltd	5,010,954	–	5,010,954
Strategic Robotics Systems Inc	38,142,250	9,427	38,132,823
Reach Robotics Pty Ltd	15,244,920	46,578	15,198,342
Klein Marine Systems Inc	21,337,454	897,674	20,439,780
General Oceans Inc	259,702	–	259,702
General Oceans UK Holding Ltd	–	32,967	(32,967)
Nortek AS	–	93,182,992	(93,182,992)
Tritech International Ltd	–	11,866,077	(11,866,077)
TOTAL	**80,615,160**	**106,035,715**	**(25,420,555)**

NOTE 7 | SHARE CAPITAL AND SHAREHOLDERS

The share capital is NOK 5,726,816.62. It has been issued 168,435,783 shares, each with a nominal value of NOK 0.034.

The main shareholders as of 31 December are:

NOK	NUMBER OF SHARES	OWNERSHIP
Atle Lohrmann	96,923,076	57.4 %
Ferd Go Holding AS	55,898,370	33.1 %
Treasury shares	4,633,290	3.1 %
Loco Holding AS	1,890,000	1.1 %
Other (< 1%)	9,091,047	5.3 %
TOTAL	**168,435,783**	**100.0 %**

Three members of the Board of Directors held 682,500 (restated for the 1:3 share split) share options as at 31 December 2024. These options were granted in 2023 and early vested in December 2025. All awarded and outstanding options were exercised in December 2025. Total cash received upon exercise of the options was NOK 4.6 million and a total of 546,000 shares were issued to the Board members upon exercise from existing treasury shares.

The Board of Directors proposed that NOK 0.12 per share is paid as dividend for the financial year 2025 or NOK 19.7 million.

NOTE 8 | CHANGE IN EQUITY

NOK	SHARE CAPITAL	SHARE PREMIUM	TREASURY SHARES	OTHER EQUITY	TOTAL
Equity as of 1 January	**5,614,526**	**451,771,814**			**457,386,341**
Capital increase[1]	112,291	(112,291)			–
Acquisition of treasury shares[2]			(98,983,801)		(98,983,801)
Profit for the year				26,902,485	26,902,485
Dividend				(19,656,299)	(19,656,299)
EQUITY AS OF 31 DECEMBER	**5,726,817**	**451,659,524**	**(98,983,801)**	**7,246,186**	**365,648,725**

[1] In 2025, the company split its shares 1:3, share capital was increased with NOK 112,291 to achieve a nominal value per share of NOK 0.034
[2] The company has acquired 5,179,290 treasury shares. The former shareholders are granted an option to resell the shares to General Oceans AS at a price of NOK 20 per share. Provision for this obligation has been made in the balance sheet under Other Current Liabilities.

The Board of Directors has proposed that NOK 0.12 per share is paid as dividend for the financial year 2025, or NOK 19.7 million.

NOTE 9 | BORROWINGS AND COLLATERALS

In August 2023, the Group made a drawdown of USD 14.0 million to fund the acquisition of Klein. The loan facility as at 31 December 2025 was USD 3.4 million (NOK 34,269 million).

The facility contains the following customary covenants:

- Equity/Assets at all times of at least 40%
- NIBD/EBITDA not to exceed 3.0
- Minimum cash balance of NOK 50 million

The interest is in line with market conditions and is based on SOFR plus a margin of 2.0% to 2.5% (the spread depends on certain leverage covenants).

In November 2024, the Group made a drawdown of GBP 3.0 million to fund the acquisition of RS Aqua. The loan facility as at 31 December 2025 was USD 2.7 million (NOK 36,645 million).

The facility contains the following customary covenants:

- Equity/Assets at all times of at least 40%
- NIBD/EBITDA not to exceed 3.0
- Minimum cash balance of NOK 50 million

The interest is in line with market conditions and is based on SONIA plus a margin of 2.0% to 2.5% (the spread depends on certain leverage covenants).

BDO AS
Bygdøy allé 2
Postboks 1704 Vika
0121 Oslo

To the General meeting of General Oceans AS

Independent Auditor's Report

Opinion

We have audited the financial statements of General Oceans AS.

The financial statements comprise:	In our opinion:
• The financial statements of the Company, which comprise the balance sheet as at 31 December 2025, income statement, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and • The financial statements of the Group, which comprise the balance sheet as at 31 December 2025, and income statement, statement of comprehensive income, statements of changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.	• The financial statements comply with applicable statutory requirements. • The financial statements of the Company give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway. • The financial statements of the Group give a true and fair view of the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (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 and the Managing Director (management) are responsible for the other information. The other information comprises the Board of Directors' report and other information in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information.

Penneo Dokumentnøkkel: 6PK1Y-9K9P4-4OD94-KD0OV-F8JEH-9VKM2

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 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.

Opinion on the Board of Directors' report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines 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, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The financial statements of the Group use the going concern basis of accounting unless management 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 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 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 ISAs 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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:
https://revisorforeningen.no/revisjonsberetninger

BDO AS

Norunn Byrkjeland
State Authorised Public Accountant
(This document is signed electronically)

Penneo Dokumentnøkkel: 6PK1Y-9K9P4-4OD94-KD0OV-F8JEH-9VKM2

Appendix

DEFINITION OF ALTERNATIVE PERFORMANCE MEASURES

MEASURE	DESCRIPTION
Total revenue	Total revenue is defined as the sum of revenue and lease and other income reported in the consolidated statement of profit or loss and other comprehensive income.
Gross profit	Gross profit is total revenue less raw materials as reported in the consolidated statement of profit or loss. Gross profit is a key performance indicator that the Group considers important for measuring profitability, before employee expenses, depreciation and amortisation and other operating expenses.
Gross margin	Gross margin is defined as gross profit divided by total revenues. This is considered important by the Group to understand they profitability of the business and for external benchmarking purposes.
EBITDA	Earnings before interest, tax and depreciation & amortisation (EBITDA) is defined as operating profit / (loss) as reported in the consolidated statement of profit or loss and other comprehensive income, adding back impairment of goodwill (if any) and depreciation and amortisation expense as reported in the consolidated statement of profit or loss.
EBITDA margin	EBITDA as a percentage of total revenues is a key performance indicator that the Group considers relevant for understanding the profitability of the business and for external benchmarking purposes.
Adjusted EBITA	Adjusted EBITA is calculated by taking operating profit (or loss) and adding back amortisation and impairment changes (note 15). Adjusted EBITA is further adjusted to exclude non-recurring or non-operational items.
Adjusted EBITA margin	EBITA as a percentage of total revenues, is a key performance indicator that the Group considers relevant for understanding the profitability of the business and for external benchmarking purposes.
EBIT	EBIT (earnings before interest and tax) is defined as operating profit / (loss) as reported in the consolidated statement of profit or loss and other comprehensive income.
EBIT margin	EBIT margin as a percentage of total revenues is a key performance indicator that the Group considers relevant for understanding the profitability of the business and for external benchmarking purposes.

MEASURE	DESCRIPTION
Equity ratio	Total equity divided by total assets as reported on the consolidated statement of financial position. The equity ratio is a key performance indicator that the group considers relevant for understanding and assessing its financial leverage.
Net working capital	Net working capital is defined as the sum of inventories, trade receivables, and other current receivables and contract assets, less the sum of trade payables, other current liabilities and contract liabilities as reported in the consolidated statement of financial position.
CAPEX	CAPEX is defined as the sum of additions in note 13 property, plant and equipment and additions in note 15 intangible assets.
Free cash flow (FCF)	Free cash flow is defined as adjusted EBITDA less CAPEX.
Free cash flow conversion	Adjusted EBITDA less CAPEX divided by adjusted EBITDA. The Group considers free cash flow conversion a key performance indicator to assess its quality of earnings.
Net interest-bearing borrowings	Net interest-bearing borrowings is defined as total interest-bearing borrowings less cash and cash equivalents as reported in the consolidated statement of financial position.
NIBD / EBITDA	Net interest-bearing borrowings divided by EBITDA. The ratio is a key performance indicator that the Group considers relevant for the purpose of understanding and assessing its financial leverage.

GENERAL OCEANS

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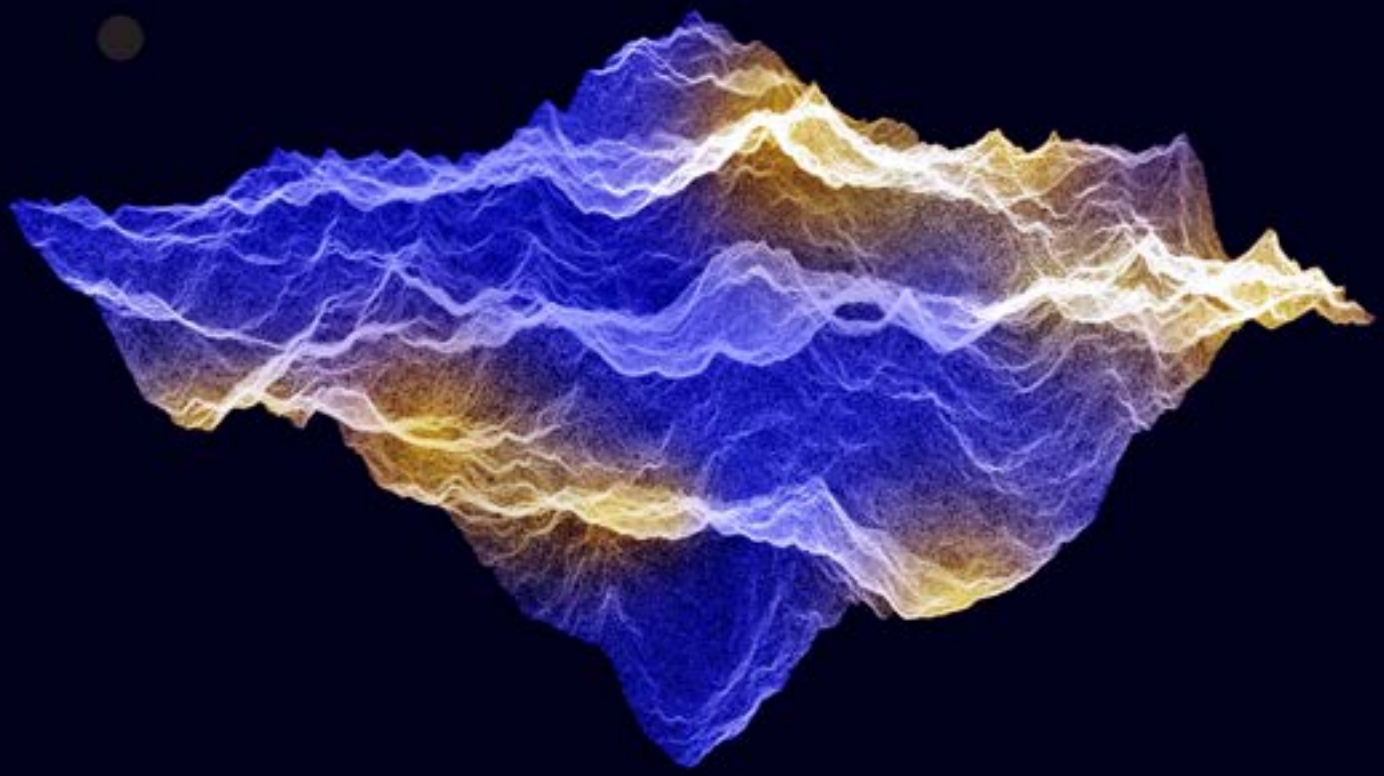
2024 Annual Report

Making waves



GENERAL OCEANS

Empowering the blue economy through advanced ocean technology

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At a glance

General Oceans is a global group of underwater technology companies dedicated to empowering the blue economy through advanced ocean technology. With a strong foundation in engineering excellence, we develop customer-focused, cutting-edge solutions to serve industries including ocean science, defense, offshore energy and more. For over three decades, our sensors and systems have been crucial to ocean operations worldwide and continue to provide users with the confidence to operate safely and efficiently in one of the most challenging environments on the planet.

In numbers

334
GROUP EMPLOYEES

10
COUNTRIES

18%
REVENUE GROWTH IN 2024

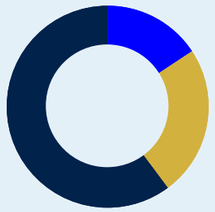
6
BRANDS

18
OFFICES

Where we operate

Who we serve

SERVICE BY MARKET



MARINE CONSTRUCTION

We provide advanced underwater technology which helps make offshore operations safer and more efficient. By aiding hazard perception, obstacle avoidance, situational awareness and intervention, our robust and reliable technology enables customers to complete complex tasks in harsh underwater environments.

DEFENSE AND SECURITY

We are proud to work closely with navies, special operations teams and coast guards globally. Our technology is integral to Mine Countermeasures (MCM) operations with multiple Allied Nations utilising our systems. We continue to expand our work in this sector.

RESEARCH

Academic and research institutions globally have long been key customers and collaborators of ours. As the market leader in acoustic sensor technology for ocean research applications, we have worked hard to develop systems which provide new capabilities for this market.

What we do

TECHNOLOGY

- ADCPs for in-situ wave, current and turbulence measurement, radar systems for surface wave monitoring
- DVLs and subsea sensors to aid underwater vehicle navigation
- Imaging sonars for collision avoidance and inspection
- High-resolution side scan sonar for seafloor imaging
- Passive acoustic sensors for underwater noise monitoring
- Electric manipulators for high-dexterity tasks
- Hybrid ROVs for defense and security missions

CUSTOMERS

- Offshore operators
- Navies, coast-guard agencies and border security
- Engineering companies
- Government agencies
- Offshore service companies
- Autonomous vehicle manufacturers
- Universities and academic institutes
- ROV manufacturers

President's letter

2024 was a challenging yet transformative year for General Oceans.

2024 was a year marked by meaningful progress and positive developments across General Oceans. Our teams embraced new opportunities, overcame challenges, and collaborated on exciting projects, positioning us strongly for the year ahead. At the beginning of the year, three of our brands faced significant challenges – struggling with product quality issues, operating without strong leadership, and requiring strategic review.

Our primary focus throughout the year was to address these longstanding challenges and establish a sustainable foundation for the future. As of January 2025, we are pleased to report that we have successfully completed 90% of this work. All three companies now benefit from a solid backlog, professional management, and a well-defined product strategy that positions them for long-term success.

Meanwhile, Nortek and Tritech continued to thrive in 2024. As the two largest entities within our Group, their performance played a critical role in stabilizing our overall financial results. Total Group revenue for the year reached NOK 957.1 million while EBIT ended at NOK 68.2 million, 12.7% below 2023 normalised EBIT. Despite this shortfall, these earnings were instrumental in offsetting the losses incurred by Klein, SRS, and Reach Robotics. We extend our sincere appreciation to the Nortek and Tritech teams for their extraordinary dedication and contributions to the Group's overall success.

A key milestone in 2024 was the launch of **CASCADE**, our annual conference. The inaugural event in London brought together over 50 employees from across our brands to share best practices in development, production, sales, and marketing. In 2025, the conference will be held in Boston, further fostering collaboration across our teams. Additionally, we are enhancing internal connectivity by encouraging engineers to engage in cross-company projects and we are also strengthening joint efforts in sales and marketing. On the international front, we have established **General Oceans Singapore**, where our first employee will divide his time between Tritech and Nortek, and will be joined by a colleague from Klein, reinforcing our presence in the region. In late

> "Together, we are building a resiliant and thriving General Oceans."

2024, we welcomed **RS Aqua**, a leading distributor of subsea products in the British Isles, into the General Oceans family. This strategic acquisition significantly strengthens our presence in the UK, where we now have nearly 100 employees across five locations.

Looking ahead to 2025, we are optimistic about shifting our focus from stabilization to growth. The defense market continues to expand, with several of our companies securing long-term contracts with defense primes. The offshore wind sector remains robust, and the increasing demand for ROVs and AUVs is driving strong growth in the subsea navigation market. Regarding the anticipated U.S. tariff wars, we remain hopeful that we will navigate any potential impacts, as we successfully did during the initial tariff disputes between 2018 and 2020. Our financial outlook for 2025 is strong, and we anticipate all six brands will be profitable, with topline growth driven by increased product sales in addition to potential expansion through new mergers and acquisitions.

As we move forward, we remain committed to fostering innovation, strengthening our market position, and driving sustainable growth. We appreciate the dedication of our employees, the trust of our customers, and the continued support of our stakeholders. Together, we are building a resilient and thriving General Oceans.

ATLE LOHRMANN

Industry and technology trends

WORDS BY ELIZABETH PAULL

The ocean technology sector is a diverse and dynamic business landscape that delivers capability to numerous industries, enabling advancements that impact everyday life. This is achieved by designing and developing advanced technologies that are deployed in one of the harshest environments on Earth.

Industry trends

OCEAN SCIENCE

According to the Copernicus Climate Change Service, 2024 was the first year in which the average global temperature exceeded the 1.5°C limit set out in the Paris Agreement. There is a growing urgency around the need to understand the impacts of climate change. The oceans play a vital role, and monitoring currents, sea-level rise, ocean temperature, and marine biology is dependent on reliable, robust and well-tested technologies.

ENERGY

Offshore wind is playing a key role in the energy transition from fossil fuels to renewables and in its 2025 report, the Global Wind Energy Council (GWEC) projected a compound annual growth rate (CAGR) of 8.8% over the next five years.

Reports such as the UK Offshore Renewable Energy Catapult's 'Accelerating Offshore Wind' highlight the potential of subsea technologies, including robotics, to reduce the time needed for consenting.

The use of multi-sensor platforms also offers cost and time savings. For example, using buoys to collect meteorological data for resource assessment and wave/current data for site characterization.

DEFENSE AND SECURITY

Geopolitical events have highlighted the importance of domain awareness in the underwater battlespace, from monitoring and protection of critical infrastructure – such as submarine cables and pipelines – to defensive mine countermeasures and support for human operators in the ocean such as special forces, divers and the coast guard.

The increased focus on autonomy and robotics to meet these challenges is clear in the investment seen in marine robotics. Record valuations for unmanned surface vehicle (USV) and subsea drone manufacturers highlight the growing need for advanced ocean technologies. The successful deployment of vehicles in military operations is dependent on enabling technologies such as sonars, navigation sensors and manipulators.

SUBSEA CABLES

As well as the extensive lengths of power cables being laid for offshore wind, there is a growing network of cables for telecoms, driven by demand for more powerful data centres for cloud computing and AI. Programs such as the EU's CEF-Digital are driving investment in regional and international connectivity, as well as exploring new polar routes in the Arctic. Hyperscalers are also investing, as demonstrated by Meta's announcement to build a 50,000km subsea cable.

Cable laying activities require ROVs and supporting subsea technologies to enable safe and efficient operations. Ongoing monitoring and surveillance is increasingly carried out by underwater vehicles and remote ocean technologies.

Technology trends: robotics for intervention

Remotely operated vehicles (ROVs) have been used for over 60 years for subsea exploration, and have become a workhorse for operations in the energy sector. As the volume and complexity of subsea infrastructure grows and expands into ever-deeper waters, the use of divers is in decline. Underwater robots are carrying out more complex tasks and a new class of vehicle is emerging – intervention class. Enabled by advanced technology and miniaturisation, man-portable vehicles are now observing, monitoring, and intervening subsea.

NAVIGATION

In the absence of GPS subsea, acoustics is the method of choice for navigation. Using forward-looking sonars for collision avoidance, and downward-facing DVLs (doppler velocity logs) to track movement over the seabed, ROVs can safely navigate, even in zero-visibility waters.

IMAGING

Imaging the area of interest, whether on the seafloor or a structure, is again achieved with acoustics – forward-looking sonars for inspection and side scan sonars for high-resolution images of the seabed.

INTERVENTION

High dexterity manipulators are the key technology enabling smaller vehicles to be used for intervention. Compact, lightweight electric robotic arms allow operators to carry out tasks such as unscrewing shackles and unzipping bags.

LOOKING AHEAD

The ocean technology sector is continuously developing more advanced and operationally capable products to help customers. General Oceans will continue to invest in robust technology development, user experience and innovation to meet the customer needs of the future and empower the blue economy.

Our strategy and business model

Our process

Our approach begins with a careful assessment of risks and potential returns on any investment. We then strategically invest in promising growth-oriented opportunities, actively supporting our brands.

We offer hands-on support across strategy, operations, and finance, ensuring each investment has the resources and guidance necessary to achieve sustainable growth and long-term success.

Our core brand portfolio

NORTEK

Tritech

KLEIN MARINE SYSTEMS

REACH ROBOTICS

SRS STRATEGIC ROBOTIC SYSTEMS

RS AQUA

Investment in two start-ups

ECHOSONICS

HEFRING ENGINEERING

Shareholder return

- Proven ability to create stakeholder value
- Successful M&A growth strategy
- Well-diversified portfolio for risk-adjusted returns
- Focus on technical development that runs alongside all operations

Our strategy and business model

We continued to deliver progress on our growth strategy and our ambition 'to empower the blue economy through advanced ocean technology'.

Our success can be attributed to a diverse portfolio of companies and products that serve a global customer base. The industry is changing, and the market for our products and services remains strong. We have successfully navigated the geopolitical challenges and risk factors that come with the territory of working in the marine, defense, and energy sector.

Our growth strategy is underpinned by three strategic pillars:

1. Drive solutions for our customers

A customer-centric technology leader.

2024 ACHIEVEMENTS

- Continued to focus operations and locations around the needs of our customers, consolidating our global presence
- General Oceans Singapore established with plans for representation for Nortek, Tritech and Klein
- New customer product launches at Nortek and Tritech
- Joint booth at Oceanology International in March 2024 showcased our brands with product demonstrations and meetings
- Engineering synergies identified and cross-brand collaboration has begun
- Common CRM system introduced across the Group to streamline sales and marketing efforts

HOW WE MEASURE SUCCESS

- Group organic growth rates
- New customer orders and market share
- Successful introduction of new products to market

2. Grow sustainable profits and create value

A strong set of results with focus on lean processes, management, and growth drivers.

2024 ACHIEVEMENTS

- Acquired RS Aqua – a leading provider of marine-technology solutions – in November 2024, in an acquisition that will strengthen General Oceans' UK presence
- New management appointed at Strategic Robotics Systems to execute a new strategy for 2024
- Rebrand and new leadership at Klein Marine Systems, with business transformation and relocation in motion for 2025
- New management installed at Reach Robotics and a business re-organisation continued in 2024
- Continued to embed our start-up company Echosonics as an advanced transducer manufacturer
- Efficiencies and lean management principles adopted through group re-organisation with an industrial-conglomerate focus

HOW WE MEASURE SUCCESS

- Group revenues and EBIT
- Group acquisitions

3. Source and retain excellent talent

Attracting and retaining the leaders of tomorrow with robust initiatives.

2024 ACHIEVEMENTS

- Head Office maintained close working relationships with the brands to help and support them with challenges they faced across the year
- Launched the General Oceans Academy at Oceanology International in March 2024 to nurture existing employees, engage with external talent and create a talent pipeline from outside the group
- Hosted 50 staff from across the group in September 2024 for CASCADE – our first internal conference focused on encouraging collaboration
- Encouraged agile group secondments, with engineers collaborating on cross-company projects

HOW WE MEASURE SUCCESS

- Employee Engagement Survey

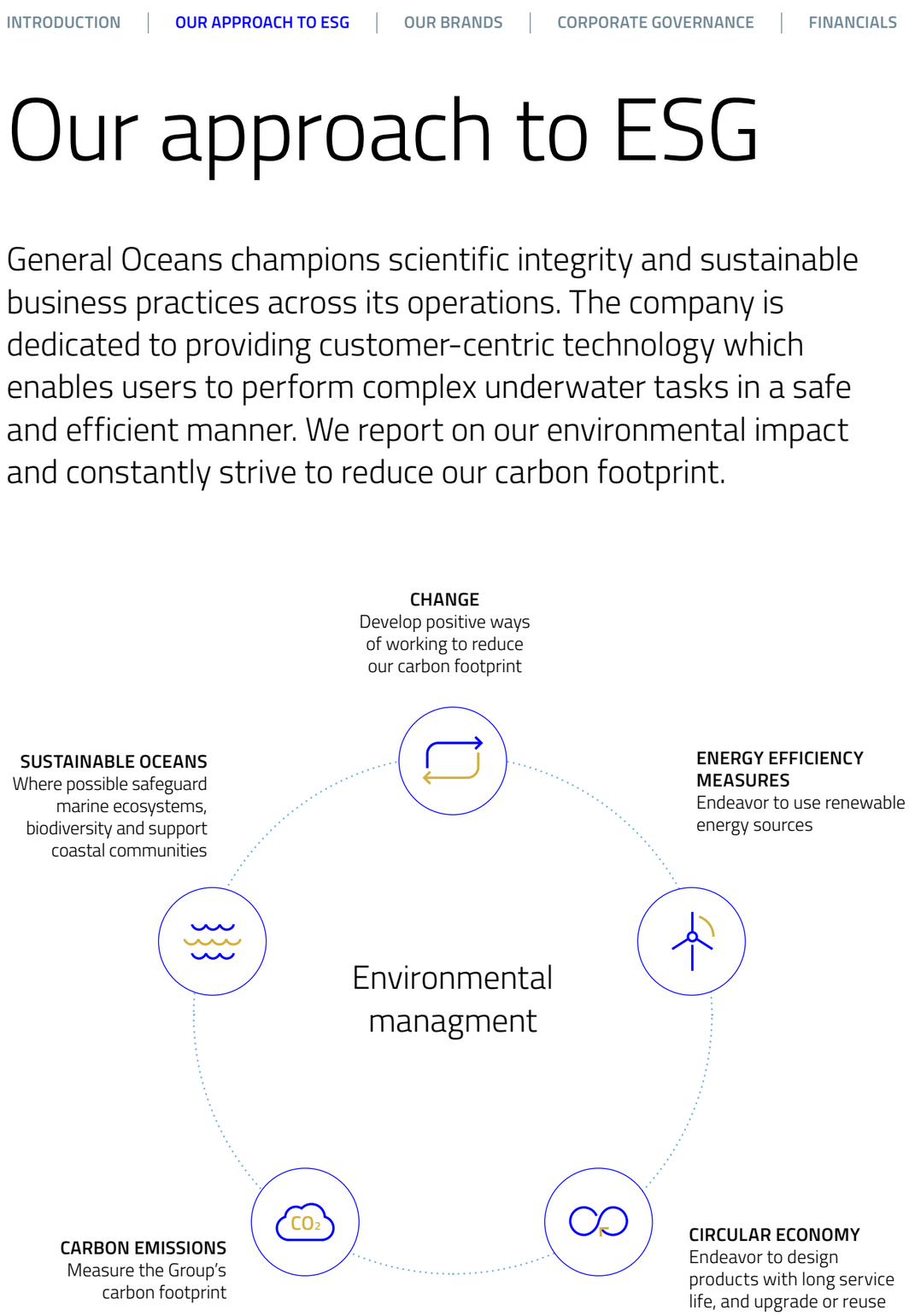
Our approach to ESG

Our approach to ESG 16

© Photo credit: Nick Rains

Our approach to ESG

General Oceans champions scientific integrity and sustainable business practices across its operations. The company is dedicated to providing customer-centric technology which enables users to perform complex underwater tasks in a safe and efficient manner. We report on our environmental impact and constantly strive to reduce our carbon footprint.



CARBON EMISSIONS

Total tCO_2e: 1,262

(Comparative Total tCO2e (2023) 664.26)

Scope 1 - Total 29 tCO_2e

Scope 2 - Location based 257 tCO_2e

Scope 3 - Total 975 tCO_2e

The carbon emissions above reference data from Nortek and Tritech.

EMPLOYEES

Employees

26% women 74% men

Executive management

13% women 88% men

Board of directors

40% women 60% men

Average gender pay

Women earn on average 78% of what men earn

LOOKING AHEAD

General Oceans endeavors to include more ESG reporting from across the Group and is working with our brands to help them gather this information.

Our brands

Nortek 20

Tritech 22

Klein Marine Systems 24

RS Aqua 26

Reach Robotics 28

Strategic Robotic Systems 30

Nortek

Nortek reports another active and productive year in 2024, with strong organic growth for the third year running, and an excellent overall performance that cements our position as a global marine technology company, with a market-leading position to produce instruments that measure movement underwater.

Nortek is trusted worldwide for its innovation, high-performance products and excellent support. It boasts more than 10 offices worldwide. In the year, Nortek further expanded its operations in South America, hiring a dedicated sales resource in Chile, with a specific goal of increasing customer experience and increasing Nortek's presence in Spanish-speaking countries.

We connected with customers by participating in over 50 key industry events across the Americas, EMEA, and APAC regions. This gave us an opportunity to showcase our products worldwide and to collect valuable insights from the pulse of the industry. We are always listening and engaging – which helps us create products that can be deployed in the most complex missions and harshest of environments.

Product updates and developments

FUTUREPROOFING OF ADCP TECHNOLOGY

In March 2024, we launched the upgraded Aquadopp and AWAC range of ADCPs, with key changes including a sleek user-friendly design and a future-proofing of its internal components. Recent technology improvements have enabled these instruments to meet the next generation of user needs and Nortek has utilised modern electronics and processing techniques to prolong deployments, maximise data collection, and simplify instrument maintenance. This, alongside the added benefit of built-in data quality control filters for enhanced performance, builds on product capabilities that have been enjoyed by users for decades. We are confident of its increased robustness and easier handling in both research and operational deployments.

DVL SERIES LAUNCHES GENERATION 3

We originally launched the DVL product range in 2015 and have consistently expanded the series since then – adding options for mechanical design and frequency of operation to suit a wider range of vehicle designs and applications. To this effect, we released Generation 3 of the DVL series in Q3 2024, incorporating additional capabilities that take advantage of advances in transducer design and manufacturing techniques. This new generation of DVLs offers improved performance and future-proofs the electronics while simplifying the product line for more streamlined production.

Developing our people

Nortek is dedicated to offering new internship opportunities each year to help young professionals develop their skills. These internships provide real-world experience and valuable insights into the ocean-tech industry, giving the participants a strong start in their careers.

During the summer of 2024, we welcomed interns across two offices – Rud (outside Oslo) and Trondheim – in a drive to engage students, young scientists and professionals with our exciting ocean-technology industry. Together, they worked on a new sensor-testing platform and the project incorporated elements of machine learning, training AI models, and building a robot as part of a team.

LOOKING AHEAD

It is an exciting time in our industry, and our alliances with the rest of the Group allow us to collaborate on exciting projects that will greatly benefit all stakeholders. We will continue to leverage the strength of these strategic alliances to advance the blue economy and protect the world around us. We express our thanks to the people of Nortek, whose commitment is fully appreciated, and have no doubt that they will work to bring more success to the Group in the future.

BRAND FACTS

167
STAFF MEMBERS

10+
OFFICE LOCATION

Tritech

Tritech has produced an excellent set of results in 2024, delivering over budget, while further cementing its working relationships with the rest of the Group.

We employ more than 60 people out of our three main sites in Ulverston, Aberdeen, and Edinburgh, and support General Oceans' advanced transducer R&D company Echosonics, which has been co-located at our Ulverston factory since it was established in 2023.

The defense industry is growing rapidly and we have seen strong interest and orders coming from European, Japanese, and Korean customers in the year. Geopolitical activity in the Black Sea, Middle East, and South-East Asia has driven an increase in demand for our products, and our need to serve customers from all regions quickly has become increasingly important.

To this end, we have extended our global footprint by appointing a sales person in Lafayette in the US. This hire will allow us to offer first-class sales and service support for our sonar imaging and ancillary equipment to new and existing customers in the US, Canada, and South America. We will continue to focus our operations and locations around the needs of the customer and are happy to be represented at General Oceans Singapore.

We were pleased to attend several tradeshows and events in the year, and Oceanology International was a particular highlight as we shared a stand with all of our sister companies for the first time. We launched our PA200/PA500 precision altimeter MKII which was well received by the industry.

We also attended SOF Week in Tampa Florida which is a significant event for the Special Operations Forces and gave us an opportunity to showcase our diver applications. We exhibited alongside our sister company Strategic Robotic Systems, which showcased the FUSION vehicle alongside Tritech products.

PA200/PA500 precision altimeter MKII

The Precision Altimeter PA200/PA500 MKII offers reliable performance and accurate distance measurement in the harshest of subsea environments. Designed with ROV/WROV/AUV usage in mind, our latest offering builds upon the success of the previous generation.

With features such as full software configuration using our new human-readable command interface, optional slant range correction, millimetre accuracy, and full backwards compatibility, it provides users with a significant upgrade at no extra cost.

We announced a three-year extended warranty on all Tritech manufactured products if the product is returned to the seller for a full service and repair within two years of purchase. This is an improvement on our original two-year warranty. By extending the warranty by a further year, we are displaying our commitment to and confidence in our robust products.

LOOKING AHEAD

We are proud of the advancements we have made in 2024 and the steps taken to increase our international profile and customer service teams. We have seen the fruits of a grassroots review that took place in 2023 and look forward to the challenges and opportunities that undoubtedly await us. We extend our thanks to the wonderful Tritech team, who have contributed to a successful and profitable 2024, and will continue to support our customers in the marine, defense, and research sectors as we reach into diversified markets in the future.

BRAND FACTS

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STAFF MEMBERS

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OFFICE LOCATIONS

Klein Marine Systems

With progress underpinned by strategic planning and delivery, Klein has taken bold steps to transform the business in 2024

Several key developments took place in the year, including the appointment of a new Executive Vice President in November 2024.

Progress on the new facility in Newburyport MA continues at pace, with a scheduled move-in date now set for Q2 2025. We have been disciplined in our approach and leveraged the move as an opportunity to reorganize teams and update production lines, testing, and quality control. At the same time, we have delivered a brand refresh and new website.

We brought key members of the engineering, sales and management teams together for an offsite product roadmap and strategy session at the John Olson Advanced Manufacturing Center in Durham NH to agree priorities and timelines with our product development and project teams.

In March, we were delighted to share the General Oceans stand with all of our sister companies at Oceanology International in London. This well-known industry event was the perfect platform to demonstrate Klein products to a captive audience..

In September, we joined more than 50 of our Group colleagues for the General Oceans inaugural CASCADE conference, in a demonstrable commitment to global leadership and innovation that gave Klein the opportunity to strengthen working relationships and set up global working groups and teams.

Significant developments and customer orders have been achieved in the year against a backdrop of substantive organisational changes:

- Klein's sonar systems continue to be known for their precision, clarity, and reliability in the toughest environments
- Successful sea acceptance test (SAT) for the Korea Institute of Ocean Science and Technology (KIOST) completed with a 5900
- System improvements include a project for a new ERP system to underpin future growth and innovation initiatives
- Group projects underway to develop technical connections with General Oceans teams

LOOKING AHEAD

In 2024, we continued to create excellent career pathways for the team so they can support customer delivery with the innovative, practical, and service-led approach for which we are known.

We are confident that Klein will continue to uphold its market-leading position for the application of sonar products across the defense, commercial, and scientific markets of the future.

Growth will be elevated by our access to a global network of marine technology companies under the banner of General Oceans – and in sharing a resounding commitment to product innovation, problem solving, and global leadership that will support future growth and entry into new markets.

BRAND FACTS

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STAFF MEMBERS

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OFFICE LOCATIONS

RS Aqua

RS Aqua joined the Group in November 2024 and is a market-leading distributor of ocean technology in the UK and Ireland.

RS Aqua was established over 40 years ago in Portsmouth and now has a team of 17 marine-industry professionals and ocean scientists. Our sales team includes industry experts who not only understand our sensors, systems, and platforms, but know how to apply them to the offshore energy, defense, and aquaculture industries in which we operate.

This year, RS Aqua was acquired by General Oceans on 18 November 2024 following a successful round of deal negotiations. It was during these meetings that our shared values, established customer base, and range of products became obvious as a good strategic fit for General Oceans. Already, we are building relationships with our sister companies, making plans to integrate relevant Group products and services into our own sales activities – while investigating new product and project crossover opportunities.

RS Aqua promotes a positive learning culture and excellent development opportunities for the team. We look forward to expanding these programmes further, so employees can gain more opportunities on international projects and working groups as part of the wider Group. This focus will keep our attrition rates low and boost our attractiveness as an employer, which in turn will contribute to our success.

2024 highlights

- RS Aqua joined General Oceans in November 2024.
- Attended and offered customer demos on a broad circuit of industry events: Oceanology International, Aquaculture UK, and Subsea Expo.
- Introduced flexible commercial models: equipment sales, long-term rentals, software services, and long-term framework agreements for government and industrial suppliers.

MARLIN-AI

Recently RS Aqua has been developing AI solutions. It won funding in Q3 2023 from Innovate UK*, which recognized the potential to use cutting-edge machine-learning technologies to improve understanding of ocean activities. In collaboration with the University of Southampton, MARLIN-AI launched successfully in Q2 2024. It has the primary goal of developing new ways to monitor and protect the underwater environment from the negative effects of animal, human, or environmental activity. Its underwater sensor uses machine learning to identify harmful events and transmits information to a user-friendly web-app (in real-time) to inform remote decisions and better conservation of marine mammals (whales and dolphins) during offshore wind farm construction. It can also detect illegal fishing activities, leading to better protection of fishing grounds and marine protected areas, offering safeguards for generations to come.

Project MARLIN is committed to pioneering innovations that address the most pressing challenges facing our marine environments. The software is the first of several new technologies for release. RS Aqua has been approached by business and government agencies off the back of the MARLIN project, and the AI team hopes to use findings to solve 'big data' problems as part of their work with General Oceans.

LOOKING AHEAD

We have joined a group of like-minded professionals who are as committed to innovation, reliability and growth as we are. This will allow us to work together on R&D projects to extend our footprint in new markets, while advancing the blue economy of the future through technological advancements. We look forward to navigating industry opportunities and challenges and contributing to Group success. Our thanks to the RS Aqua team for their ongoing effort commitment and hard work.

* Innovate UK is the UK's national innovation agency, and supports business-led innovation in all sectors, technologies and UK regions.

Reach Robotics

2024 was an important year for Reach Robotics, which saw significant change in order to drive profitability.

With support from the team at General Oceans HQ, a reorganisation of the operations, finance, and sales teams was in place by year end.

At the beginning of Q3 2024, to support the necessary restructuring of Reach Robotics, a new General Manager was appointed.

We nurtured our engineers with valuable opportunities to develop skills and gain practical experience. We have been delighted to observe the career progress of one of our skilled engineers, Will Marais, who made the leap to Trondheim in Norway to join Nortek to support the advancement of their underwater navigation technologies. His story is testament to the exciting global opportunities we experience as part of the General Oceans Group.

By working with teams from General Oceans, industry and research institutions, we further embedded an R&D focus that is rooted in solving customer problems. During the year we worked alongside Nortek, SRS and Tritech on an exciting new project with efforts continuing towards commercialisation.

Among the several trade events we attended in 2024, Oceanology International was the highlight in Q1. We joined Nortek, Tritech, Klein Marine Systems and SRS on the General Oceans stand.

We invited attendees to experience technical demos of a recently expanded class of our Reach X manipulators and showcased the new Reach X Advanced Intervention System (RX-AIS). These events are a platform for us to connect with our customers, manufacturers, and sister companies at a global level, and inform the customer-centric direction of our engineering projects.

Reach X manipulators

In March, we launched the expanded class of Reach X manipulators – a series of modular and highly dexterous multitools for portable subsea intervention and non-destructive testing. Initially designed for the mission-critical defense sector, Reach X is increasingly regarded as the world's leading complex inspection and intervention solution to replace human divers in harsh underwater environments. More recently, we have been witnessing a growing demand from the commercial sector for these lightweight manipulators.

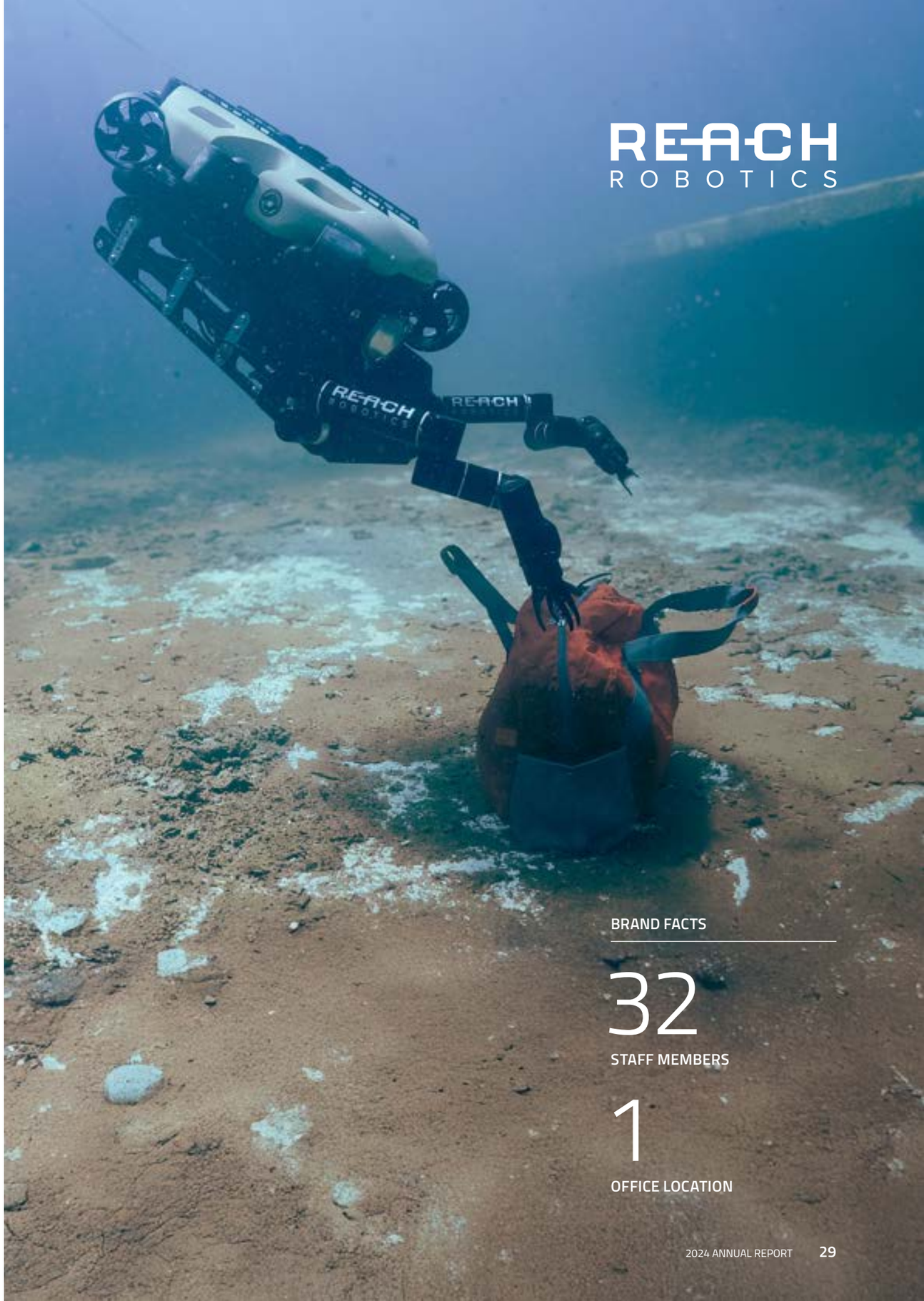
Reach X – AIS: Australian Defense Force

In November, we announced a new contract with the Australian Defense Force (ADF) to produce a custom 'deep water' variant of the Reach X Advanced Intervention System. The product will be rated for deeper water depths, exceeding the maximum operational depth of previous systems.

LOOKING AHEAD

2025 looks promising – we have plans to extend products into new markets with the support of a strong management team.

We are developing our manufacturing capabilities, fostering a supply-chain sovereignty ethos, and sourcing materials domestically where possible.



BRAND FACTS

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OFFICE LOCATION

Strategic Robotic Systems

2024 was a significant year for Strategic Robotics Systems with a drive to manage operational costs whist maintaining an emphasis on innovation and development of customer-centric solutions.

To achieve our wider aims, during 2024, we took action to reorganise the business and introduce new strategies to reduce inventory and overhead costs. The defense sector is central to SRS's business, and our sales and marketing efforts target this core customer base, alongside other opportunities in the subsea marketplace.

During the year, we enhanced FUSION and its ancillary subsystems to fulfil customers' operational requirements. These development efforts improved system reliability and fueled an increase in sales.

Product updates and development

Our customers want tailored solutions that meet specific operational requirements. Additional system development efforts will continue in 2025 to meet complex mission demands.

We collaborated with Reach Robotics to develop a coupled vehicle and manipulator control to improve operator efficiency, and SRS designed and manufactured a new toolsled to support its development and the implementation of the Reach X on our FUSION system.

About FUSION

Strategic Robotic Systems manufactures FUSION, an expeditionary system to meet evolving demands in the defense sector. It is a Hybrid Underwater Vehicle (HUV) that offers operational efficiencies and extensive mission capabilities from one platform. As the only observational ROV with such broad capabilities, it's defined as an HUV outside the traditional system classification. The system operates in two core modes: Remotely Operated Vehicle (ROV and Autonomous Underwater Vehicle (AUV), which act as force multipliers to complement each other, while also reducing capital and life-cycle costs. The comprehensive standard high-resolution sensor package and optional subsystems are closely integrated, providing the operator with an intuitive and user-friendly human machine interface (HMI).

Our strategic priorities

- Research and Development: focused on FUSION's evolution, subsystems, auxiliary equipment, and integration of new sensors to maximise performance characteristics through enhanced data processing, management, and display techniques
- Partnerships and collaborations: developed relationships with research institutions, industry leaders, and government bodies to drive innovation in new markets
- Compliance with regulatory standards: SRS passed its annual ISO 9001:2015 audit and continues to enhance the program's processes and KPI tracking
- Cultivating a highly skilled workforce fostered a culture of innovation in the robotics and underwater vehicle industry

LOOKING AHEAD

As subsea marine sectors identify new operational requirements for underwater robotic systems, SRS is poised to significantly shape subsea defense operations as part of the General Oceans Group.

We will continue to seek out external research and development funding opportunities and will work with our sister companies to find synergies between agents, representatives, and service centres.

BRAND FACTS

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Our board

The board was elected in 2023 and provides effective and entrepreneurial leadership of General Oceans. It is collectively responsible for promoting the long-term success of the Group by ensuring the creation and delivery of sustainable stakeholder value under its guidance.

Stein Dale

CHAIR

Stein has been appointed Chair of the Board of General Oceans.

He has more than 20 years of leadership experience from Norwegian and International energy companies as former CEO of E.ON, International Markets, SVP of Corporate Strategy in E.ON SE, CEO of Multiconsult and CFO in Statkraft. He is currently the Chair of Heimdall Power AS, board member of The Quartz Corp SAS and board member of Adjaristsqali Georiga LLC.

Stein has worked extensively with leadership, strategy and M&A issues, and has been a central figure in leading large-scale transformational projects.

Prior to entering the energy industry, he worked for more than ten years within Telecoms.

Stein holds a Master of Science in Business from the Norwegian School of Management, Executive Education from IMD, and completed the Advanced Management Program at Harvard Business School.

Asta Stenhagen

BOARD MEMBER

Asta joined General Oceans Board of Directors from December 2023. She has over two decades of legal, finance, and operational experience from her roles at Morrow Batteries, Tietoevry, Wilh. Wilhelmsen Group, and law firm Thommessen, as well as numerous board positions in listed and private companies.

She has served amongst as the General Counsel in Morrow Batteries ASA, Head of Legal, Security and Compliance at Tietoevry Corp., Executive Vice President of Legal and Risk at EVRY ASA, and Legal Counsel at Wilh. Wilhelmsen Holding ASA.

Asta holds a Cand. Jur (Master of Law) Degree from the University of Oslo (UiO), including legal subject matters from University of Århus (Denmark) and project management from UiO.

Kim Steinsland

BOARD MEMBER

Kim was a board member of Nortek AS from 2018 to 2021 and joined the board of General Oceans in May 2023. He is Managing Director of the Norwegian technology company Scanmatic AS and has worked within technology for field instrumentation, control systems, and hydro acoustics his whole career.

Prior to his present position in Scanmatic, he was central in the merger and creation of Volue ASA in 2020, where his role was Executive Vice President and responsible for the IoT division.

Despite almost two decades in management, Kim insists on being a true technologist. He holds an MSc in Engineering Cybernetics from NTNU and a BSc in Industrial Electronics, in addition to Innovation Management studies at INSEAD.

Torfinn Kildal

BOARD MEMBER

Torfinn has more than 30 years experience of executive and non-executive positions in private and public listed companies, mainly in maritime and energy industries. He was CFO and CEO of Simrad Group, and has been Exec VP Corporate Business Development of Kongsberg Gruppen and CEO of Kongsberg Maritime.

Currently, he is Chairman of Oswo and a board member of Glamox AS, Mintra Holding AS, and Norkart AS.

During his years in leadership postions, he has worked extensively with strategic and operational projects related to profitable growth and enterprise transformation.

Torfinn is also involved with social entrepreneurs as chair of Lifetools AS. He holds an MBA from the Norwegian School of Economics (NHH) and Executive Education from IMD.

Saskia Sterud

BOARD MEMBER

Saskia, together with Torfinn Kildal and Gustav Martinsen, represents the second-largest shareholder, Ferd, on the Board of Directors. She is an investment professional at Ferd and was part of the deal team when Ferd invested in General Oceans. In addition to General Oceans, Saskia is responsible for several of Ferd's investments within the consumer industry, including both listed and private companies, and is a board observer at Brav AS. Prior to joining Ferd she worked as an equity and credit-research analyst at the Nordic investment bank, Carnegie, in Oslo and Stockholm.

Saskia holds a Bachelor of Science in Finance from St. John's University in New York, where she graduated summa cum laude and competed on the University golf team in NCAA Division 1.

Our leadership team

Supporting the brands, the central leadership team is a lean group of experts in their fields. The goal is to work with the brands in scaling faster, developing the best talent, funding and organising collaborative projects, and integrating the knowledge and business acumen found across the Group.

Atle Lohrmann

PRESIDENT

Atle founded multiple companies in the oceanographic sensor space and from 1999 onward focused on growing the last one, Nortek, into a global technology leader.

Under his leadership Nortek opened subsidiary offices in eight countries, launched technical expertise centers in Europe and the United States, and established a global network of representatives. Most recently, Atle founded Hefring Engineering, a subsea vehicle company, in the United States.

Atle received a Master of Science in Physical Oceanography and Applied Mathematics from the University of Oslo and holds several pivotal patents in the industry.

Anton Van Heerden

CHIEF FINANCIAL OFFICER

Anton joined General Oceans as CFO in June 2022 and brings over 20 years of international financial experience. Immediately prior to joining, Anton was the CFO at Tquila Group, a privately held investment group investing in property and disruptive technologies. In the past he was Finance Director of the European Division of the K2 Group, a large technology and talent-placement agency. Anton also worked as Group Controller for Deep Ocean Group, a subsea services provider.

Anton brings a wealth of experience successfully managing finance teams from incubation to maturity. His sector experience includes subsea services, staffing, consulting services, property, renewables, and telecommunications. Anton holds an MBA from the University of Liverpool, degrees in accountancy, and is a registered Chartered Accountant with SAICA.

Peter Smith

CHIEF PEOPLE OFFICER

Peter came to General Oceans in 2023 in the newly created role of Chief People Officer (CPO), bringing a strong commercial HR background spanning automotive, technology, logistics, and manufacturing. He has worked for high-profile brands such as Suzuki, Sony, and the UK's Ministry of Defense.

His expertise spans strategic and tactical elements of the CPO role – learning and development, employment law, recruitment, benefits and reward, systems delivery, D&I and employee wellbeing. Peter will guide us through this pivotal stage of our journey as we strive to develop the 'People' pillar of strategy, with a Group framework that bolsters General Oceans as a destination employer for talented professionals.

Elizabeth Paull

GROUP ANALYST

Elizabeth joined General Oceans in 2023 and provides the Group with analytics and insights to support commercial, technology, and business strategy. With a background in ocean science and finance, Elizabeth has over a decade of experience in commercial and strategic leadership in ocean technology businesses. In the past, she was Managing Director of an ocean sensor company and Vice Chair of the Society of Maritime Industries.

Elizabeth holds a Masters degree in Oceanography from the University of Southampton and an MBA from the Open University.

Rachel McAlpine

GROUP MARKETING MANAGER

Rachel joined General Oceans in late 2023 following the successful acquisition of Tritech, where she served as Marketing Manager. During her tenure at Tritech, Rachel lead the company's rebranding initiative, a successful website launch, and doubled Tritech's social media following. Prior to her role at Tritech, Rachel was Content Manager for a former government body. Rachel brings with her a wealth of sales and marketing experience with a focus on content creation and project management.

Rachel holds Undergraduate and Postgraduate Masters degrees from the University of Glasgow.

Board of Directors' report

General Oceans is a developer and manufacturer of oceanographic sensors, underwater robotic vehicles, and manipulators. Each General Oceans brand operates in the subsea sector and focuses on specialized technological solutions for underwater applications.

The holding company, General Oceans AS, is incorporated in Norway and operates out of Norway and London through its management office. The Group's portfolio of brands operates across Norway, the UK, Australia, and the US, serving a global customer base via an extensive international sales and support network.

As the parent company, General Oceans AS works in close collaboration with its brands to drive growth and operational performance. Each brand sets its own KPIs and performance targets. This decentralized structure enables brands to maintain their unique identities while leveraging Group synergies to deliver sustainable, long-term solutions tailored to customer needs.

Summary of the year

In 2024, the Group's core brands – Nortek and Tritech – achieved strong organic growth. Meanwhile, Reach Robotics, Klein Marine Systems, and SRS underwent transformative changes, repositioning their product portfolios and market strategies for long-term growth.

Group consolidated revenue increased by 18.3%, reaching NOK 957.1 million, driven by organic growth and strategic acquisitions. EBITDA grew modestly by 0.3% to NOK 127.6 million, primarily impacted by operational restructuring and reviews conducted within Reach Robotics, Klein Marine Systems, and SRS.

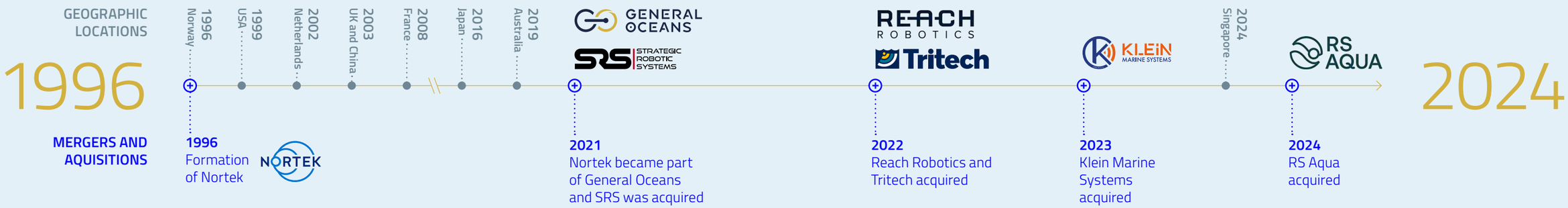
As a global group, General Oceans is exposed to macroeconomic trends and the dynamics of international trade. Despite broader concerns in business to consumer sectors, demand in our core markets – energy, defense, and science – remained strong in 2024. Ocean technology companies, including those in our portfolio, generally reported positive performance and outlook.

The strong USD continued to benefit the Group financially, as most of our operating entities generate revenues in USD while incurring costs in local currencies.

In 2024, General Oceans acquired RS Aqua, a leading UK-based distributor of ocean technology products. This acquisition further strengthened our presence in the UK market. The purchase was funded through a NOK 14.1 million equity issuance and NOK 42.8 million (GBP 3 million) in new loan financing.

To support our strategic expansion in the APAC region, the Group also established a new subsidiary in Singapore.

Timeline of the business



Financial review

Consolidated statement of income

Financial highlights

NOK (million)	2024	% OF REVENUE	2023	% OF REVENUE
Revenue	957		809	
Gross profit	637	67%	561	69%
EBITDA	128	13%	13	2%
EBIT (2023: normalised)	68	7%	78	10%
Net profit	39	4%	(73)	(9%)

REVENUE

Revenue increased by NOK 148.3 million, or 18.3%, to NOK 957.1 million in 2024, compared to NOK 808.8 million in 2023.

This growth was driven by strong organic performance across core markets, a full 12-month contribution from Klein Marine Systems (acquired in August 2023, compared to 4.5 months in the prior year), and a 1.5-month contribution from RS Aqua, which was acquired in November 2024.

GROSS PROFIT

Gross profit increased by NOK 76.5 million, or 13.6%, reaching NOK 637.3 million in 2024, up from NOK 560.8 million in 2023.

The gross profit margin remained relatively stable at 66.6% in 2024 (2023: 69.3%), reflecting continued product mix consistency and effective cost control, despite inflationary pressures in certain markets.

EBITDA

EBITDA increased by NOK 0.4 million to NOK 127.6 million in 2024, compared to NOK 127.1 million in 2023.

The modest growth in EBITDA was primarily impacted by costs associated with operational reviews and restructuring activities undertaken by Reach Robotics, Klein Marine Systems, and SRS during the year.

EBITDA is not a defined IFRS term. It is calculated by taking operating profit (or loss) and adding back depreciation, amortisation and impairment charges.

EBIT

EBIT decreased by NOK 9.9 million to NOK 68.2 million in 2024, compared to a normalised EBIT of NOK 78.1 million (excluding a NOK 117.3 million one-off goodwill impairment) in 2023.

The decrease was largely attributable to an increase of NOK 10.3 million in depreciation and amortisation expenses, primarily related to recent acquisitions and capital investments.

EBIT is not a defined IFRS term. It is calculated as operating profit (or loss) without any adjustments.

TAXATION

The Group's corporate income tax expense for 2024 was NOK 21.5 million, up from NOK 17.0 million in 2023. The effective tax rate for 2024 was 35.4% (2023: 27.6%, adjusted for a goodwill impairment).

The increase in tax expense reflects higher taxable income for the year, the full-year inclusion of newly acquired entities operating under various local tax regimes, and the impact of losses incurred by SRS, Reach Robotics, and Klein.

PROFIT / (LOSS) FOR THE YEAR

The Group reported a profit of NOK 39.2 million for 2024, compared to a loss of NOK 72.5 million in 2023.

The loss in 2023 was primarily due to a one-off goodwill impairment of NOK 117.3 million related to the SRS business.

Consolidated statement of financial position

As of 31 December 2024, the Group had total assets of NOK 1,302.1 million, up from NOK 1,046.5 million at year-end 2023.

Total non-current assets amounted to NOK 607.9 million (2023: NOK 510.6 million), driven by increases in intangible assets, property, plant and equipment, and goodwill.

- Property, plant, and equipment, including right-of-use assets, increased to NOK 264.7 million (2023: NOK 235.3 million), reflecting NOK 26.6 million in capital investments and NOK 23.7 million in new right-of-use assets, partly offset by NOK 34.6 million in depreciation.
- Intangible assets rose to NOK 319.0 million (2023: NOK 252.0 million), primarily due to NOK 69.9 million in additions from the acquisition of RS Aqua, partly offset by amortisation.
- Net goodwill increased to NOK 116.3 million (2023: NOK 79.6 million), largely attributable to the RS Aqua acquisition.

Total current assets totaled NOK 708.4 million (2023: NOK 535.9 million).

- Inventories rose to NOK 234.5 million (2023: NOK 205.7 million), mainly due to higher raw material levels.
- Trade and other receivables increased to NOK 188.4 million (2023: NOK 165.7 million), reflecting strong sales activity towards year-end.
- Cash and cash equivalents improved to NOK 281.7 million (2023: NOK 153.4 million), strengthening the Group's liquidity position.

Total liabilities amounted to NOK 597.9 million (2023: NOK 421.2 million), with key components being interest-bearing borrowings, trade payables, and other current liabilities.

Total equity increased to NOK 718.4 million (2023: NOK 625.3 million), representing an equity ratio of 54.6% (2023: 59.8%).

The increase was mainly driven by:

- NOK 39.2 million in net profit for the year
- NOK 14.1 million in new equity issued as part of the RS Aqua acquisition
- NOK 49.9 million increase in the translation reserve

Partly offset by:

- NOK 10.0 million in dividend payments

Consolidated statement of cash flows

Net cash from operating activities before interest and tax was NOK 170.8 million for 2024 (2023: NOK 86.2 million).

This included a net decrease in working capital of NOK 63.9 million (2023: increase of NOK 25.1 million), primarily driven by customer advances and partially offset by increases in inventory and a reduction in trade payables.

Net cash used in investing activities totaled NOK 41.5 million (2023: NOK 148.7 million).

This included:

- NOK 42.4 million net cash outflow from the acquisition of RS Aqua
- NOK 15.7 million in investments in property, plant, and equipment

Net cash from financing activities was NOK 14 million (2023: NOK 110.3 million), primarily due to:

- NOK 42.3 million increase in interest-bearing borrowings

Offset by:

- NOK 10 million in dividends paid

Allocation of the parent company net result of the year

General Oceans AS generated a net profit of NOK 20.8 million for the financial year 2024. The Board of Directors proposes the following allocation of the net result:

- Dividend distribution: NOK 10 million
- Transferred to retained earnings: NOK 10.8 million

Events after the balance sheet date

Subsequent to the balance sheet date, the Group entered into a sales agreement to dispose of one of its buildings for a consideration of USD 5 million.

In March 2025, the Group also declared a dividend of NOK 40 million.

No other material events have occurred after the balance sheet date that would require disclosure in these financial statements.

Risks and risk management

General Oceans is exposed to a range of risks that may impact the Group's operations, performance, and financial position. These risks are actively monitored by corporate management and regularly reported to the Board of Directors.

The overview below outlines the key business risks relevant to the achievement of General Oceans' long-term goals and strategic direction. This list is not exhaustive – other risks not currently deemed material or known could, in the future, adversely affect the Group's business, results of operations, or financial condition.

Operational risks

General Oceans may be adversely affected by various operational and economic factors. The Group undertakes periodic reviews and reassessments of its risk profile to ensure proactive management of these risks. Rather than ranking or quantifying risks, General Oceans takes a holistic approach to risk management, recognising that risks previously considered less critical may later become material.

Below is a summary of several operational risk areas:

SUPPLY CHAIN

Supply shortages remain a significant operational risk. While the Group maintains in-house production and assembly capabilities, it relies heavily on global suppliers for key components. Although lead times improved in 2024 compared to 2023, certain specialty items still face constrained availability and low supply-chain visibility. This may disrupt production scheduling and increase the risk of customer cancellations or lost business opportunities.

HUMAN RESOURCES

Attracting, retaining, and developing highly skilled personnel – particularly engineers – is essential to delivering the high-quality services General Oceans aims to provide. The Group competes in a tight labour market, and the inability to attract or retain talent could hinder execution of strategic priorities. Special emphasis is placed on maintaining a collaborative environment and supporting the professional development of key personnel and senior management.

Market risk

The Group operates internationally in a competitive industry and is therefore exposed to macroeconomic fluctuations, evolving market dynamics, and sector-specific risks.

FUTURE ECONOMIC DOWNTURNS

As the subsea sector is closely linked to global economic activity, any future downturns may result in reduced customer spending, delayed projects, and reduced demand for the Group's products and services.

COMPETITIVE INDUSTRY

General Oceans operates in the highly competitive subsea landscape. Some current and future competitors may benefit from greater financial resources or operational scale, enabling them to be better positioned to withstand and adjust to changing market conditions. This could potentially affect General Oceans' ability to maintain or grow its market share.

INNOVATION

The subsea industry is rapidly evolving, particularly in areas such as extreme-environment operations. The focus of companies, from a subsea perspective, will include enabling technologies to operate safely in high-pressure, extreme-temperature, and deep-water environments. Sustained investment in innovation is essential for meeting these challenges. The Group's long-term success depends on its ability to develop cutting-edge, cost-efficient technologies and products that address emerging customer needs.

BRAND AND REPUTATION

General Oceans operates through a portfolio of distinct brands, which helps mitigate concentration risk. However, any negative events – such as adverse publicity or customer dissatisfaction – could still impact brand equity and customer trust. The Group continually works to strengthen its reputation for delivering high-quality, cost-effective solutions across all brands.

Political and regulatory risk

The Group's operations are subject to political, legislative, and regulatory developments in the jurisdictions where it operates. Changes to tax laws, environmental regulations, defence procurement rules, or trade policies could materially affect General Oceans, its suppliers, or its customers. Maintaining compliance and adapting to evolving frameworks are ongoing priorities.

Financial risks

CREDIT RISK

Credit risk arises primarily from cash and cash equivalents held with financial institutions and, to a lesser extent, from trade receivables.

General Oceans manages credit risk through continuous monitoring and assessment of the creditworthiness of individual customers. The Group's customer base primarily consists of entities within the defense sector, public institutions, or publicly funded organisations – groups typically considered low-risk in credit terms. Historically, customer-related credit losses have been minimal.

LOAN COVENANTS

General Oceans is subject to covenants related to its USD 12.3 million (NOK 139.9 million) and GBP 3 million (NOK 42.3 million) facility agreements with Nordea. Failure to comply with financial or other covenants under these or other financing arrangements could result in increased borrowing costs, demands for additional security, or even cancellation or acceleration of repayment obligations.

The Board actively monitors covenant compliance and associated financial indicators. Based on the Group's 2025–2026 business plan, the Board expects to remain in full compliance with all loan covenants.

FOREIGN EXCHANGE RISK

General Oceans operates across multiple currencies and is therefore exposed to foreign exchange risk. Currency fluctuations – driven by economic conditions, global financial markets, government actions, and other external factors – can impact the NOK value of the Group's assets, liabilities, and cash flows.

To mitigate this, General Oceans evaluates foreign exchange exposure at the entity level, focusing on net exposures after internal natural hedging (matching revenues and costs in the same currency).

Where mismatches exist, the Group may use financial instruments, including derivatives such as futures contracts, to hedge or partially hedge these exposures. Foreign exchange risk is considered one of the Group's most significant financial exposures and is managed through established risk procedures at the subsidiary level.

INTEREST RATE RISK

General Oceans is exposed to interest rate risk primarily through its term loans, which are based on floating rates linked to SOFR and SONIA (2023: SOFR), plus a margin.

An increase in interest rates could adversely affect the Group's financial performance and liquidity. However, due to the Group's high liquidity levels, management currently assesses the potential impact of interest rate volatility to be limited.

As part of its risk mitigation strategy, the Group regularly analyses its exposure and uses financial instruments such as interest rate swaps to hedge, or partially hedge, expected future cash flows. These risk management procedures are implemented across operating subsidiaries and overseen at the corporate level.

Liquidity risk

The Group relies on operating cash flows, available cash and cash equivalents, and access to committed credit facilities to finance its operations and any strategic initiatives.

Liquidity requirements are primarily driven by working capital needs, capital expenditures, debt servicing, employee-related expenses, interest payments, and tax obligations. Periods of strong revenue growth tend to result in increased working capital requirements.

Liquidity is centrally managed at the corporate level to ensure sufficient funding is available under both normal and stressed market conditions, while avoiding undue risk or reputational damage.

The Group maintains internal financial discipline through two key mechanisms:

- Liquidity reserve floor: a minimum required level of available cash and credit
- Maximum leverage ratio: an internal ceiling to avoid excessive debt burden

Both metrics are closely monitored and remain within the limits set by existing financing agreements.

To ensure adequate liquidity, the Group routinely assesses short- and medium-term cash-flow needs based on financial obligations and maturity profiles. This includes rolling forecasts of the liquidity reserve, which consists of cash and cash equivalents as well as available undrawn debt facilities.

Corporate governance

General Oceans AS voluntarily adheres to the Norwegian Code of Practice for Corporate Governance. The company's practices are aligned with these recommendations to ensure transparency, accountability, and sound decision-making. The Board in full constitutes and performs the work of an Audit Committee.

The Board has approved the 2024 Corporate Governance Report, which is included in the corporate governance section on page 48 of this annual report.

Corporate social responsibility

Working environment and social responsibility

As of year-end 2024, General Oceans AS had no employees. The Board of Directors comprises five external members (two female, three male).

General Oceans is a global company that values the international diversity of its workforce as a competitive strength. The Group strives to foster an inclusive and supportive working environment where employees feel valued for their contributions.

Across the Group, efforts are made to:

- Promote diversity and equal opportunity, free from gender or ethnic bias
- Ensure a safe and healthy working environment
- Attract and retain highly qualified professionals
- Embed social responsibility into daily operations

Employee performance, not gender or background, drives career development, wage adjustments, and strategic alignment with the Group's objectives.

Reporting on gender equality and anti-discrimination

The Board of Directors of General Oceans AS consists of three men and two women, with a male Chair. Group-wide, the gender distribution is 74% male and 26% female.

General Oceans complies with anti-discrimination laws in all jurisdictions where it operates and proactively promotes equality and fairness. The Group ensures:

- Equal pay for work of equal value
- Annual performance-based salary adjustments
- Transparent, merit-based evaluation criteria

Salary differences reflect roles, responsibilities, qualifications, performance, and market competition in respective regions.

Working environment

The Board considers the working environment across the General Oceans Group to be strong and positive. In 2024, there were:

- No reported workplace accidents or injuries
- No incidents of harassment or discrimination

The Group commends the adaptability and cooperation of employees during periods that required flexibility and improvisation.

Environmental impact

The production of subsea equipment at General Oceans, like most industrial manufacturing, carries an environmental impact stemming from both the sourcing of raw materials and energy use in the manufacturing processes. Despite this, the company is well-positioned to contribute positively by supplying ocean monitoring equipment to the scientific community, supporting efforts to study, understand, and protect marine ecosystems.

Key environmental practices include:

- Releasing no harmful emissions into air or water
- Responsibly recycling or disposing of waste, which is primarily non-hazardous
- Processing a limited quantity of waste on-site and thereafter using licensed disposal firms

Further details on the Group's environmental, climate, and social performance – including gender pay gap data – are available in the ESG section on pages 16-17.

Directors' and Officers' liability insurance

General Oceans maintains comprehensive insurance coverage across the Group, including:

- Professional indemnity and general liability at the corporate level
- Localised insurance for operational risks, such as property and employee cover

A Directors' and Officers' (D&O) liability insurance policy is in place for the entire Group. This policy covers board members, the president, and senior management against personal legal liabilities, including legal defense and associated costs.

Transparency act

New regulations from 2022 onwards require enterprises to report where the annual accounts can be accessed. The annual reports from General Oceans will no later than 30th of June 2025 be published on the General Oceans website www.generaloceans.com.

Outlook

Despite ongoing geopolitical uncertainty, the outlook for the blue economy remains positive. The ocean technology sector continues to thrive, driven by:

- Strong demand for decarbonisation and offshore renewable energy
- Heightened investment in subsea technologies for defense and critical infrastructure protection
- Increasing prioritisation of scientific research on ocean health and climate change

Offshore renewables

Offshore wind continues to dominate the offshore renewable energy sector, and despite challenging economic conditions over the past few years, new wind farms are being constructed in both the mature markets of northeast Europe and emerging markets such as Asia Pacific. In addition, rapid growth of the industry over the past decade means an ongoing requirement for operations and maintenance activities. Our technologies are used across the lifecycle of a wind farm, from initial site characterisation through to operations in a fully developed site.

Technology trends include electrification and decarbonisation of vessel movements and operations (including subsea vehicles); multi-use of remote platforms such as floating LIDAR buoys; and increased interest in biological and ecological impacts. The Group is well positioned to address these trends, with Reach Robotics' electric manipulators, Tritech's imaging sonars, and Nortek's easily integrated robust ADCPs.

Defense and security

Recent years have seen a significant increase in attention to underwater situational awareness. Investment in autonomous and sensing technologies has surged, creating opportunities for the Group.

The growing use of subsea drones requires supporting sensor and navigation instrumentation. General Oceans' proven commercial technologies are increasingly adapted for these applications.

As well as applying commercial sonars and DVLs to the defense sector, bespoke products, such as FUSION ROV from SRS and Klein's 5900 MCM survey system, have been developed specifically with military operators in mind.

These systems support the protection of critical national infrastructure in an evolving geopolitical landscape.

Ocean research

As we near the midpoint of the UN Decade of Ocean Science for Sustainable Development, demand for robust oceanographic instrumentation continues to grow. In 2024, global temperatures exceeded the 1.5°C Paris Agreement limit for the first time, underlining the importance of ocean research.

General Oceans supports global research efforts by:

- Providing high-accuracy, long-service-lifetime instruments for autonomous platforms
- Collaborating with academic and research institutions worldwide

The Group's long-standing partnerships and technological innovation make it a preferred partner for advancing climate and oceanographic research.

Summary

In a complex and dynamic global environment, the blue economy offers significant opportunities. General Oceans is well positioned to serve evolving customer needs and drive sustainable growth across its core markets in energy, defense, and science.

Board of directors

The members of the Board of Directors have signed the financial statements pursuant to their statutory obligations under The Norwegian Civil Code.

Oslo, 23 April 2025

Electronically signed	*Electronically signed*	*Electronically signed*
STEIN DALE Chair of the Board of Directors	**ASTA ELLINGSEN STENHAGEN** Director	**KIM STEINSLAND** Director
Electronically signed	*Electronically signed*	
TORFINN KILDAL Director	**SASKIA JOSEPHINE STERUD** Director	

Corporate governance report

General Oceans AS (the "Company, the Group, or General Oceans") seeks to comply with the principles of corporate governance as set out in the Norwegian Code of Practice for Corporate Governance (the "Code" or the "Code of Practice"). This report sets out General Oceans' main corporate governance policies and practices. The application of the Code is based on the "comply or explain" principle.

Good corporate governance is important for General Oceans, and the Company continuously works on its corporate governance principles, documents, and the procedures of its governing bodies (Board of Directors, Leadership Team) to ensure alignment of its practices with the Code. Like most companies, General Oceans is dependent upon good relations with its stakeholders to succeed, and this is a priority for the Group. A good reputation and solid financial development over time is important so we can build and maintain stakeholder trust and confidence. This includes customers, investors, suppliers, employees, advisors, partners, and public authorities. It requires good control and oversight of the business, as well as transparent reporting of financial results and material events. Equal treatment of shareholders is also important to increase share value and maintain investor confidence.

General Oceans is aware of its responsibility in society; comprising anti-corruption, working environment, discrimination, environment, employees, and human rights.

The purpose of the corporate governance policy is to ensure appropriate separation of roles and responsibilities between shareholders, the board, and management, as well as to ensure satisfactory controls of the Group's business activities. The board and management perform an annual assessment of its principles for corporate governance.

Deviations from the Code: None

Business

General Oceans AS is a holding and management company, and its business is connected to the ownership in its subsidiaries, each of which is engaged in the ocean technology business.

The Board of Directors sets the direction of the Group by determining the objectives, strategy, and risk profile of the Group, so it creates and sustains value for shareholders, while taking financial, social, and environmental considerations into account. These objectives, strategies, and risk profiles are evaluated on an annual basis by the Board of Directors through a strategic review process. Information concerning the objectives and principal strategies of the Group and changes thereto, as well as aspects of business risks, will be disclosed to the market in the context of the Group's annual report, marketing presentations, and on the Group's website.

Deviations from the Code: None

Equity and dividends

General Oceans strives for a strong balance sheet. The Board of Directors and the leadership team meet regularly to monitor the Group's capital structure including equity structure/levels, so they remain appropriate for the Group's objectives, strategy, and risk profile. Authorisations to the Board of Directors to increase the Company's share capital are granted with a defined purpose, and limited to no later than 24 months from the date of granting. General Oceans has ambitious goals for future growth and the overall objective is to create long-term value for its owners. To reach these goals, the Group will endeavour to have an optimal capital structure.

Excess capital will be evaluated on a continuous basis, taking into consideration, among other market conditions – regulatory requirements, counterparty and market perceptions, as well as the Group risk profile. The Board of Directors endeavours to periodically return excess capital to shareholders through dividends. This will require authorisation from the General Assembly.

Deviations from the Code: None

Equal treatment of shareholders and free trade of shares

General Oceans is dedicated to ensuring equitable treatment for all shareholders. The Shareholders' Agreement, last updated on 15th December 2023, regulates the conduct of every shareholder within the company. Notably, large shareholders hold a right of first refusal, further supported by an arrangement allowing one of the significant shareholders to augment their shareholding to 34% of the issued shares.

Comprehensive governance provisions are outlined in the Shareholders' Agreement, covering aspects such as the Board composition and proceedings, liquidity event considerations, and other governance matters related to shares.

Deviations from the Code: None

General assembly

The General Assembly is open to all shareholders of the Company, and the Board of Directors strives to ensure that as many as possible of the Company's shareholders participate in the General Assembly. The Company will send out a Notice of the General Assembly within the time limits set by applicable requirements. An agenda, documents, and information about the matters to be resolved will be included in the Notice, so shareholders can be prepared and informed on the issues to be decided upon at the General Assembly. Shareholders can vote on each individual matter, and those unable to attend the meeting in person or electronically may vote by proxy. A proxy form is included in the Notice convening the General Assembly. Any deadline for shareholders to give notice of their intention to attend the meeting will be set as close to the date of the General Assembly as possible. The General Assembly can elect an independent chairperson for the General Assembly and a shareholder may be represented through power of attorney.

Minutes of the General Meeting of Shareholders are taken, and the Board of Directors keeps records of all resolutions in writing. The records shall be deposited at the Company's office for inspection by the shareholders and persons with meeting rights. On application, each will be provided with a copy/extract from the records as required.

Deviations from the Code: None

Board of directors and executive management

The Norwegian Companies Act (Aksjeloven) stipulates that the Board of Directors shall be elected by the General Assembly, normally for a period of one year. The composition of the Board of Directors aims to ensure that the interests of all shareholders are attended to, and that the roles and responsibilities of management are clearly defined, that corporate governance requirements are met, and that they meet the Company's need for expertise, capacity, and diversity, while at the same time functioning effectively as a collegiate body.

A majority of the shareholder-elected Board members are independent of executive personnel, material business contacts, or major shareholders. Members of the Board of Directors are encouraged to own shares in the Company. The Board of Directors receives a fixed yearly compensation which is decided by the General Assembly and is reflective of the Board's responsibilities, competencies, use of time, and complexity of the Company. The remuneration of the Board of Directors is not dependent on results, but Board members might be granted options for shares in the Company as part of their remuneration.

Non-Executive Board members (or companies they are affiliated with) do not normally assume tasks for the Company in addition to the Board position. If such a commitment were to be established, the entire Board would be informed and the fee for any engagement would be subject to Board approval. If remuneration is given to the members of the Board beyond the Board fee, this will be stated in the annual report. The remuneration of the Board of Directors and key management personnel are set out in note 8 in the Consolidated Financial Statements.

The President is responsible for the daily management and operations of General Oceans and is supported in his tasks by members of the Leadership Management Team. His responsibilities include setting and achieving the Group's strategic risks, legal compliance, and social responsibility matters that are relevant to General Oceans' business. The President is accountable in these areas to the Board of Directors. In performing his duties, the President is guided by the interests of the Group, taking into consideration the interests of General Oceans' stakeholders. The President provides the Board of Directors with all information necessary to help exercise the duties of the Board of Directors in a timely manner. Furthermore, the President consults with the Board of Directors on important matters and submits important decisions to the Board of Directors for its approval in advance.

The Leadership Team is a lean group of experts in their respective fields. They support our brands in scaling more quickly, nurturing the best talent, and funding and organisation of collaborative projects. This is done by successfully combining the knowledge and business acumen that exists across the Group. The Leadership Team is made up of the President, Chief Financial Officer, the Chief People Officer, the Group Analyst, and the Group Marketing Manager.

Deviations from the Code: None

Board committees

The board does not have any other sub-committees, but will evaluate this need on an ongoing basis.

Risk management and internal control

The board shall ensure that the Group has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the Group's activities.

The objective of risk management and internal control is to ensure the successful conduct of the Group's business and to support the quality of its financial reporting.

The Board of Directors meets regularly to assess and review the strategy and risk factors of the Group. The Board of Directors receives updated financial information at every Board meeting. The financial position is analysed and compared against budgets, strategic plans, and last year's performance. The Board of Directors reviews the management reports, and risk factors for the Group are discussed and evaluated. The Board of Directors has an annual review, together with the Auditor, before approving the Annual Report.

Deviations from the Code: None

Compensation to management

It is important for General Oceans that it is recognised as an attractive employer. The Group strives to attract competent employees with relevant experience and give them opportunity for further development. Compensation is always determined at the market rate and is reviewed at appropriate intervals.

The Company will establish and implement guidelines for the remuneration of the executive management, which will be presented to the General Assembly. The principles presented in such guidelines provide a framework for the remuneration of key personnel within General Oceans and aim to support the Group's business strategy and long-term interests.

The Company has established financial incentives for employees which include a bonus arrangement. Some employees are also shareholders. Key management personnel are included in the same pension and insurance plan as other employees, as determined in their respective domestic jurisdictions. An option scheme may be established for key management personnel as a part of a future listing of the Company.

The Board of Directors sets terms and conditions for the President. The President determines the remuneration of executive personnel based on the guidelines established by the Board of Directors, reflecting the overall guidelines to be adopted by the General Assembly. Terms and Conditions are set at market terms and evaluated on an annual basis.

Deviations from the Code: None

Information and communication

The Company wishes to maintain an open dialogue with shareholders, potential investors, and other stakeholders in the securities market. The Company will, before a listing, establish principles for investor relations which include guidelines for the Company's contact with shareholders as well as the financial community.

Auditor

In addition to serving as the Group's auditor, the independent auditor firm is also used as an external consultant in respect of accounting issues, tax calculations, and issues. The auditor is not used when establishing the company strategy or in other operational matters. Only the President or the Chief Financial Officer can procure non-audit services of the auditor.

The auditor participates in the Board meeting where approval of the annual report takes place. In this meeting, the auditor reports to the Board its views on accounting matters and principles, risk areas, and internal control matters. The Auditor participates in other meetings at the Board's request when the auditor's view on a specific matter may be required.

Compensation to the auditor for both audit and non-audit related services, is set by the General Assembly and is described in the Notes to the Consolidated Financial Statements.

Deviations from the Code: None

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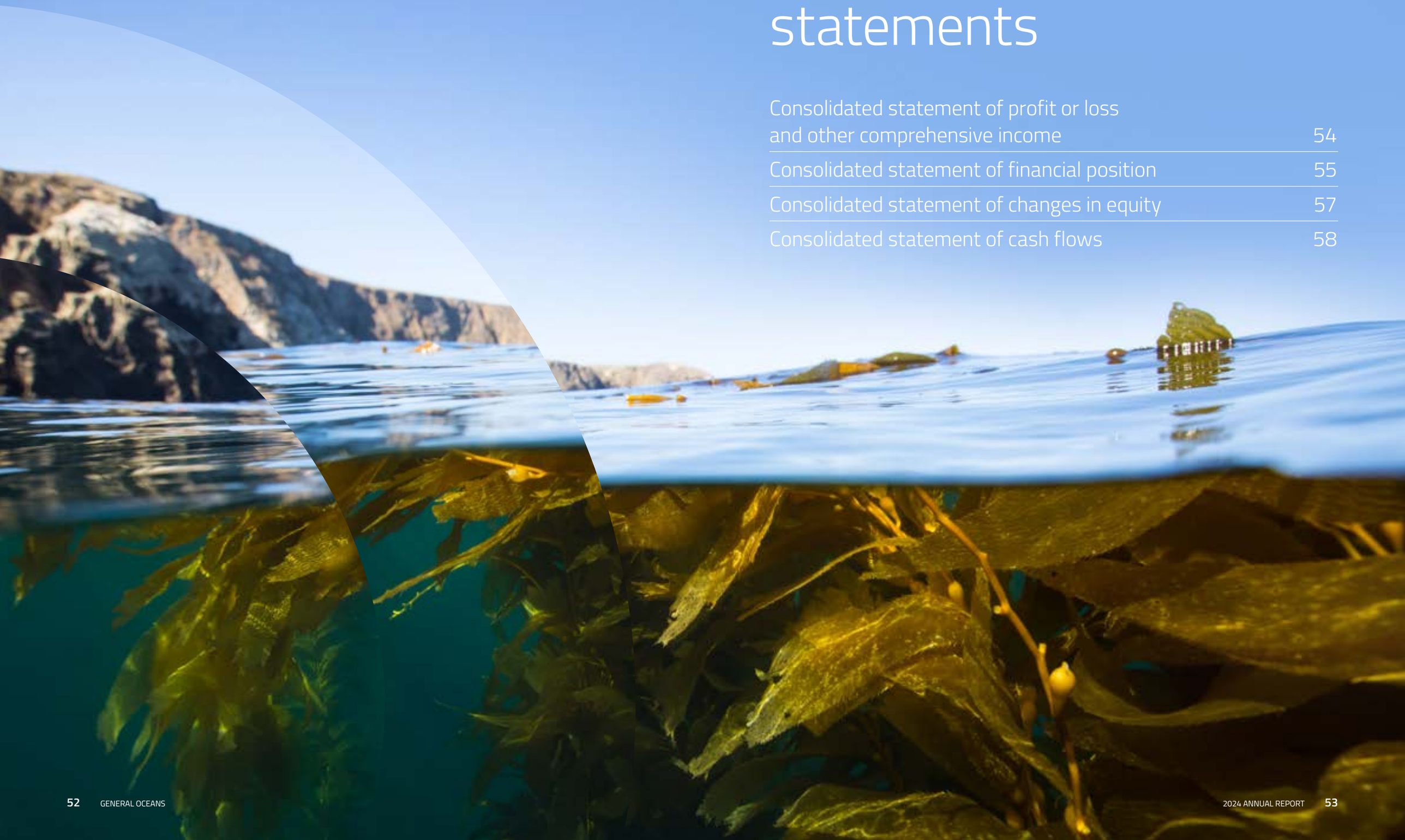

CONSOLIDATED STATEMENT OF **PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

(For the year ended 31 December)

NOK (thousands)	NOTE	2024	2023
Revenue	6	957,068	808,769
Other income	7	4,406	7,209
Raw materials		(319,815)	(247,986)
Employee benefits	8	(371,141)	(278,114)
Depreciation and amortisation expense	14, 15, 16	(59,385)	(49,047)
Impairment of goodwill	16	–	(117,321)
Other operating expense	9	(142,962)	(162,762)
OPERATING PROFIT / (LOSS)		**68,171**	**(39,252)**
Finance income	10	41,228	23,025
Finance expense	10	(46,960)	(35,867)
Share of gains / (losses) from an associate	17	(1,782)	(3,392)
PROFIT / (LOSS) BEFORE TAX		**60,657**	**(55,486)**
Income tax expense	11	(21,475)	(17,039)
PROFIT / (LOSS)		**39,182**	**(72,525)**
Other comprehensive income			
Foreign currency translation differences of foreign operations		49,870	25,740
OTHER COMPREHENSIVE INCOME, NET OF TAX		**49,870**	**25,740**
TOTAL COMPREHENSIVE INCOME / (LOSS)		**89,052**	**(46,785)**
(LOSS) / EARNINGS PER SHARE (NOK)			
Basic earnings / (loss) per share	13	0.70	(1.48)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF **FINANCIAL POSITION**

(As at 31 December))

NOK (thousands)	NOTE	2024	2023
ASSETS			
Non-current assets			
Property, plant, and equipment	14	178,447	159,283
Right-of-use assets	15	86,321	75,976
Intangible assets	16	319,006	252,006
Investment in an associate	17	–	273
Derivative financial assets	18	–	3,379
Other receivables	20, 30	–	12,327
Deferred tax assets	11	24,122	7,362
		607,896	**510,606**
Current assets			
Inventories	19	234,534	205,744
Trade and other receivables	20	188,412	153,401
Contract assets	6	3,787	506
Derivative financial assets	18	–	3,569
Cash and cash equivalents	21	281,632	172,652
		708,365	**535,872**
TOTAL ASSETS		**1,316,261**	**1,046,478**
LIABILITIES			
Non-current liabilities			
Contract liabilities	24	93	644
Loans and borrowings	22	38,407	126,480
Lease liabilities	15	77,282	67,187
Derivative financial liabilities	18	3,216	2,058
Other long term payables	29	5,542	–
Deferred tax liability	11	46,942	43,748
		171,482	**240,117**
Current liabilities			
Trade and other payables	23	130,658	114,826
Contract liabilities	24	96,243	20,982
Loans and borrowings	22	144,424	14,065
Lease liabilities short term	15	15,118	13,236
Derivative financial liabilities	18	6,932	–
Income tax payable	11	33,015	17,972
		426,390	**181,081**
TOTAL LIABILITIES		**597,872**	**421,198**
NET ASSETS		**718,389**	**625,280**
EQUITY			
Share capital	25	5,615	5,570
Share premium reserve	25	549,127	535,115
Foreign exchange reserve		113,247	63,377
Retained earnings		50,400	21,218
TOTAL EQUITY		**718,389**	**625,280**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF **FINANCIAL POSITION** (cont.)

(As at 31 December))

Oslo, 19 April 2025, Board of Directors

Electronically signed	*Electronically signed*	*Electronically signed*
STEIN DALE Chair of the Board of Directors	**ASTA ELLINGSEN STENHAGEN** Director	**KIM STEINSLAND** Director
Electronically signed	*Electronically signed*	
TORFINN KILDAL Director	**SASKIA JOSEPHINE STERUD** Director	

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**

(For the year ended 31 December)

NOK (thousands)	NOTE	Share capital	Share premium reserve	Foreign exchange reserve	Retained earnings	Total equity
BALANCE AT 1 JANUARY 2023		**4,858**	**325,855**	**37,637**	**118,743**	**487,093**
Comprehensive income for the year						
Loss for the year		–	–	–	(72,525)	(72,525)
Other comprehensive income						
Foreign currency translation differences		–	–	25,740	–	25,740
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**–**	**–**	**25,740**	**(72,525)**	**(46,785)**
Contribution by and distribution to owners						
Issue of shares		712	209,260	–	–	209,972
Dividends	12	–	–	–	(25,000)	(25,000)
TOTAL TRANSACTIONS WITH OWNERS		**712**	**209,260**	**–**	**(25,000)**	**184,972**
BALANCE AT 31 DECEMBER 2023		**5,570**	**535,115**	**63,377**	**21,218**	**625,280**
BALANCE AT 1 JANUARY 2024		**5,570**	**535,115**	**63,377**	**21,218**	**625,280**
Comprehensive income for the year						
Profit for the year		–	–	–	39,182	39,182
Other comprehensive income						
Foreign currency translation differences		–	–	49,870	–	49,870
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**–**	**–**	**49,870**	**39,182**	**89,052**
Contribution by and distribution to owners						
Issue of shares	25	45	14,012	–	–	14,057
Dividends	12	–	–	–	(10,000)	(10,000)
TOTAL TRANSACTIONS WITH OWNERS		**45**	**14,012**	**–**	**(10,000)**	**4,057**
BALANCE AT 31 DECEMBER 2024		**5,615**	**549,127**	**113,247**	**50,400**	**718,389**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF **CASH FLOWS**

(For the year ended 31 December)

NOK (thousands)	NOTE	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) for the year		39,182	(72,525)
Adjustments for:			
Net losses from sales of assets		(133)	150
Depreciation and amortisation expense	14, 15, 16	60,197	50,149
Impairment of goodwill	16	-	117,321
Bad debt provision	20	49	21
Net finance expenses	10	5,732	12,842
Share of losses from an associate	17	1,782	3,392
Income tax expense	11	21,475	17,039
Increase in inventories	19	(26,888)	(37,664)
Decrease in trade and other receivables		11,119	20,877
(Increase) decrease in contract assets		(3,281)	2,720
Decrease in trade and other payables		(13,694)	(28,006)
Increase (decrease) in contract liabilities		75,261	(68)
Cash generated from operations		170,801	86,248
Income taxes paid		(30,967)	(22,028)
Interest paid		(9,664)	(16,484)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**131,170**	**47,736**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		18,871	3,465
Capital injection to an associate	17	(1,075)	(2,543)
Proceeds from sale of assets	14	1,008	3,553
Purchase of intangible assets	16	(2,221)	(7,065)
Purchases of plant and equipment	14	(15,666)	(23,909)
Acquisition of subsidiaries (net of cash)	29	(42,372)	(122,164)
NET CASH USED IN INVESTING ACTIVITIES		**(41,455)**	**(148,663)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from interest bearing loans	22	198,160	172,965
Repayment of interest bearing loans	22	(155,892)	(233,062)
Lease liabilities repaid	15	(18,241)	(14,574)
Dividends paid	12	(10,000)	(25,000)
Issue of shares	25	-	209,972
NET CASH GENERATED FROM FINANCING ACTIVITIES		**14,027**	**110,301**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**102,742**	**9,374**
Cash and cash equivalents at beginning of year		172,652	153,824
Effect of foreign exchange rate changes		6,238	9,454
CASH AND CASH EQUIVALENTS AT END OF YEAR		**281,632**	**172,652**

The accompanying notes are an integral part of these consolidated financial statements.

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Notes to the consolidated financial statements

NOTE 1 | CORPORATE INFORMATION

General Oceans AS (the "Company") was incorporated on 7 April 2021 in Norway. The principal activities of the Company and its subsidiaries (the "Group") is developing and manufacturing oceanographic sensors, underwater vehicle systems, robotic manipulators, and software.

The registered office of the Company is Vangkroken 2, RUD, 1351, Norway.

The consolidated financial statements are presented in Norwegian Kroner ("NOK"), which is also the Company's functional currency. Amounts are rounded to the nearest thousand, unless otherwise stated.

NOTE 2 | ADOPTION OF NEW AND REVISED STANDARDS

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group has applied the following amendment to IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IAS 21	Lack of Exchangeability
IFRS 18	Presentation and Disclosure in Financial Statements (effective 2027)
Amendments to IFRS 9	Financial Instruments
IFRS 19	Subsidiaries without Public Accountability: Disclosures

The Board of Directors of the Group (the "Board") do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

IFRS 18 PRESENTATION AND DISCLOSURE IN THE FINANCIAL STATEMENTS

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- Present specified categories and defined subtotals in the statement of profit or loss
- Provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- Improve aggregation and disaggregation

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The Board of Directors of the Group ('the Board') anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods.

NOTE 3 | MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the IASB and Interpretations (collectively "IFRS"), as adopted by the European Union, as well as additional Norwegian reporting requirements pursuant to the Norwegian Accounting Act.

The consolidated financial statements have been prepared on a historical cost basis, except for the following items (refer to individual accounting policies for details):

- Derivative financial instruments – fair value through profit or loss

The accounting policies adopted are set out below.

Going concern

The Board has, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the parent company and entities controlled by the parent company (its subsidiaries) made up to 31 December each year. Control is achieved when the parent company:

- Has the power over the investee
- Is exposed, or has rights, to variable returns from its involvement with the investee
- Has the ability to use its power to affect its returns

The parent company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the parent company obtains control over the subsidiary and ceases when the parent company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the parent company gains control until the date when the parent company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree, and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Investment in an associate

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of the associate are incorporated in these financial statements using the equity method of accounting.

Under the equity method, an investment in an associate is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

If there is objective evidence that the Group's net investment in an associate is impaired, the requirements of IAS 36 Impairment of Assets are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue

The Group recognises revenue from the following major sources:

- Product sales
- Services

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

PRODUCT SALES

The Group sells sensors, operational platforms, and subsea vehicles to customers. Sometimes, these products are customized extensively. However, this customisation does not limit the Group's ability to resell the products if an order is cancelled, albeit such cancellations are rare.

Revenue is recognised when control of the products has transferred, generally being when the Group has made the products available to the customer. The Group acts as a principal in the transaction, as it has control over the products before their transfer to the customer. A receivable is recognised by the Group when the products are made available to the customer, as this represents the point in time at which the right to consideration becomes unconditional, with only the passage of time being required before payment is due.

SERVICES

The Group sells various supporting services in relation to its products, such as repairs and maintenance, short-term equipment rental, staff deployment, and training services.

Service revenue is recognised at a point in time or over time, depending on the performance obligations involved in the services. For services performed and completed at a specific point in time, revenue is recognised at the point in time when the Group has rendered the services at their stand-alone selling prices.

The Group applies the practical expedient for certain short-term services where the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date. The Group recognises revenue on these services in the amount to which the Group has a right to invoice.

WARRANTY RELATING TO PRODUCT SALES

The Group provides warranties for general repairs of equipment with defects that existed at the time of sale. This service relates to maintenance work that may be required to be carried out on the equipment for a 12-month period after sale or over the service period. These assurance-type warranties are accounted for as warranty provisions in accordance with IAS 37 Provisions, Contingent Liabilities, and Contingent Assets. Refer to the accounting policy on warranty provisions in note 3.

The Group also provides options for customers to extend the warranty at an additional cost. These service-type warranties are considered to be a distinct service as they are supplied by the Group to customers on a stand-alone basis. Revenue relating to the extended warranty services is recognised over time. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is released on a straight-line basis over the period of service.

SIGNIFICANT FINANCING COMPONENTS

The Group does not have any contracts where the period between the transfer of the promised products to the customer and payment by the customer exceeds one year.

The Group receives an upfront payment for extended warranty services, which covers the entire service period. This upfront payment is intended to reduce administration costs. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Leases

THE GROUP AS A LESSEE

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (which mainly consist of small items of office furniture). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- The amount expected to be payable by the lessee under residual value guarantees

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant, and Equipment' policy.

THE GROUP AS A LESSOR

The Group enters into lease agreements as a lessor with respect to some of its buildings.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Foreign currencies

In preparing the financial statements of the Group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Defined contribution schemes

The Group provides defined contribution retirement benefit plans for all employees. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit plans are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Short-term and other long-term service benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick

leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured using the projected unit credit method and then discounted using yields available on high-quality corporate bonds that have maturity dates approximating to the expected remaining period to settlement and are denominated in the same currency as the post-employment benefit obligations.

Taxation

The income tax expense represents the sum of current and deferred income tax expense.

CURRENT TAX

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the parent company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

DEFERRED TAX

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

CURRENT TAX AND DEFERRED TAX FOR THE YEAR

Current and deferred tax are recognised in profit or loss. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant, and equipment

Freehold land is not depreciated.

Plant, machinery, fixtures, and fittings are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method in accordance with note 14.

The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset.

An item of property, plant, and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

EXTERNALLY ACQUIRED INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives which are disclosed in note 16. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

INTANGIBLE ASSETS ACQUIRED IN A BUSINESS COMBINATION

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

INTERNALLY GENERATED INTANGIBLE ASSETS (DEVELOPMENT COSTS)

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- The intention to complete the intangible asset and use or sell it
- The ability to use or sell the intangible asset
- How the intangible asset will generate probable future economic benefits
- The availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset
- The ability to measure reliably the expenditure attributable to the intangible asset during its development

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated

amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

DERECOGNITION OF INTANGIBLE ASSETS

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

The significant intangibles recognised by the Group, their useful economic lives and the methods used to determine the cost of intangibles acquired in a business combination are outlined in note 16.

Impairment of non-financial assets (excluding goodwill)

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment, and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Cash and cash equivalents

In the statement of financial position, cash and bank balances comprise cash and bank balances.

Bank balances for which use by the Group is subject to third-party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed in notes 21 and 22.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

FINANCIAL ASSETS

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- 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

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs, and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognised in profit or loss and is included in the "finance income" line item (note 10).

(ii) Financial assets at FVTPL

Derivative financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Derivative financial assets are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. Fair value is determined in the manner described in note 5.

FOREIGN EXCHANGE GAINS AND LOSSES

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'finance income' line item (note 10).

For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'finance expense' line item as part of the fair value gain or loss (note 10).

IMPAIRMENT OF FINANCIAL ASSETS

The Group recognises a provision for impairment on trade and other receivables. The amount of provision for impairment is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Impairment provisions for trade receivables are recognised based on the simplified approach in the determination of the lifetime expected credit losses. Under this approach, the Group assesses the credit risk of each customer individually, taking into account factors such as their financial position, payment history, and current economic conditions. The Group considers a range of scenarios to assess the likelihood of default and the potential loss. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for other receivables are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since the initial recognition of the financial asset. For those where the credit risk has not increased significantly since the initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The measurement of provision for impairment is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default), and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the provision for impairment is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

FINANCIAL LIABILITIES AND EQUITY

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the parent company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue, or cancellation of the parent company's own equity instruments.

Financial liabilities at amortised cost

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'finance expense' line item in profit or loss (note 10) for financial liabilities that are not part of a designated hedging relationship.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps. Further details of derivative financial instruments are disclosed in note 18.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability. Foreign-exchange forward contracts are offset in the financial statements as the Group has both a legally enforceable right and intention to offset. The impact of the master netting agreements on the Group's financial position is disclosed in note 18. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

WARRANTIES

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

DILAPIDATION

Provisions for the costs to restore leased plant assets to their original condition, as required by the terms and conditions of the lease, are recognised when the obligation is incurred, either at the commencement date or as a consequence of having used the underlying asset during a particular period of the lease, at the Board's best estimate of the expenditure that would be required to restore the assets. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

Dividends

Dividends are recognised when they become legally payable. In the case of dividends to equity shareholders, this is when they are approved by the shareholders at the General Assembly.

NOTE 4 | CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In applying the Group's accounting policies, which are described in note 3, the Board is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

Critical judgments in applying the Group's accounting policies

The following are the critical judgments, apart from those involving estimations (which are presented separately below), that the Board have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

- Revenue recognition – timing of satisfaction (see note 3 and 6)

Estimates and assumptions

- Deferred tax assets – estimate of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised (see note 11)
- Impairment of goodwill – estimate of future cash flows and determination of the discount rate (see note 16)
- Lease liabilities – estimate of incremental borrowing rate used to measure lease liabilities (see note 15)

NOTE 5 | FINANCIAL RISK MANAGEMENT

Overview

The Group's activities expose it to a variety of financial risks, which can be categorised as:

- Currency risk
- Interest rate risk
- Credit risk
- Liquidity risk

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies, and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Financial instruments by category

The following table combines information about:

- Classes of financial instruments based on their nature and characteristics
- The carrying amounts of financial instruments
- Fair values of financial instruments (except financial instruments when carrying amount approximates their fair value)

NOK (thousands)	2024	2023
FINANCIAL ASSETS		
Financial assets at amortised cost:		
Trade and other receivables	170,987	153,214
Cash and cash equivalents	281,632	172,652
Derivative financial assets	–	6,948
TOTAL FINANCIAL ASSETS	**452,619**	**332,814**
FINANCIAL LIABILITIES		
Financial liabilities at amortised cost:		
Trade and other payables	92,956	86,339
Loans and borrowings	182,831	140,545
Derivative financial liabilities	10,148	2,058
TOTAL FINANCIAL LIABILITIES	**285,935**	**228,942**

Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

NOK (thousands)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
AT 31 DECEMBER 2024				
Financial assets				
Derivative financial assets	–	–	–	–
TOTAL FINANCIAL ASSETS	**–**	**–**	**–**	**–**
Financial liabilities				
Derivative financial liabilities	–	10,148	–	10,148
TOTAL FINANCIAL LIABILITIES	**–**	**10,148**	**–**	**10,148**

NOK (thousands)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
At 31 December 2023				
Financial assets				
Derivative financial assets	–	6,948	–	6,948
TOTAL FINANCIAL ASSETS	**–**	**6,948**	**–**	**6,948**
Financial liabilities				
Derivative financial liabilities	–	2,058	–	2,058
TOTAL FINANCIAL LIABILITIES	**–**	**2,058**	**–**	**2,058**

There were no transfers between levels during the current or prior year.

Derivative financials instruments are fair valued by the 3rd party provider of these derivatives.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Financial risk management objectives

The Group's CFO provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports, which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk, and price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group's CFO reports regularly to the Board, which monitors risks and policies implemented to mitigate risk exposures.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates (see below). The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency and interest rate risk, including:

- Forward foreign exchange contracts to hedge the exchange rate risk
- Interest rate swaps to mitigate the risk of rising interest rates

Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

CURRENCY RISK

The Group undertakes transactions denominated in foreign currencies. Consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	ASSETS		LIABILITIES	
NOK (thousands)	**2024**	2023	**2024**	2023
United States dollar ("USD")	117,408	110,779	161,765	148,028
Great Britain pound ("GBP")	33,369	950	59,735	1,342
Australian dollar ("AUD")	115	–	1,725	–
Euro ("EUR")	8,522	10,299	4,233	292
Others	14,066	6,027	7,610	3,726
	173,480	128,055	**235,068**	153,388

Foreign currency sensitivity analysis

The Group is mainly exposed to USD.

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. A positive number below indicates an increase in profit and equity where USD strengthens against NOK. For the weakening of USD against NOK, there would be a comparable impact on the profit and equity, and the balances below would be negative.

The movement in the pre-tax effect is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in USD, where the functional currency of the entity is a currency other than USD.

The Group's exposure to foreign currency changes for all other currencies is not material.

NOK (thousands)	Change in USD rate	Effect on profit before tax	Effect on pre-tax equity
2024	+10%	(4,436)	–
	-10%	4,436	–
2023	+10%	(3,725)	–
	-10%	3,725	–

INTEREST RATE RISK

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed- and floating-rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring the most cost-effective hedging strategies are applied.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

The Group is exposed to SOFR (2023: SOFR). The exposures arise on the Group's loans and borrowings.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the reporting date. For floating-rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

NOK (thousands)	Effect on profit before tax 2024	Effect on profit before tax 2023
Interest rates – increase by 100 basis points	(43)	–
Interest rates – decrease by 100 basis points	43	–

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2024 and 31 December 2023, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties, arises from its trade and other receivables and contract assets.

It is Group policy, implemented locally, to assess the credit risk of new customers before entering into contracts. The Group's customers are typically defense, public-sector, or public-sector-sponsored institutions. They are generally considered to have a good rating and are thereby considered low risk in credit terms. The customer's credit quality is based on historic experience, its current financial position, and other factors.

Credit risk also arises from cash and cash equivalents, and deposits with banks and financial institutions. Further disclosures regarding trade and other receivables, which are neither past due nor impaired, are provided in note 20.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 90 days.

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. For non-derivative financial liabilities, the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest cash flows are floating rate, the undiscounted amount is derived from interest rate curves at the reporting date.

For the foreign exchange forward contracts which are settled on a net basis, undiscounted net cash outflows are presented based on contractual maturities. The undiscounted amounts are derived from exchange rates at the reporting date.

For the interest rate swap which is settled on a net basis, undiscounted net cash outflows are presented based on the expected interest payment. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

NOK (thousands)	UP TO 3 MONTHS	BETWEEN 3 AND 12 MONTHS	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 5 YEARS	OVER 5 YEARS
AT 31 DECEMBER 2024					
Trade and other payables	92,956	–	–	–	–
Loans and borrowings	8,065	146,018	41,057	–	–
Lease liabilities	5,031	13,278	15,643	33,737	39,858
Derivative financial liabilities – cash (inflows) / outflows	387	1,725	(9,979)	–	–
TOTAL	**106,439**	**161,021**	**46,721**	**33,737**	**39,858**
AT 31 DECEMBER 2023					
Trade and other payables	86,339	–	–	–	–
Loans and borrowings	5,637	17,801	132,236	–	–
Lease liabilities	3,777	11,132	12,218	23,975	44,884
Derivative financial liabilities – cash (inflows) / outflows	(252)	296	1,611	1,261	–
TOTAL	**95,501**	**29,229**	**146,065**	**25,236**	**44,884**

Capital risk

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2023.

The capital structure of the Group consists of net debt and equity of the Group.

The Group monitors capital on the basis of the debt-to-equity ratio. Debt is defined by the Group as long- and short-term borrowings and lease liabilities (excluding derivatives) as disclosed in notes 15 and 22. Net debt is defined as debt after deducting cash and cash equivalents. Equity includes share capital, reserves and retained earnings as disclosed in note 27.

Due to recent market uncertainty, the Group's strategy is to preserve a strong cash base and achieve a debt-to-adjusted-capital ratio of less than 40% (2023: <40%). The objective of this strategy is to secure access to finance at reasonable cost by maintaining a high credit rating.

The debt-to-capital ratios at 31 December 2024 and at 31 December 2023 were as follows:

NOK (thousands)	2024	2023
Loans and borrowings	182,831	140,545
Lease liabilities	92,400	80,423
Less: cash and cash equivalents	(281,632)	(172,652)
NET DEBT	**–**	**48,316**
Total Equity	718,389	625,280
Net debt to equity %	0.0%	7.7%

The Group is subject to certain externally imposed capital requirements as disclosed in note 22.

NOTE 6 | REVENUE

The Group has disaggregated revenue from contracts with customers into various categories in the following table, which is intended to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic date.

Revenue by nature

NOK (thousands)	2024	2023
At a point in time	897,145	766,810
Over time	59,923	41,959
	957,068	**808,769**

Revenue by market area

NOK (thousands)	2024	2023
Marine construction	576,203	531,920
Defense	230,984	129,431
Research	149,881	147,418
	957,068	**808,769**

Revenue from the defense market is predominantly from government contracts.

Revenue by geographic area

NOK (thousands)	2024	2023
Europe	416,738	366,147
Asia and Oceania	284,730	144,373
Americas	247,242	266,074
Rest of the world	8,358	32,175
	957,068	**808,769**

Timing of revenue recognition

NOK (thousands)	2024	2023
At a point in time	953,269	808,443
Over time	3,799	326
	957,068	**808,769**

No single customer contributed 10 per cent or more to the Group's revenue in either 2024 or 2023.

As of 31 December 2024, contract assets amounted to NOK 3,787 thousand (31 December 2023: NOK 506 thousand), representing orders that have been completed but not yet invoiced to customers.

NOTE 7 | OTHER INCOME

Other income is not considered to be part of the main revenue generating activities, the Group presents this income separately from revenue.

NOK (thousands)	2024	2023
Grants	407	3,938
Gains from sales of assets	853	1,164
Other	3,146	2,107
	4,406	**7,209**

NOTE 8 | EMPLOYEE BENEFITS

The employee costs include employee benefit plans and pensions.

NOK (thousands)	2024	2023
Wages and salaries	338,358	246,870
Social security contributions and similar taxes	26,845	26,036
Defined contribution pension cost	5,939	5,208
	371,142	**278,114**
Number of employees at year end	334	337

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the Board of Directors, CEOs of the subsidiaries, and the CFO of the Group.

NOK (thousands)	2024	2023
Wages and salaries	14,787	16,021
Social security contributions and similar taxes	1,362	2,319
Defined contribution pension cost	783	647
	16,932	**18,987**

NOK (thousands)		Salary[1]	Pension Benefits	Other Benefits
Atle Lohrmann	**2024**	1,854	–	–
President	**2023**	1,773	–	–

[1] Salaries as expensed, excluding social security taxes.

As at 31 December 2024, the Board of Directors and key management personnel held a total of 30,928,810 shares (31 December 2023: 33,591,684 shares). The 2023 share numbers have been adjusted to reflect the shares split that occurred during the year. For further details, please refer to note 25. In addition, the Board of Directors held 227,200 share options as at 31 December 2024.

NOTE 9 | OTHER OPERATING EXPENSES

The direct operating and sales, general and administrative expenses combined are referred to as expenses from operating activities. Included in the expenses from operating activities are, amongst other, the following items:

NOK (thousands)	2024	2023
Sales and marketing	17,458	14,142
Travel	16,364	14,602
Professional fees	20,602	10,623
Research and development	20,637	57,247
Occupancy costs	17,078	17,134
Office expenses	21,350	16,896
Other	29,473	32,118
	142,962	**162,762**

Audit Fees

NOK (thousands)	2024	2023
Statutory audit	767	842
Assurance services	25	47
Other non-assurance services	23	410
Other auditors	4,522	3,610
	5,314	**4,909**

NOTE 10 | FINANCE INCOME AND EXPENSE

NOK (thousands)	2024	2023
FINANCE INCOME		
Bank interest income	4,351	3,876
Other interest income	2,193	29
Foreign exchange gain	34,684	19,120
TOTAL FINANCE INCOME	**41,228**	**23,025**
FINANCE EXPENSE		
Bank interest expense	(9,795)	(15,993)
Other interest expense	(3,182)	(3,399)
Foreign exchange expense	(33,983)	(16,475)
TOTAL FINANCE EXPENSE	**(46,960)**	**(35,867)**

NOTE 11 | INCOME TAX

NOK (thousands)	2024	2023
Current income tax	38,946	22,998
Change in deferred tax	(17,471)	(5,959)
TOTAL INCOME TAX EXPENSE	**21,475**	**17,039**

The income tax expense for the year can be reconciled to the (loss) / profit before tax as follows:

NOK (thousands)	2024	2023
(LOSS) / PROFIT BEFORE TAX	**60,657**	**(55,486)**
Tax using the Company's domestic tax rate of 22% (2023: 22%)	13,345	(12,207)
Expenses not deductible (taxable) for tax purposes	(999)	33,786
Tax losses	19,539	10,100
Capital allowances	(166)	(2,426)
Effect of different income tax rates in other jurisdictions	774	(26)
Deferred tax	(17,471)	(5,959)
Other	6,453	(6,229)
TOTAL INCOME TAX EXPENSE FOR THE YEAR	**21,475**	**17,039**

The standard rate of corporation tax applied to reported profit is 22 per cent (2023: 22 per cent). Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

No material uncertain tax positions exist as at 31 December 2024 and 2023.

NOTE 12 | DIVIDENDS

Following the Board's proposal of an additional 2023 dividend of NOK 40 million—approved in an Extraordinary General Meeting in March 2025—the Board is not proposing a final dividend for 2024 (2023: NOK 10 million). This dividend has not been accrued in the consolidated statement of financial position

NOTE 13 | EARNINGS / (LOSS) PER SHARE

Basic earnings / (loss) per share is calculated by dividing the profit / (loss) for the year by the weighted average number of ordinary shares outstanding during the year.

The following table reflects the income and share data used in the basic earnings / (loss) per share calculations:

	2024	2023
Earnings /(loss) (NOK'000)		
Profit / (loss) attributable to shareholders	39,182	(72,525)
Weighted average number of ordinary shares ('000 shares)	55,752	48,915
BASIC EARNINGS / (LOSS) PER SHARE	**0.70**	**(1.48)**

The par value of each ordinary share has been reduced from NOK 3.5 to NOK 0.1. For details, please refer to Note 25. The denominator for the purposes of calculating (loss) basic earnings per share has been adjusted to reflect the share split.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

The Group did not have any instruments with a dilutive effect on 31 December 2024 and 2023.

NOTE 14 | PROPERTY, PLANT, AND EQUIPMENT

NOK (thousands)	LAND AND BUILDINGS	PLANT, MACHINERY AND EQUIPMENT	FIXTURES AND FITTINGS	TOTAL
COST				
Balance at 1 January 2023	**63,970**	**77,356**	**28,232**	**169,558**
Business combinations	53,086	15,755	272	69,113
Additions	469	13,926	9,514	23,909
Reclassifications	729	(1,688)	(4,376)	(5,335)
Retirement and disposals	–	(7,345)	(102)	(7,447)
Exchange differences	3,604	2,452	1,028	7,084
BALANCE AT 31 DECEMBER 2023	**121,858**	**100,456**	**34,568**	**256,882**
Balance at 1 January 2024	**121,858**	**100,456**	**34,568**	**256,882**
Business combinations	–	8,449	2,478	10,927
Additions	1,919	10,204	3,543	15,666
Reclassifications	–	227	–	227
Retirement and disposals	–	(9,242)	(1,223)	(10,465)
Exchange differences	13,098	7,163	2,490	22,751
BALANCE AT 31 DECEMBER 2024	**136,875**	**117,257**	**41,856**	**295,988**

NOK (thousands)	LAND AND BUILDINGS	PLANT, MACHINERY AND EQUIPMENT	FIXTURES AND FITTINGS	TOTAL
ACCUMULATED DEPRECIATION				
Balance at 1 January 2023	**(11,036)**	**(47,384)**	**(19,558)**	**(77,978)**
Business combinations	–	(9,016)	(149)	(9,165)
Depreciation charge	(2,206)	(9,557)	(3,194)	(14,957)
Reclassifications	(568)	1,999	2,510	3,941
Retirement and disposals	–	3,675	69	3,744
Exchange differences	(944)	(1,589)	(651)	(3,184)
BALANCE AT 31 DECEMBER 2023	**(14,754)**	**(61,872)**	**(20,973)**	**(97,599)**
Balance at 1 January 2024	**(14,754)**	**(61,872)**	**(20,973)**	**(97,599)**
Business combinations	–	(1,901)	(2,352)	(4,253)
Depreciation charge	(3,455)	(11,577)	(3,804)	(18,836)
Reclassifications	–	–	–	–
Retirement and disposals	–	8,647	943	9,590
Exchange differences	(1,655)	(5,157)	369	(6,443)
BALANCE AT 31 DECEMBER 2024	**(19,864)**	**(71,860)**	**(25,817)**	**(117,541)**
CARRYING AMOUNTS				
At 1 January 2023	52,934	29,972	8,674	91,580
At 31 December 2023	107,104	38,584	13,595	159,283
AT 31 DECEMBER 2024	**117,011**	**45,397**	**16,039**	**178,447**
Useful life (years)	**3 - 15**	**3 - 5**	**3 - 15**	

During the year ended 31 December 2024, depreciation expenses of NOK 0.8 million were charged to raw materials as factory overheads on production facilities (2023: NOK 1.1 million).

NOTE 15 | RIGHT-OF-USE ASSETS AND LEASES

The Group as a lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The Group leases a number of properties in the jurisdictions from which it operates. In some jurisdictions it is customary for lease contracts to provide for payments to increase each year by inflation or and in others to be reset periodically to market rental rates. In some jurisdictions property leases the periodic rent is fixed over the lease term.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the Group's incremental borrowing rate on commencement of the lease is used.

NOK (thousands)	RIGHT-OF-USE ASSET	LEASE LIABILITIES
Balance at 1 January 2024	**75,976**	**(80,423)**
Additions – new leases	11,595	(11,595)
Additions – business combinations	2,333	(2,265)
Additions – lease modifications	9,728	(11,347)
Depreciation expense	(15,743)	–
Interest expense	–	(3,313)
Lease payments	–	18,241
Exchange differences	2,431	(1,699)
BALANCE AT 31 DECEMBER 2024	**86,321**	**(92,400)**
Balance at 1 January 2023	**63,591**	**(66,268)**
Additions – new leases	19,449	(19,449)
Additions – lease modifications	5,737	(5,737)
Depreciation expense	(13,136)	–
Interest expense	–	(2,908)
Lease payments	–	14,574
Exchange differences	335	(635)
BALANCE AT 31 DECEMBER 2023	**75,976**	**(80,423)**

Lease liabilities

NOK (thousands)	2024	2023
Non-current	77,282	67,187
Current	15,118	13,236
	92,400	**80,423**

Lease liabilities have multiple maturity dates, refer to note 5 for a maturity analysis of lease liabilities.

The Group as a lessor

Certain buildings are leased to tenants under short-term operating leases with rentals payable monthly. The lessee does not have an option to purchase the property at the expiry of the lease period.

Maturity analysis of operating lease payments:

NOK (thousands)	2024	2023
Up to 3 months	177	210
Between 3 and 12 months	237	281
	414	**491**

NOTE 16 | INTANGIBLE ASSETS

NOK (thousands)	GOODWILL	INTELLECTUAL PROPERTIES, PATENTS AND LICENSES	TRADEMARKS AND CUSTOMER RELATIONSHIPS	DEVELOPMENT COSTS	TOTAL
COST					
Balance at 1 January 2023	**183,930**	**36,192**	**150,817**	**–**	**370,939**
Additions	–	1,922	1,035	4,108	7,065
Business combinations	9,381	8,978	3,408	–	21,767
Reclassifications	–	5,335	–	–	5,335
Exchange differences	3,619	1,829	6,143	–	11,591
BALANCE AT 31 DECEMBER 2023	**196,930**	**54,256**	**161,403**	**4,108**	**416,697**
Balance at 1 January 2024	**196,930**	**54,256**	**161,403**	**4,108**	**416,697**
Additions	–	504	–	1,717	2,221
Business combinations	31,178	7,984	30,528	199	69,889
Reclassifications	–	–	–	–	–
Retirement and disposals	–	(5,294)	–	–	(5,294)
Exchange differences	9,225	4,922	16,008	(0)	30,155
BALANCE AT 31 DECEMBER 2024	**237,333**	**62,372**	**207,939**	**6,024**	**513,668**
AMORTISATION AND IMPAIRMENT					
Balance at 1 January 2023	**–**	**(4,491)**	**(14,672)**	**–**	**(19,163)**
Business combinations	**–**	**(2,663)**	**–**	**–**	**(2,663)**
Amortisation charge	–	(5,866)	(16,190)	–	(22,056)
Impairment	(117,321)	–	–	–	(117,321)
Reclassifications	–	(3,941)	–	–	(3,941)
Exchange differences	–	479	(26)	–	453
BALANCE AT 31 DECEMBER 2023	**(117,321)**	**(16,482)**	**(30,888)**	**–**	**(164,691)**
Balance at 1 January 2024	**(117,321)**	**(16,482)**	**(30,888)**	**–**	**(164,691)**
Business combinations	–	–	–	–	–
Amortisation charge	–	(7,235)	(16,777)	(1,606)	(25,618)
Impairment	–	–	–	–	–
Reclassifications	–	–	–	–	–
Retirement and disposals	–	1,547	–	–	1,547
Exchange differences	(3,750)	1,581	(3,730)	–	(5,899)
BALANCE AT 31 DECEMBER 2024	**(121,071)**	**(20,589)**	**(51,395)**	**(1,606)**	**(194,661)**
CARRYING AMOUNTS					
At 1 January 2023	183,930	31,701	136,145	–	351,776
At 31 December 2023	79,609	37,774	130,515	4,108	252,006
At 1 January 2024	79,609	37,774	130,515	4,108	252,006
AT 31 DECEMBER 2024	**116,262**	**41,783**	**156,544**	**4,418**	**319,007**
Useful life (years)	**N/A**	**5 – 20**	**10**	**N/A**	

Note: At 31 December 2024, the Group has a trademark of NOK 5,825 thousand (31 December 2023: NOK 4,301 thousand) with indefinite useful life. The trademark was tested for impairment.

Research and development costs of NOK 20,638 thousand (2023: NOK 57,247 thousand) that are not eligible for capitalisation have been expensed in the year incurred and they are recognised in other operating expenses.

The research and development costs expensed this year were primarily due to the heightened payroll expenses allocated to research and development, linked with the Group's research activities in ocean technologies. This increase in labour costs reflects our sustained dedication to enhancing our capabilities in marine technology.

Impairment testing

The Group assesses at each reporting date, whether there is an indication that an intangible asset may be impaired in accordance with note 3. The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of four to five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

IMPAIRMENT TESTING FOR DEVELOPMENT COSTS

Included in the carrying amount of development costs at 31 December 2024 is an amount of NOK 4,108 thousand (31 December 2023: NOK 4,108 thousand) related to a development project for a new version of the Vector. The new Vector is planned to be launched in Q2 2025. Consequently, the benefit of the development project will not be realised as soon as previously expected and management has carried out an impairment test.

The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	2023	**2024**	2023
Annual revenue growth	3.0%	3.6%	-1.0%	-1.0%
Discount rate	7.2%	7.2%	+0.5%	+0.5%

The recoverable amount of the development project that included these development costs was estimated based on the present value of the future cash flows expected to be derived from the development project (value in use). The recoverable amount of the development project was estimated to be higher than its carrying amount and no impairment was required.

IMPAIRMENT TESTING FOR GOODWILL

At 31 December 2024 and 2023, the Group's goodwill originated from business combinations are as follows:

NOK (thousands)	2024	2023
Strategic Robotic Systems Inc ("SRS")	–	–
Reach Robotics Pty Ltd ("Reach Robotics")	36,317	35,693
Tritech International Ltd ("Tritech")	38,413	34,928
Klein Marine Systems Inc	10,032	8,988
RS Aqua Ltd	31,500	–
	116,262	**79,609**

Strategic Robotic Systems Inc

At 31 December 2024, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The impairment related to SRS was initially recognised in 2023 after its initial revenue growth expectations failed to materialise, due to weaker-than-expected sales performance, intensified competition, and disruptions from its relocation to San Diego.

In response, SRS underwent a strategic and operational realignment, completed in 2024, aimed at strengthening its market position and improving execution. The recoverable amount of SRS was estimated at NOK 11 million

as at 31 December 2024. Projected cash flows have been updated to reflect current conditions, providing a more realistic and sustainable financial outlook. Key assumptions and sensitivities used in the impairment test are outlined in the table below. The headroom related to SRS in the impairment test amounted to NOK 797 thousand.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	2023	**2024**	2023
Annual revenue growth	4.1%	4.1%	-1.0%	-1.0%
Discount rate	13.5%	13.5%	+0.5%	+0.5%

It was concluded that the recoverable amount exceeded the carrying amount of the CGU. As a result of this analysis, no impairment was recognised against goodwill as at 31 December 2024 (2023: impairment of NOK 117.3m).

Reach Robotics Pty Ltd

As at 31 December 2024, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The headroom related to Reach in the impairment-test amounted to NOK 2,688 thousand. The projected cash flows have been updated to reflect the decreased demand for products and services. The following table shows the key assumptions used in the impairment test, which have been adjusted to reflect increased sales orders and a more streamlined production process. It also outlines the sensitivity of the results to changes in these assumptions.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	2023	**2024**	2023
Annual revenue growth	14.8%	13.5%	-1.0%	-1.0%
Discount rate	13.0%	13.0%	+0.5%	+0.5%

By reference to the recoverable amount assessed in the impairment calculations, it is concluded that there is no impairment indication identified on intangible assets.

Tritech International Ltd

As at 31 December 2024, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The headroom related to Tritech in the impairment-test amounted to NOK 93,152 thousand. The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	2023	**2024**	2023
Annual revenue growth	9.9%	9.9%	-1.0%	-1.0%
Discount rate	13.5%	13.5%	+0.5%	+0.5%

By reference to the recoverable amount assessed in the impairment calculations, it is concluded that there is no impairment indication identified on intangible assets.

Klein Marine Systems Inc

As at 31 December 2024, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The headroom related to Klein in the impairment-test amounted to NOK 15,284 thousand. The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions. These assumptions have been adjusted to reflect increased sales orders.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	2023	**2024**	2023
Annual revenue growth	7.2%	4.2%	-1.0%	-1.0%
Discount rate	15.0%	15.0%	+0.5%	+0.5%

By reference to the recoverable amount assessed in the impairment calculations, it is concluded that there is no impairment indication identified on intangible assets.

RS Aqua Ltd

As at 31 December 2024, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The headroom related to RS Aqua in the impairment-test amounted to NOK 4,790 thousand. The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions. These assumptions have been adjusted to reflect increased sales orders.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	2023	**2024**	2023
Annual revenue growth	2.0%	n/a	-1.0%	n/a
Discount rate	14.0%	n/a	+0.5%	n/a

By reference to the recoverable amount assessed in the impairment calculations, it is concluded that there is no impairment indication identified on intangible assets.

NOTE 17 | INVESTMENT IN AN ASSOCIATE

The following entities have been included in the consolidated financial statements using the equity method:

NAME	COUNTRY OF INCORPORATION AND PRINCIPLE PLACE OF BUSINESS	PROPORTION OF OWNERSHIP INTEREST AT 31 DECEMBER	
		2024	2023
Hefring Inc	United States of America	25%	25%

Summarized financial information

NOK (thousands)	**2024**	2023
Current assets	4,097	10,015
Non-current assets	246	257
Current liabilities	(10,249)	(1,973)
Non-current liabilities	(9,082)	(7,208)
NET ASSETS	**(14,989)**	**1,091**
GROUP SHARE OF NET ASSETS (25%)	**(3,747)**	**273**
Revenues	6,530	980
Loss from operations	(15,692)	(12,993)

NOTE 18 | DERIVATIVE FINANCIAL INSTRUMENTS

NOK (thousands)	2024	2023
DERIVATIVE FINANCIAL ASSETS		
Forward foreign exchange contracts	–	6,948
TOTAL DERIVATIVE FINANCIAL ASSETS	**–**	**6,948**
Non-current	–	3,379
Current	–	3,569
TOTAL DERIVATIVE FINANCIAL ASSETS	**–**	**6,948**
DERIVATIVE FINANCIAL LIABILITIES		
Forward foreign exchange contracts	(8,949)	–
Interest rate swap	(1,199)	(2,058)
TOTAL DERIVATIVE FINANCIAL LIABILITIES	**(10,148)**	**(2,058)**
Non-current	(3,217)	(2,058)
Current	(6,932)	–
TOTAL DERIVATIVE FINANCIAL LIABILITIES	**(10,149)**	**(2,058)**

Foreign exchange risk arises when individual Group operations enter into transactions denominated in a currency other than their functional currency. To reduce the Group's exposure to FX fluctuations with the USD, the Group takes out a foreign exchange forwarding contract to the value of USD 750,000 per month. At the reporting date, the Group had 30 (2023: 21) active foreign exchange forwarding contracts maturing monthly up to June 2026 (2023: September 2025).

During the year, the Group entered into an interest rate swap agreement in place with a notional amount of NOK 158.9 million (USD 14 million) (2023: NOK 138.9 million [USD13.7 million]) whereby the Group receives a variable rate of interest at SOFR-OIS Compound and pays interest at a fixed rate of 4.47% (2023: 4.65%) on the notional amount. Such a contract enables the Group to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loans and borrowings.

These contracts were not designated as hedging instruments for the purposes of hedge accounting in accordance with IFRS 9 Financial Instruments.

The derivative financial instruments are all net settled. Therefore, the maximum exposure to credit risk at the reporting date is the fair value of the derivative financial instruments which are included in the consolidated statement of financial position.

Gains and losses in fair valuing foreign exchange forwarding contracts are recognized in 'finance costs' in the consolidated statement of profit or loss. Gains and losses on maturity are recognized in 'finance costs' in consolidated statement of profit or loss.

NOTE 19 | INVENTORIES

The inventories comprise of the following:

NOK (thousands)	2024	2023
Raw materials and consumables	164,260	125,433
Work-in-progress	11,002	12,173
Finished goods and goods for resale	59,272	68,138
	234,534	**205,744**

The cost of inventories utilised are recognised as an expense in raw materials.

At 31 December 2024, slow moving inventories of NOK 1.1 million have been written off (31 December 2023: NOK 11.1 million).

NOTE 20 | TRADE AND OTHER RECEIVABLES

NOK (thousands)	2024	2023
Trade receivables	152,532	127,767
Less: provision for impairment of trade receivables	(721)	(672)
Net trade receivables	151,811	127,095
Prepayments	17,425	12,514
VAT receivable	81	1,699
Bonds, deposits, guarantees	1,257	1,642
Related party receivables	–	12,327
Other receivables	17,838	10,451
TOTAL	**188,412**	**165,728**
Non-current	–	12,327
Current	188,412	153,401
TOTAL TRADE AND OTHER RECEIVABLES	**188,412**	**165,728**

The Group utilises judgement and historical credit losses to assess customer receipts on an individual basis. The creation and release of the allowance for doubtful debts for impaired receivables have been charged to profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

NOK (thousands)	2024	2023
Current	82,569	67,368
1-30 days	42,070	27,338
31-60 days	12,811	9,580
61-90 days	5,505	8,659
>90 days	10,490	14,150
BALANCE AT 31 DECEMBER	**153,445**	**127,095**

NOTE 21 | CASH AND CASH EQUIVALENTS

NOK (thousands)	2024	2023
Bank deposits payable on demand	270,192	155,308
Bank deposits restricted to tax payments	11,440	17,344
BALANCE AT 31 DECEMBER	**281,632**	**172,652**

Restricted bank deposits are tax deductions made on behalf of employees.

NOTE 22 | LOANS AND BORROWINGS

NOK (thousands)	CURRENT	NON-CURRENT	TOTAL
2024			
Term loan	144,255	38,407	182,662
Other borrowings	169	–	169
TOTAL	**144,424**	**38,407**	**182,831**
2023			
Term loan	13,931	126,319	140,250
Other borrowings	134	161	295
TOTAL	**14,065**	**126,480**	**140,545**

In December 2023, following a share issue (refer to note 25), the Group early repaid the NOK 200 million loan early.

In August 2023, the Group made a drawdown of USD 14 million to fund the acquisition of Klein.

The loan facility as at 31 December 2024 was USD 12.3 million (NOK 138.9 million) (31 December 2023: USD 13.7 million [NOK 139.4 million]).

The facility contains the following customary covenants:

- Equity/Assets at all times of at least 40%
- NIBD/EBITDA not to exceed 3.0
- Minimum cash balance of NOK 50m

The interest is in line with market conditions and is based on SOFR (2023: SOFR) plus a margin of 2.0% to 2.5% (the spread depends on certain leverage covenants).

In January 2024, the loan facility denominated in NOK was redenominated to a USD facility and in the process, the loan was repaid and reissued.

In November 2024, the Group secured a £3 million (NOK 42.3 million) term loan facility to support the acquisition of RS Aqua. The interest is in line with market conditions and is based on SONIA plus a margin of 2.0% to 2.5% (the spread depends on certain leverage covenants).

Loan Covenants

NOK (thousands)	2024	2023
EQUITY RATIOS		
Total equity	693,684	625,280
Total assets	1,302,092	1,046,478
EQUITY RATIO	**53%**	**60%**
NIBD RATIOS		
Loans and borrowings	182,831	140,545
Cash and cash equivalents	(281,632)	(172,652)
NIBD	(98,801)	(32,107)
EBITDA	127,556	127,116
NIBD TO EBITDA RATIO	**(0.8)**	**(0.3)**

The Group has complied with these covenants throughout 2024 and 2023.

Other borrowings comprise business loans at a fixed interest rate of 0.55% (2023: 0.55%), repayments are monthly, the loans terminate in 2026.

NOTE 23 | TRADE AND OTHER PAYABLES

NOK (thousands)	2024	2023
Trade payables	52,149	60,339
Wage taxes and social securities	22,126	21,315
Accruals	35,813	27,272
Provision – warranties	1,253	691
Provision – dilapidations	636	524
VAT payable	9,440	1,012
Other payables	9,241	3,673
BALANCE AT 31 DECEMBER	**130,658**	**114,826**

For certain products, the Group has incurred an obligation to exchange the item if it breaks prematurely due to a manufacturing fault. Revenue for the sale of the products is recognised once the goods are delivered. No provision for warranty claims are made, as the amounts historically have been not material. Warranty claims are expensed to cost of sales.

Leasehold dilapidations relate to the estimated cost of returning a leasehold property to its original state at the end of the lease in accordance with the lease terms. The cost is recognised as depreciation of leasehold improvements over the remaining term of the lease. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease.

NOTE 24 | CONTRACT LIABILITIES

NOK (thousands)	2024	2023
Prepayment from customers	89,026	18,011
Invoiced revenue, not delivered	7,310	3,615
BALANCE AT 31 DECEMBER	**96,336**	**21,626**
Non-current	93	644
Current	96,243	20,982
	96,336	**21,626**

Set out below is the amount of revenue recognised from:

NOK (thousands)	2024	2023
Amounts included in contract liabilities at the beginning of the year	21,626	21,694
	21,626	**21,694**

Management expects that 87% per cent of the transaction price allocated to the unsatisfied and/or partially unsatisfied contracts as of the year ended 2024 will be recognised as revenue during the next reporting period (NOK 608.5 thousand). The remaining 13% per cent, NOK 93.3 thousand, will be recognised in the 2025 financial year.

NOTE 25 | SHARE CAPITAL AND PREMIUM

	NUMBER OF SHARES	ORDINARY SHARES	SHARE PREMIUM	TOTAL
	Thousands	NOK (thousands)	NOK (thousands)	NOK (thousands)
Balance at 1 January 2023	**1,388,110**	**4,858**	**325,855**	**330,713**
1:35 share split	47,195,740	–	–	–
Shares issued	7,115,747	712	209,260	209,972
BALANCE AT 31 DECEMBER 2023	**55,699,597**	**5,570**	**535,115**	**540,685**
BALANCE AT 1 JANUARY 2024	**55,699,597**	**5,570**	**535,115**	**540,685**
Business combination	445,664	45	14,012	14,057
BALANCE AT 31 DECEMBER 2024	**56,145,261**	**5,615**	**549,127**	**554,742**

In June 2023, the shares were split 1:35, resulting in the par value of each ordinary share reducing from NOK 3.5 to NOK 0.1

In December 2023, the General Assembly of shareholders approved the issue of 7,115,747 ordinary shares at a price of NOK 31.54 per share. During 2024, a share issue of 445,664 shares at NOK 0.1 each with a NOK 14,057 thousand share premium, was completed to fund the acquisition of RS Aqua.

In November 2024, 445,664 shares were issued as part of the acquisition of RS Aqua (refer to note 29).

Largest 20 shareholders by year end 31 December 2024 were:

SHAREHOLDER	NUMBER OF SHARES	PERCENTAGE
Atle Lohrmann	30,928,810	55.1%
FC Holding XXVII AS	17,738,517	31.6%
Loco Holding AS	1,260,000	2.2%
S. Nylund Holding AS	910,000	1.6%
Freda Zifteh	700,000	1.2%
KMB Enterprises Pty Limited ATF the KMB Investments Trust	544,145	1.0%
Rosenthal/Fleming Family Trust	398,930	0.7%
Torstein Pedersen	350,000	0.6%
James Barratt	332,745	0.6%
Robin Sharphouse	332,745	0.6%
DM Whillas Family Trust	280,000	0.5%
Alltrust SIPP Limited fbo James Barratt M0005440	276,045	0.5%
Embark SIPP re Robin Sharphouse S1077038	276,045	0.5%
Luis Sebastiao	237,650	0.4%
S.D. Kamminga Beheer B.V.	236,250	0.4%
Martin Michael Stemp	212,225	0.4%
Ruth Stemp	212,225	0.4%
Antonio Pascoal	209,160	0.4%
Anders Gabriel Ridley-Smith	155,470	0.3%
Estelle Richard	92,120	0.2%
Other shareholders	462,179	0.8%
	56,145,261	**100%**

At 31 December 2024 the Board of Directors and key management held 30,928,810 shares and 227,500 options (at 31 December 2023: 33,591,684 shares and 227,500 options).

NOTE 26 | RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

NOK (thousands)	CURRENT	NON-CURRENT	TOTAL
AT 1 JANUARY 2023	200,623	66,268	266,891
Financing cash flows	(60,097)	(14,574)	(74,671)
New leases	–	25,186	25,186
Foreign exchange adjustments	19	635	654
Other changes:			
Interest expense	–	2,908	2,908
AT 31 DECEMBER 2023	**140,545**	**80,423**	**220,968**
AT 1 JANUARY 2024	140,545	80,423	220,968
Financing cash flows	42,268	(18,241)	24,027
New leases	–	25,206	25,206
Foreign exchange adjustments	18	1,699	1,717
Other changes:			
Interest expense	–	3,313	3,313
AT 31 DECEMBER 2024	**182,831**	**92,400**	**275,231**

NOTE 27 | RESERVES

The following describes the nature and purpose of each reserve within equity:

RESERVE	DESCRIPTION AND PURPOSE
Share premium	Amount subscribed for share capital in excess of nominal value.
Foreign exchange reserve	Gains/losses arising on retranslating the net assets of overseas operations into NOK.
Retained earnings	All other net gains and losses and transactions with owners (e.g., dividends) not recognised elsewhere.
IFRS 19	Subsidiaries without Public Accountability: Disclosures

NOTE 28 | CONSOLIDATION COMPANIES

The principal subsidiaries of the Group, all of which have been included in these consolidated financial statements, are as follows:

NAME	BUSINESS OFFICE	OWNERSHIP	EQUITY	PROFIT / LOSS
		2024	2024	2024
Nortek AS	Rud	100%	244,711	112,560
Nortek Netherlands BV	Hoofddorp	100%	9,927	(422)
Nortek Instruments Ltd	Southampton	100%	16,738	6,895
Nortek Qingdao Measuring Equipment Co Ltd	Qingdao	100%	9,618	1,576
Nortek Instruments Hong Kong Ltd	Hong Kong	100%	10,192	9,975
Nortek Brasil Representacoes, Consultoria	Florianopolis	100%	1,907	1,316
Nortek Japan GK	Tokyo	100%	(442)	181
Nortek USA Inc	Boston	100%	12,859	195
Nortek Australia Pty Ltd	Melbourne	100%	3,427	1,184
SAS Nortek Mediterrannee	La Garde	100%	23,041	4,371
Strategic Robotic Systems Inc	San Diego	100%	8,791	(24,350)
Klein Marine Systems Inc	Salem	100%	83,198	(38,534)
General Oceans Inc	Boston	100%	242,819	(276)
Reach Robotics Pty Ltd	Sydney	100%	(4,194)	(14,610)
Tritech International Ltd	Ulverston	100%	132,018	33,588
EchoSonics Ltd	Ulverston	100%	(4,873)	(3,378)
RS Aqua Ltd	Portsmouth	100%	11,310	854
RS Aqua Holdings Ltd	Portsmouth	100%	38,351	24
RS Aqua Technical Services Ltd	Portsmouth	100%	–	-
General Oceans UK Holdings Ltd	London	100%	19,767	5
General Oceans Ltd	London	100%	1,005	638
General Oceans Singapore Pte Ltd	Singapore	100%	20	(141)

NOTE 29 | BUSINESS COMBINATIONS

Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

RS Aqua Holdings Ltd, RS Aqua Ltd, RS Aqua Technical Services Ltd ("RS Aqua")

On 18 November 2024 General Oceans UK Holding Ltd acquired 100 percent ownership interest in RS Aqua for a total consideration of NOK 74,954 thousand. RS Aqua is a leading distributor of subsea products in the British Isles. The company was consolidated from the date of acquisition and the preliminary acquisition analysis gave rise to goodwill of NOK 31,357 thousand. Capitalized goodwill related to acquisitions comprises synergies, assets related to employees, other intangible assets that do not qualify for separate capitalisation, expectations of future profitability and growth, and expectations of better market conditions.

The purchase agreement includes a component of contingent consideration, which is payable based on the financial performance of the acquired business over the two-year period ending 31 August 2026. Under the terms of the acquisition agreement, the contingent consideration is structured as follows:

- If two-year cumulative adjusted EBITDA is less than £1.4 million, no contingent consideration will be payable
- If adjusted EBITDA is between £1.4 million and £1.8 million, the contingent consideration is determined on a linear scale as follows:

$$Earnout = \frac{Adjusted\ EBITDA - £1.4m}{£0.4m} \times £1.5m$$

- If adjusted EBITDA exceeds £1.8 million, the full contingent consideration of £1.5 million becomes payable

The contingent consideration that is classified as a financial liability is initially recognised at fair value on the acquisition date and subsequently remeasured at fair value through profit or loss in accordance with IFRS 9. At the acquisition date, management estimated that the most probable outcome of the two-year Adjusted EBITDA to be £1.5m. Based on this expectation, the fair value of the contingent consideration has been calculated to be £0.5m or NOK 5.3m using the earnout formula noted above. The Group has discounted the liability to present value.

The fair value of the contingent consideration has been recognised as part of the purchase consideration and recorded as a financial liability in the consolidated statement of financial position. The liability will be measured at each reporting date with changes in fair value recognised in profit or loss.

The purchase price and fair value of assets and liabilities acquired are presented in the table below.

NOK (thousands)	FAIR VALUE RECOGNISED ON ACQUISITION
Cash consideration	55,559
Shares	14,057
Variable deferred consideration	5,338
CONSIDERATION	**74,954**
RECOGNISED AMOUNTS OF IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED	
Property, plant, and equipment	6,663
Right-of-use assets	2,392
Identifiable intangible assets	38,710
Inventories	1,902
Trade and other receivables	11,495
Cash and cash equivalents	13,187
Deferred tax liabilities	(10,969)
Trade and other payables	(10,581)
Contract liabilities	(4,267)
Income tax payable	(2,621)
Lease liabilities	(2,314)
TOTAL IDENTIFIABLE NET ASSETS	**43,597**
GOODWILL	**31,357**
NET CASH OUTFLOW ON THE ACQUISITION	**55,559**

Included in identifiable intangible assets are trademark NOK 675 thousand and intellectual property NOK 567 thousand. Transaction costs amounted to NOK 32,280.

Since the acquisition, the acquiree RS Aqua contributed NOK 12,361 thousand to Group revenues and NOK 855 thousand to net profit.

If the business combination had been completed on 1 January 2024, management estimates that the acquiree would have contributed NOK 32,366 thousand to Group revenues and NOK 4,638 thousand to net losses in 2024. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2024.

Klein Marine Systems Inc ("Klein")

On 21 August 2023, General Oceans AS acquired 100 percent ownership interest in Klein for a total cash consideration of NOK 122,164 thousand. Klein designs, manufactures, and sells advanced side-scan sonar systems for the oceanographic, hydrographic, and defense industries on a world-wide basis. The company was consolidated from the date of acquisition and the preliminary acquisition analysis gave rise to goodwill of NOK 9,381 thousand. The purchase price and fair value of assets and liabilities acquired are presented in the table below.

NOK (thousands)	FAIR VALUE RECOGNISED ON ACQUISITION
Consideration	**122,164**
Recognised amounts of identifiable assets acquired and liabilities assumed	
Property, plant, and equipment	59,948
Identifiable intangible assets	9,723
Inventories	52,883
Trade and other receivables	12,382
Deferred tax liabilities	(4,645)
Trade and other payables	(17,508)
Total identifiable net assets	**112,783**
GOODWILL	**9,381**
NET CASH OUTFLOW ON THE ACQUISITION	**122,164**

NOTE 30 | RELATED PARTIES

NOK (thousands)	INCOME		EXPENSES		AMOUNTS OWED BY RELATED PARTIES	
	2024	2023	**2024**	2023	**2024**	2023
Hungry Horse AS	–	440	–	–	–	12,327
Ocean Illumination (CA)	–	–	732	932	–	–
	–	**440**	**732**	**932**	**–**	**12,327**

During the year Group companies entered into the following transactions with related parties who are not members of the Group.

Ocean Illumination (CA) is owned by shareholders. Hungry Horse AS is no longer owned by shareholders in 2024. The long-term loan to Hungry Horse matures in 2029 and attracts interest according to section 5-12 of the Norwegian Tax Act.

NOTE 31 | CONTINGENCIES AND CLAIMS

The Group was not involved in any material contingencies or legal claims as at 31 December 2024 and 2023.

NOTE 32 | EVENTS AFTER THE BALANCE SHEET DATE

The Group entered into a sales agreement to dispose of one of its buildings for consideration of NOK 56.8 million.

In March 2025, the Group also declared a dividend of NOK 40 million.

No other material events have occurred after the balance sheet date that would require disclosure in these financial statements.

Independent auditor's report

BDO

BDO AS
Bygdøy allé 2
Postboks 1704 Vika
0121 Oslo

To the General Meeting of General Oceans AS

Independent Auditor's Report

Opinion

We have audited the financial statements of General Oceans AS.

The financial statements comprise:	In our opinion:
• The financial statements of the parent Company, which comprise the balance sheet as at 31 December 2024, the income statement and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and • The financial statements of the Group, which comprise the balance sheet as at 31 December 2024, the income statement and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.	• The financial statements comply with applicable statutory requirements. • The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway. • The accompanying financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the IFRS Accounting Standards as adopted by the EU

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (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 and the Managing Director (management) is responsible for the other information. The other information comprises the Board of Directors' report and other information in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information.

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 consolidated financial statements or our knowledge obtained in the audit or otherwise appears

BDO AS, et norsk aksjeselskap, er deltaker i BDO International Limited, et engelsk selskap med begrenset ansvar, og er en del av det internasjonale nettverket BDO, som består av uavhengige selskaper i de enkelte land. Foretaksregisteret: NO 993 606 650 MVA.

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.

Opinion on the Board of Directors' report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines 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, management is responsible for assessing the Company's and 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 insofar as it is not likely that the enterprise will cease operations.

Auditor's 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 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 ISAs 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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:
https://revisorforeningen.no/revisjonsberetninger

23.04.2025
BDO AS

Norunn Byrkjeland
State Authorised Public Accountant
(This document is signed electronically)

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GENERAL OCEANS

ANNUAL REPORT 2023

Forward Movement

OUR VISION

We have set our sights on becoming a global player in the underwater technology market for sensors, intelligent tools, and vehicles, by bringing autonomous intelligence to ocean operations. We will achieve this through an effective and cohesive business model; with a focus on best-practice that improves operations, drives competitive advantage and stimulates growth.

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WHERE WE OPERATE

AT A GLANCE

General Oceans is the parent of the Group and works collaboratively with operating companies to accelerate performance. Its independence from the operating companies allows for an approach that is nimble and decisive, with the ability to set long-term objectives from its head office in London.

The operating companies are able to focus all efforts on creating sustainable long-term solutions for their customers, with the ultimate goal of driving growth. The Group's common integrated platform is a simple and efficient model, that enables each of the portfolio companies to set their own KPI and performance targets, building on the value of their industry knowledge and unique brand identity.

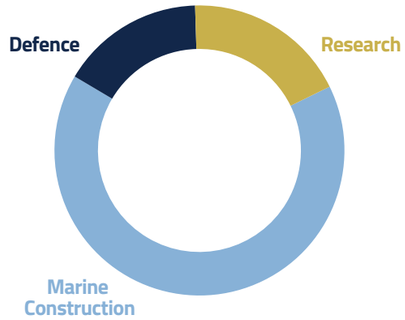
INDUSTRIES WE SERVE

DEFENCE

Our industry is heavily involved with global defence forces, and we pride ourselves on the role we play in making the allied nations' frontlines safer. We have contracts with the US, Norwegian, and Royal Navies, and have been awarded contracts, accolades and investments worldwide in technology development as the global landscape for defence continues to evolve.

The rise of AUVs is a result of this funding from the defence sector, along with updated infrastructure in acoustic propagation and communication.

SALES BY MARKET AREA



MARINE CONSTRUCTION

Our products and innovations offer complex inspection and intervention in maritime construction operations. Long-term forecasts predict an increase in demand for solutions which serve offshore markets such as defence, wind, ports and harbours, and oil and gas.

Our ROVs, manipulators, and sensors help make offshore operations safer and more efficient by providing domain awareness, early hazard warnings, and diverless repairs and inspections. We prioritise efficiency, safety, and dexterity across all operations and missions. We respect the blue economy, and the conservation of marine and coastal ecosystems.

RESEARCH

Academic and research institutions globally have long been key customers and collaborators of ours. As the market leader in acoustic sensor technology for ocean research applications, leading scientists around the world have long approached us to develop systems which provide entirely new capabilities to drive their research forward. This relationship is mutually beneficial as it allows us to stay ahead of the industry in the blue ocean of offshore technology, and easily transition solutions seeded in the foremost research institutions to industry customers.

WHAT WE DO

TECHNOLOGY SOLUTIONS

SYSTEMS

- Remotely Operated Vehicles (ROVs)
- Autonomous Surface & Subsea Vehicles (USVs, UUVs, AUVs)
- Data Buoys
- Moored Systems

SYSTEM COMPONENTS

- Vehicle Navigation & Control Components
- Acoustics for Seabed Mapping, Imaging, Subsea Communication, & Listening
- Manipulators
- Sensors for Collecting Environmental Parameters
- Deployment Structures & Mechanical Components
- Signal Processing Analysis Techniques

OUR CUSTOMERS

- Navies, coast guard agencies & border security
- Offshore Operators
- Engineering Companies
- National Institutions
- Engineering Service Companies
- Autonomous Vehicle Manufacturers
- Researchers & Scientists
- ROV manufacturers

WHAT WE OFFER

- Greater understanding of customers & market
- Amplified expertise in underwater technology (from components to systems)
- A global distribution network & customer base
- Balanced growth, profitability, & cashflow

ATLE LOHRMANN PRESIDENT
GENERAL OCEANS

"General Oceans research effort into sensor fusion and underwater perception shows how marine construction, survey, and exploration will be more accessible in the years to come."

2023 saw General Oceans settling into a more formal structure as we increased our revenue by 28% when compared to 2022. In December, we received investments from Ferd, a Norwegian family office with impeccable credentials which now owns 26% of General Oceans. We also improved the composition of our Board, and positioned our six-person headquarters in London as a real resource for the operating companies. In August 2023, we purchased Klein Marine Systems outright so we now have five core operating companies and nine subsidiaries, each with a focus on sales and distribution, and we employ 340 employees across nine countries.

Financially, 2023 was a transition year, where we had to focus on resetting the core business at SRS (ROVs) after the founders left, getting a better understanding of Reach Robotics (manipulators), and helping Klein (side scan) escape from a state of underfunding. On the positive side, Nortek – our largest operating company – benefitted from a positive FX development and produced all-time-high results, both in revenue and earnings. Tritech also provided a positive contribution with organic growth of 18% relative to FY2022. In total, the Group revenue was NOK 809m (630m in 2022), the Group EBITDA was NOK 127m (146m in 2022), and the Group normalised GAAP EBIT was 78m (115m in 2022).

As we move into 2024, we see Nortek and Tritech continue their upward trajectory, and believe our turn-around work at SRS is starting to generate positive results. We expect positive effects from a reset at Reach Robotics following the founders' exit in January 2024, and installation of new management. And we see Klein negotiating large contracts with significant customers. Our expectations for 2024 are positive, and we believe the Group will continue to strengthen throughout the year, both as individual operating companies and as a collaborative entity.

Our three market areas were strong in 2023, and we expect this will continue for at least another two years. In marine construction, wind farm developments have generated broad demand across all technology sectors while we still see a lot of refurbishment and life-extensions taking place in oil and gas. In science, we see strong activity and broader geographic participation, even as there may be a small shift from the physics of the ocean to the biology of the oceans. The defence sector is refocusing toward increased autonomy and flexible procurement procedures based on lessons learned in Ukraine, and from the anticipated asymmetry in any upcoming conflicts. Of these segments, General Oceans is currently best positioned to grow in marine construction.

The IPO market is still quiet and the investment from Ferd strengthened our balance sheet in a positive way. The implication is that we can continue to look for M&A opportunities, and we are doing so within multiple segments of the ocean technology sector.

For 2024, we are focusing on the following areas:

Continue organic growth
Organic growth comes from quality and quantity in sales and marketing, intelligent product road maps, and excellence in operations. Throughout the last 18 months we have continuously taken advantage of Nortek's global sales organisation to expand the reach of the other operating companies. For 2024, we will continue this work as we introduce General Oceans' initiatives including common tradeshow exhibits, new branding, new websites, aligned CRM, and the expansion of our talent development practices. New for 2024 is a stronger focus on product roadmaps, which includes technology collaboration, centralised market research, and optimisation of engineering resources. The outcome of this work is still to be assessed, but we do believe that a centralised perspective is important to ensure that there is a good balance between commercial and technological success.

Identify areas for common initiatives
General Oceans research effort into sensor fusion and underwater perception shows how marine construction, survey, and exploration will be more accessible in the years to come. The research group at Reach Robotics received General Oceans funding in 2023 to improve our ability to interpret optical images and autonomously manipulate objects. This work will continue in 2024 with increased focus on specific ROV operations. A successful end product will require high-quality optical and acoustic perception systems, electric manipulators, and tightly integrated control systems. We believe this to be a technology area that will have a significant impact on ROV operations.

Purchase new and established companies
We will continue to look for good opportunities in all segments, including science, defence, and marine construction. Larger companies should have technically advanced products and an organisational structure that is mature and does not require significant changes. Smaller companies need to have promising technologies and early market traction.

This activity, which requires both funding and organisational focus, will still be the largest contributor to the growth of General Oceans over the next couple of years.

Invest in people
Our industry is rapidly expanding as ocean technology is asked to solve complex and global problems. At the same time, the workforces in countries without a strong maritime culture are not building their careers at the pace required to keep up with demand. This is the case for technical talent, established or prospective salespeople, marketers, financial experts, human resource leaders, and production personnel. Recognising that as a collective, we have the experience, resources, and energy to tackle this, we established the General Oceans Academy, a collection of professional programs to build the ocean tech talent of tomorrow. Four pillars of the program, GO Explore, GO Faster, GO Experience, and GO Further, offer opportunities for people at every stage including recent graduates, engineers looking to move into management, and established professionals who want to grow their skill base. GO Academy programmes target both internal employees, and prospective hires who are already at home in our industry, or those looking to make a transition to this exciting space.

We look forward to the continued evolution of the General Oceans story, as every day brings both challenges and new opportunities!

Atle Lohrmann

OUR BUSINESS MODEL

General Oceans has a unique and innovative business model in the ocean technology sector which is based on a simple structure at the centre, with empowered operating companies that benefit from the Group's strategic focus and scale. Each operating subsidiary is accountable for its own financials and growth, but also to a set of standards and KPI metrics as set out by the Group. The centralised functions of the Group include: Financial Reporting, Human Resources and Talent Strategy, Investor Relations, and the M&A Deals Team.

HOW WE ARE ORGANISED

General Oceans AS is the parent company of the Group – working actively with a portfolio of operating companies to drive synergies and maximise performance, innovation, and customer experience in local markets. Its independence from the operating companies allows for objective decision making that is nimble by nature, and enables General Oceans to implement the strategy to deliver the long-term vision for the Group. The operating companies are in turn able to focus their efforts on their target customers in a competitive and supported environment which allows for complete focus on core business activities, with the ability to undertake projects that are more complex, while benefiting from the longevity of local and long-standing relationships built from their own brand identity.

The operating companies avail of the Group's full support structure, which drives efficiency while allowing each company to achieve individual performance targets and maintain its unique identity.

OUR RESOURCES

- General Oceans combines leading companies in strategic locations, which enables them to enhance their presence in local and/or global markets while retaining trusted brand identities.
- The operating companies each target specific customer markets and geographies, providing information, choice, and innovation across the full spectrum of ocean technology.
- The operating companies' customers benefit from a larger combined network and economies arising from alliance partnerships as well as the utility of successful joint businesses that help them to expand their customer offer and global reach.

CORPORATE PARENT

RESOURCES
Distribution network | Financials | Corporate identity

CENTRALISED FUNCTION
Financial reporting | Recruitment & talent strategy | Investor relations | Sales & distribution organisation

LEADERSHIP
A strategic focus with KPIs | Business model | Market insights & customer analysis

SUPPORT FROM GENERAL OCEANS HEAD OFFICE
Optimise processes across companies | Collaborative R&D | Project financing

OPERATING COMPANIES

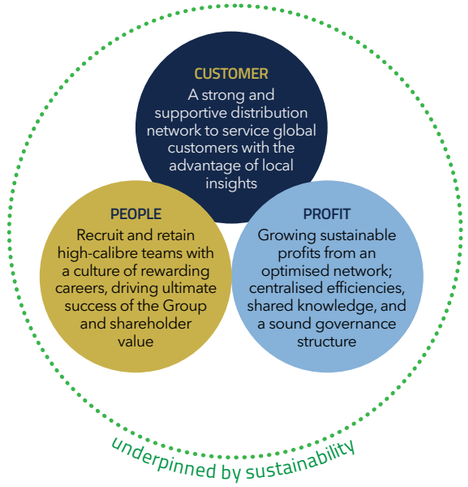
KLEIN | NORTEK | REACH ROBOTICS | SRS | TRITECH
Operational focus only
Local identity and project ownership retained
Improved capability to deliver complex projects

OUR STRATEGY

In 2023 we continued to make progress on our growth strategy, taking steps to scale up our ambitions as a global player in the underwater technology sector. We continued to combine our resources, seize opportunities, and expand our footprint under the banner of the General Oceans group of companies.

We are investing in a number of areas that are destined for growth, with a spotlight on intelligent autonomy and advanced sensor systems, AI or machine learning processing modules, and control algorithms.

The Group is funding internal research programmes in key technology areas of the future, and is active in looking for corporate partners that align with our business model and contribute to the value chain, or have commercial applications that align with and enhance our technologies.



A BUSINESS MODEL THAT DELIVERS OUR GROWTH PLAN

We offer dedicated support out of the General Oceans head office in London, which frees up time for global experts across our operating companies to innovate and deliver more complicated projects, in an increasingly competitive landscape. The market for our products and services remains buoyant, and much of our success in the year can be attributed to the acquisition of a diverse portfolio of companies worldwide, which helps to mitigate global risk factors – and an increased demand in the oil and gas sectors, offshore wind projects, and the energy transition.

In 2021, we pinpointed three main strategic pillars, and we remain committed to them today:

- Drive solutions for our customers
- Source and retain excellent talent
- Grow sustainable profits through value creation

2023 STRATEGIC HIGHLIGHTS

GROWING SUSTAINABLE PROFITS

In August 2023, we acquired Klein Marine Systems, the world's leading side scan sonar (SSS) system provider. Klein is recognised worldwide for its manufacture and design of high-resolution SSS, with brand recognition and a reputation for quality and excellence since 1969. Klein is an excellent strategic fit for the General Oceans Group due to its roots in innovation and technological advancement, and its products are deployed by governments, navies, port authorities, surveyors, oil companies and universities worldwide.

Tritech and Nortek reported excellent commercial growth in the year, and Reach Robotics reached a significant milestone in the year with the introduction of the Reach X Advanced Intervention System (RX-AIS), setting a new benchmark for naval and critical force operators in challenging and unpredictable environments.

We continue to develop a new strategic framework to support the long-term growth of SRS. Moving operations to San Diego was the main focus in the year, which now brings the business closer to its primary customers. This proximity will assist General Oceans strategically in the growth of its US service base and footprint and we look forward to working together with SRS as it navigates through this important transition phase.

EchoSonics was incorporated in June 2023 with a focus on transducer development and production, and is co-located with Tritech at its manufacturing site in Ulverston, which based out of Cumbria in the UK.

A LEARNING ORGANISATION

Our people strategy and development is well under way under the leadership of our Chief People Officer, who was announced in last year's annual report. The CPO has delivered General Oceans' inaugural employee engagement survey – which serves as a baseline from which we can measure, manage and improve on our recruitment, retention and remuneration activities. The survey returned a favourable response rate, and we plan to conduct the survey annually.

The role of the CPO is to lead and develop our people initiatives, creating a pipeline of opportunities with a focus on culture and talent management programmes. In the year, we carried out planning for the launch of the General Oceans Academy, at Oceanology International 2024 in London's Excel arena in March. The Academy is a collection of professional programmes and ground-breaking opportunities; specifically designed to nurture existing employees, so they can learn and grow in their careers. Another goal is to engage with, and create a pipeline of talent (at all levels) from outside the Group, so we can entice the leaders of tomorrow, with robust initiatives and packages that position General Oceans as an attractive employer.

OUR ESG ROADMAP

We continued to develop our ESG framework as this is a priority area for us to develop. The ESG Working Group has been tasked with the delivery of our ESG roadmap and in 2023 we initiated a number of internal projects to deliver on the regulatory reporting requirements that will be incumbent on us from 2025.

All companies covered by the EU Corporate Sustainability Reporting Directive (CSRD) will be required to (1) align their corporate sustainability and ESG report in accordance with the European Sustainability Reporting Standards (ESRS) framework by 2024, and (2) officially report in accordance with the legislation by 2025.

Sustainable business remains embedded in our purpose, and we are working together to formalise and integrate a common set of goals and actions to deliver this work in a meaningful way.

OUR APPROACH TO ESG

General Oceans has a clear vision to lead on sustainability and ESG. We commit to using our scale and holding company status to transform the ocean technology sector; and driving a common set of principles across the wider Group will assist us with this. This is our third annual report (since we incorporated in 2021), and the second year in which we call out our ESG intentions more specifically. We are still in our formative years, putting plans and targets in place to enable best-practice delivery across a full set of Environment, Social, and Governance commitments.

We are committed to executing the Group's strategy with an ESG focus that is integrated with our core strategic priorities of serving global customers, recruiting, and retaining the best talent in the industry, as we grow sustainable profits through an increasingly optimised network of suppliers and partners.

General Oceans is aware of its responsibility to the blue economy, and will use its integrated platform and business model to support our five operating companies, each of whom retains the independence to align their business strategies and operational duties to a specific set of Sustainable Development Goals (SDGs) with our support.

We are actively fostering a culture where employees, management, customers, suppliers, and other stakeholders are given the opportunity to provide input, and in the future we will look to identify those ESG-related issues that are material to them, as we make moves towards ESRS compliance by 2025.

At Group level we have identified four UN Sustainable Development Goals (SDGs) that we will align our business activities to closely.

2023 HIGHLIGHTS

330+
GROUP EMPLOYEES
as at FY2023

76%
FAVOURABLE RESPONSES
in our inaugural employee survey

354
SOLAR PANELS INSTALLED
at Tritech in Ulverston, UK

74:26
M:F GENDER SPLIT
across the Group

↓26%
CARBON FOOTPRINT REDUCTION
Scope 1 & Scope 2 emissions at Nortek 2019-2023

650 KILOS
MARINE WASTE COLLECTED
from our waterways

OUR ESRS ROADMAP & REPORTING REQUIREMENTS

All companies covered by the EU Corporate Sustainability Reporting Directive (CSRD) will be required to align their corporate sustainability and ESG reporting in accordance with the European Sustainability Reporting Standards (ESRS) framework.

General Oceans will be required to disclose additional sustainability issues, applying the double-materiality principle, which seeks to clearly address whether any sustainability topic being reported is material to internal and external stakeholders from either a financial or an impact perspective.

In 2023, we initiated a number of internal projects to deliver on the regulatory reporting obligations that will be incumbent on us from 2025, and we commit to undertaking the following activities:

- Perform materiality assessments on each sustainability topic applying the double materiality principle, working out which information should be reported. In line with double materiality, General Oceans will report if sustainability information is material from a financial, or an impact perspective – giving due consideration to people and the environment.
- Report on the material impacts, risks and opportunities (IROs) identified within the Group's operations and value chain.
- Provide metrics and targets for material sustainability topics and connect these to our financial reports.
- Ensure that any sustainability disclosures are audited by an independent third-party auditor before filing with the relevant authorities.

ESG TIMELINE

2021 – General Oceans incorporated
- Groupwide focus on projects that reduce marine pollution (SDG 14)
- Committed to best practice as we grow & develop
- Intent on supporting our operating companies through integrated platform & business model

2022 – First ESG statement
- Outlining the GO approach
- Case studies
- UN SDGs
- ESG committee & GO Foundation established

2023 – ESRS workstreams & reporting preparations established
- Prepare for Group's Double Materiality Assessment
- Taxonomy eligibility
- Updates on sustainability strategy & ESG approach

2024 – Reporting aligned to ESRS
- Publish taxonomy analysis
- Perform Double Materiality Assessment

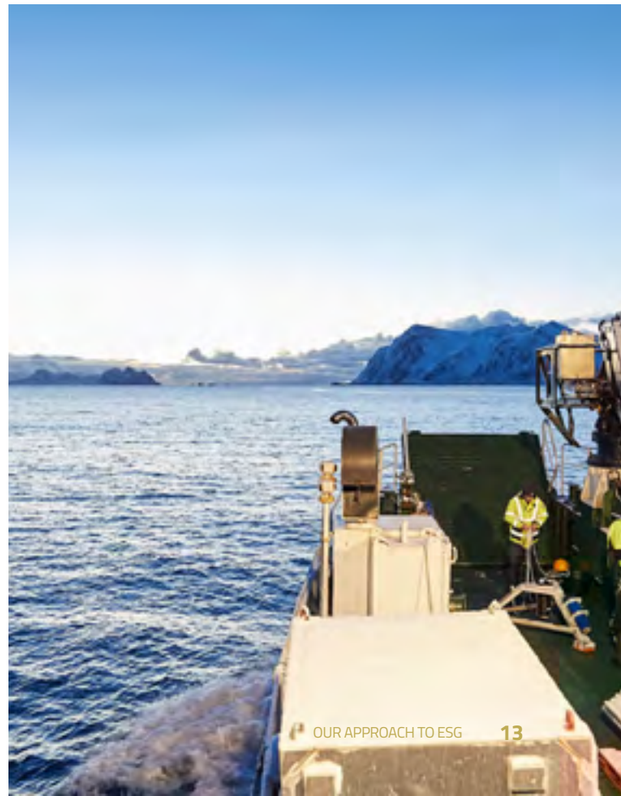
2025 – Report in accordance with ESRS
- Integration of taxonomy in CSRD
- Double materiality published
- IROs published

WHO ARE OUR STAKEHOLDERS?

Our stakeholders are varied, and the role of the Group is to ensure consistency when balancing the potential outcome of our actions for these different groups. Decisions are made frequently to ensure that stakeholder needs are considered, whilst not adversely affecting the needs of others. We engage with each of our stakeholders in a manner that is appropriate, transparent, and in line with industry best practice. We are committed to building engagement and trust, and this fits in with our wider work around sustainability, and social and governance issues.

HOW WE IMPACT SOCIETY & STAKEHOLDERS

- **OUR TECHNOLOGIES ADD VALUE**
  We create products that make our customers' work possible
- **ENABLING RESEARCH**
  Our sensors, processing suites, and platforms expand knowledge of climate and environment
- **ASSIST THE DEFENCE SECTORS**
  Our unmanned vehicles take the 'man out of the minefield'
- **CLEAN FOOD PRODUCTION**
  We supply sensors to monitor fisheries and aquaculture for health and sustainability
- **PART OF ENERGY TRANSITION**
  Supplying systems for clean and safe energy production and marine transportation



OUR ESG GOALS

AND ALIGNMENT WITH SUSTAINABLE DEVELOPMENT GOALS

ESG and sustainability is weaved into everything we do. As a Group we are making more progress in this important area. Nortek has published the findings of its materiality exercise, and Tritech, SRS, and Reach Robotics have moved further towards sustainable sourcing and removal of plastics and waste.

General Oceans recruited a new Chief People Officer (CPO), who was announced in last year's report. The CPO has been with the Group for nearly a year, and has been working closely with each of the operating companies to put a range of supports in place to develop Groupwide learning and development initiatives.

In 2023, the ESG Working Group continued to work collaboratively on the ESG and sustainability agenda, and nominees from each of our operating companies have been tasked with company-specific projects that will help us to meet our goals and strive for best practice. We are still at an early stage in this journey, but we still consider the impact of everything we do and the actions we take.

MOVING FORWARD, SUSTAINABLY

OUR ESG STRATEGY & GOALS

Leveraging tech for positive impact	Optimising value of people and communities	ESG accountability at Board level: governance and ethics
1. Enabling those at the forefront of climate research, clean energy development and ocean conservation.	2. Become a learning organisation, with clear pathways for progress for all stakeholders.	3. Strive for excellence, across all committees, communications and frameworks

METRICS/MEASUREMENT

Marine waste and cleanup Recycling water and waste	Annual employee survey GO Foundation: social impact	Quarterly Board meetings ISO, Policies and Safety compliance

WHAT WE DID IN 2023

• Carbon reduction actions: PV solar & sustainable packaging projects • Reducing outflow of plastics to oceans	• Planning of GO Academy launch • University outreach across Group • GO Foundation funds allocated	• Workstreams initiated for CSRD & ESRS regulatory reporting • Transparency Act & GRI reporting at Nortek • Policies across the Group

1 PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

We recognise the need to recruit and retain the best talent in an increasingly competitive labour market, and the requirement to incentivise and reward employees so they progress their careers.

WAYS WE DO THIS:

- GO Academy
- Women in STEM
- Living Wage

2 BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALISATION AND FOSTER INNOVATION

We acknowledge that innovation must pave the way to affordable technology that makes sustainable infrastructure, particularly maritime and inland waterways, a reality.

WAYS WE DO THIS:

- Bubble Barrier project
- Data collection and river insights
- Funding research programmes for future technologies

3 ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

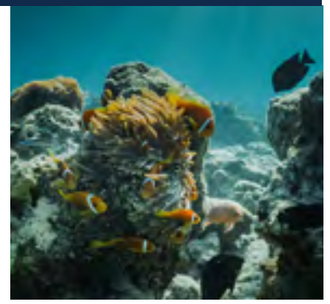
From our own facilities to the conferences at which we exhibit and beyond to the use cases of our technologies, responsible consumption and waste reduction are integral.

WAYS WE DO THIS:

- Work on a reduce, re-use and recycle principle
- Design and sourcing of materials for sustainable product packaging
- Installation of 354 PV solar panels

4 CONSERVE AND SUSTAINABLY USE THE OCEANS, SEAS AND MARINE RESOURCES FOR SUSTAINABLE DEVELOPMENT

The nature of our work means we understand the value of our oceans and our reliance on them. It is our responsibility to innovate means to clean and protect them, so those working at sea can do so responsibly.



WAYS WE DO THIS:

- Nortek's Bubble Barrier project
- Port and harbour survey and security
- Academic and government climate research

ENVIRONMENTAL

LEVERAGING TECH FOR POSITIVE IMPACT

ENVIRONMENTAL & TECH

Enabling healthier oceans is one of our environmental goals and we do this through our technology and by coastal community support on several projects each year. We actively work to reduce environmental impact and encourage our employees to become involved in solutions that mitigate against the damage of plastic pollution in our oceans and rivers.

We launched an internal competition called Ocean Sprint which allowed us to gather ideas to generate positive environmental impact. We announced Nortek BV (our office in the Netherlands) as winners for their Bubble Barrier project idea – centred around the collection of river rubbish before it makes its way downstream to our oceans.

The Great Bubble Barrier is set up and funded by an NGO, and Nortek has an adjacent office location at one of their sites in Katwijk at the mouth of an old branch of the river Rhine. The project was successfully implemented in 2023 and involved the use of Nortek's instruments to enhance the barrier's performance. The discharge of the river was measured with the 2D Aquadopp Profiler, and we could assist with a better technical placement of the barrier by measuring currents and collecting data to support the case for this.

More about the Bubble Barrier

The Bubble Barrier reduces the outflow of plastics into the ocean by implementing a screen of bubbles, as it is far easier to collect plastics in the river than to collect it from far into the ocean or from coastlines. The barrier consists of a bubble curtain, a catchment system, and an air supply – and is created by pumping air through a perforated tube laying on the bottom of the river. The bubble curtain prevents plastics from floating down the river and into our oceans by generating an upward current which directs any plastics to the surface.

By placing the bubble curtain diagonally across the river, the natural flow of the river will push the plastic waste to the side and into the catchment system. The catchment system is placed at the end of the bubble curtain and stays in place regardless of water level or from passing ships. The Bubble Barrier is deployed along the entire width and depth of the waterway and can work around-the-clock without interfering with shipping traffic.

The Netherlands is part of the Plastic Pact Network, which is being used by governments, businesses, and NGOs around the world to address the plastic pollution crisis. These partnerships play a key role as a mechanism for nations to meet mandated obligations under the United Nations Global Treaty to End Plastic Pollution.

IMPACT

Nortek improved the site in Katwijk by making measurements of the currents and providing online data from River Insight stations that were installed at the beginning of the project. There was a reduction of plastic outflow to the ocean, which aligns with our goal of enabling cleaner oceans and protecting life under water.

TRITECH PROGRESS ON PV PANELS AND SUSTAINABLE PACKAGING

Tritech is a high-technology business with a conscience, and announced the publication of their S/P in the 2022 annual report. The policy can also be found on the Tritech website, where it outlines a commitment to the design and manufacture of high-quality imaging and ancillary products that strive for carbon reduction. Tritech is reducing the levels of power, water and waste consumed or produced through its business operations, operating the 'reduce, re-use and recycle' principle.

Many steps have been taken in 2023, with successful projects including the completed installation of 200,000 kW of PV capacity on the factory roof which was designed for solar panel use at Tritech's Ulverston site in Cumbria, UK. Now completed, the project provides approximately 68% of the facility's existing electricity consumption, which will be a positive step forward for the Group's environmental efforts. The business has identified solar generation as the single most effective carbon reduction action it can take.

In other areas, progress continues to be made with respect to the design and sourcing of materials for sustainable product packaging, and this work has included re-assessing internal foam inlays and the sourcing of alternative outer protective waterproof layers. The first group of products to use the more environmentally-focused packaging will be Tritech's range of smaller sensors such as the Micron Sonar and altimeters.

NORTEK CLEAN-UP GATHERS 650 KG OF WASTE FROM SANDVIKA RIVER

In September 2023, our colleagues at Nortek completed their second underwater clean-up in line with an annual commitment to target different areas around the Oslofjord. This year, they focused again on the area of Sandvika where the river meets the fjord near Nortek's Head Office. The river runs along a busy street of pedestrian traffic with man-made items such as e-bikes, scooters, shopping trolleys and construction signs all frequently ending up in the water.

The team set out on the Nortek boat to remove waste from the local waterways, assisted for the second year running by local dive-training club Vollen Dykkeklubb, where together they successfully removed more than 650kg of rubbish from under the surface. Working together, divers operated underwater by attaching bags of air with rope, while the Nortek team remained aboard to pull up the rubbish. The Nortek boat is usually used for instrument testing but now has a dual role as a clean-up vessel, following their first successful clean-up event at the Oslofjord in August 2022 at the popular swimming spot of Kadettangen.

In both instances, the Nortek team collaborated with local municipality officials Bærum Commune to see where their efforts would be best utilised, which is a perfect example of our community efforts and environmental approach.

Nortek plans to hold these fjord clean-ups each year, targeting different areas around the Oslofjord, and it is an experience that brings colleagues together while creating a positive impact for the environment in which they live and work.

SOCIAL

REALISING POTENTIAL OF PEOPLE IN TECH

PLACING OUR PEOPLE AT THE HEART OF THE BUSINESS

The General Oceans Group was incorporated in 2021, and has since grown to five companies, employing c.337 employees at FY2023.

Our people strategy is central to the Group's vision to become a leading player in the underwater technology landscape. Bringing autonomous intelligence to ocean operators worldwide is a tough challenge in an increasingly competitive labour market. The global shortage of engineers is no secret, and presents an ongoing risk to our hiring managers at a global level, so we must take active steps to build a talent pool that is deep and varied/nimble and agile.

General Oceans has recognised a need to build a global team of high performers, with leadership skills that are second to none, and a 'can do' and 'will do approach' that span engineering, sales and the developing requirement for AI skills too.

We are working hard to develop a robust set of training and development programmes that will be firmly embedded in our strategic growth plans as well as our ESG priorities. We recognise the need to recruit and retain the best talent in an increasingly competitive labour market, and the requirement to incentivise and reward employees as they progress their careers. In the long-term, this will contribute to our value proposition and lower attrition rates will allow us to serve customers brilliantly while growing sustainable profits.

A SPOTLIGHT ON PETER – NINE MONTHS IN

PETER SMITH
CHIEF PEOPLE OFFICER

Each of our operating companies has retained autonomy of its HR operations, with financial reporting the main interaction at Group level until now. The appointment of Peter Smith in 2022 as CPO was timed to offer strategic support at a time of fast-paced growth, and the development of a co-ordinated People strategy for the Group.

Less than a year in the role, and he has campaigned to bring visibility to the workforce, data around people and demographics, and a targeted approach that is set at Group level. This sets the intention for a measured approach, and the opportunity to gain insights and methods to improve the collective position – while promoting the Group as an attractive, interesting and progressive employer. So far, Peter has introduced a quarterly data capture system across the Group, to gather for headcount, age, gender and job function; and will look to expand on this kind of reporting in the future.

As the Group forges ahead with its merger and acquisition strategy, there will be periods of transition and change that require careful navigation, and an empathetic approach. A perfect example of this, has been the integration of Klein Marine Systems to the Group in the third quarter of 2023. Peter and his team were able to act as an HR business partner to ensure a seamless transition, and the Klein team has now stabilised, and are ready to work under the GO umbrella in a restructured environment that is positively looking to the future. You can read more about the integration of Klein on pages 25 to 27 of this annual report.

WOMEN IN STEM

We are committed to undertaking activities to improve knowledge sharing and exposure to our industry by promoting the exciting career opportunities that are available across the Group. We recognise the need to encourage and develop a pipeline of diverse thought into STEM-based careers by addressing the gender imbalance that unfortunately exists. We believe that the shortage of women in STEM will continue in perpetuity if action is not taken, and are actively working to develop initiatives in this area – with some supports in place at operating company level.

It can be difficult to determine future career pathways while still a student. We have a culture of supporting university students, which we do through a range of intern programmes that expose young talent to the versatility of our industry. In some cases, these programmes have been a launchpad for graduate careers, particularly at Reach Robotics and Nortek, who have been most active in this area.

Reach Robotics has committed to supporting university societies and groups, and has sponsored the UOW Women in STEM Society, the Sydney Uni Mechatronics Society, and the USYD Rocketry Team in Australia. The managing director at Tritech has worked directly with local schools at the vocational level to increase engagement on the topic, and the Nortek team has actively profiled the talented and inspirational women who work for the company – sharing insights and stories about the fulfilling careers they hold in this exciting and dynamic ocean technology industry that we call home.

Across the Group, we celebrate International Women in Engineering Day in June, which brings focus and attention to the accomplishments of women in STEM, while highlighting the outstanding achievements of women engineers globally.

EMPLOYEE SATISFACTION SURVEY

In November 2023 we conducted our inaugural employee survey, which returned a favourable response score of 76%, (4% higher than a global average). We have plans to run the survey annually, seeking to improve the overall engagement levels by acting upon key focus areas through an evolving people strategy.

A key part of this is engagement levels, with an opportunity to invite anonymous, honest and clear feedback via a survey. After some research, we chose a third party platform, used by more than 6,500 companies globally, to help us gather the required insights in a secure and completely anonymous manner. All employees were added, along with a number of demographics to allow for greater interrogation of the data, cascading to Operating Company level. All employees were invited to participate in the survey, resulting in 220 responses (65% participation).

The intention to undertake the survey was announced at a Live Forum, with follow-up emails over a one-week timeframe for completion.

- Learning and Development was identified as a main focus area that requires much improvement.
- Insights gleaned from the comments received will be used to inform our people and engagement strategy in the future.
- We expect participation levels to increase as a direct result of this two-way engagement process.
- At the GO Leadership meeting in November 2023, there was an absolute commitment to addressing areas for improvement and communicating progress and outcomes to the collective teams. It is recognised as essential to engagement that we convey a 'You said, We did' message with demonstrable progress.

GENERAL OCEANS ACADEMY

A fast-track technical and leadership programme

We have worked hard to establish a Group People Strategy to entice professionals to come and join us at General Oceans for a rewarding career. The General Oceans Academy has been set up to promote the Group as a destination employer, and as a rewarding a career choice for top industry professionals from all sectors. The first priority for the Academy is a fast-track technical and leadership programme, offering a suite of organised development opportunities.

The Academy's goal is to identify high-potential professionals, with a strong balance of academic, practical and professional experience, and the desire to travel and explore in a fast-paced learning environment. Our aim is to put them on a path to success through our unique placement rotation. This scheme will provide successful applicants the opportunity to spend three to six months on location at our Group companies to gain deeper learning experiences.

The four pillars of the programme are GO Explore, GO Faster, GO Experience, and GO Further. Each pillar is designed to offer opportunities for people at every stage -- including graduates or engineers who might be looking to move into management, or established professionals who want to grow their skill base.

Additionally the academy will provide:

- Leadership skills days: bringing people from our different companies together for an 'away day,' focusing on the importance of leadership skills and getting the best out of teams.
- Middle management contact group.
- Attracting women in STEM and new entrants through targeted initiatives and welcome events.
- Apprenticeships, internships and placements for university and vocational routes.

We enthusiastically announced the launch of the General Oceans Academy at Oceanology International in London's Excel (12-14 March 2024) - which biennially attracts the brightest and best of our industry. We fully aligned with the event's thematic of a smarter, sustainable and connected ocean, and hosted a number of exciting events, demonstrations, and presentations at the stand.

GENERAL OCEANS FOUNDATION

People, innovation and inspiration

General Oceans Foundation is a non-profit organisation that is committed to using the technology, talent, and tenacity from within the Group to create a positive impact on our oceans and the communities connected to them.

General Oceans includes a portion of profits from the Group alongside external fundraising, matching programs, and partner initiatives. As we formulate and accept project ideas, we should think about how we can add value for all of our stakeholders (not just our customers) with a vested interest in the locations in which we operate.

Originally The Nortek Foundation, we expanded the Foundation to Group level in 2022, and have allocated funding for several projects. Our aim is to provide funding on the back of employee grant applications and external research proposals. We announced the first employee project grant competition in Q4 of 2023 and look forward to sharing some exciting stories in next year's report on the progress of funded projects.

- Future plans include extending the competition externally, granting awards to fund the work of early career researchers, NGOs, and non-profit organisations, and will invite applications for funding through external research proposals.
- Employee Grant Applications can be made directly by any individual employee, or as part of an internal team or cross-company working group where specific projects can be delivered within one calendar year. The Group plans to allocate up to five different awards each year from 2023, with awards in the region of $10,000 each, and successful applicants will be expected to present quarterly progress updates.

Successful applicants will be able to identify the relationship of the project to the operating company mission, a General Oceans technology, or a designated stakeholder benefit.

GOVERNANCE

ACCOUNTABLE THROUGH GOVERNANCE & STRUCTURE

OUR APPROACH

At General Oceans we believe in conducting our business operations in an ethical, transparent and responsible way so we can lay the foundation for a strong environmental and social agenda – while simultaneously creating sustainable value for shareholders, stakeholders and society.

Good governance is essential in the way we carry out our business across our five operating companies. We work continuously on our corporate governance principles, documents, and procedures – ensuring alignment with the principles as set out in the Norwegian Code of Practice for corporate governance.

OUR GOVERNANCE STRUCTURE

The Board of Directors

Sets the direction of the Group by determining the objectives, strategy, and risk profile of the Group, so it creates and sustains value for shareholders. The Board is responsible for promoting the long-term success of the Group, through the delivery of sustainable stakeholder value under its guidance.

The President

Responsible for the daily management and operations of General Oceans, which involves setting and achieving the Group's strategic risks, legal compliance and social responsibility matters that are relevant to our business.

The Executive Management Team

Appointed because of their leadership position at their respective operating companies, with routine attendance at meetings with the President, to set the agenda for Group-wide collaborations and the allocation of resources.

The Leadership Team

Maintains a lean group of experts in their respective fields of Finance, Marketing, HR and Research. They use their skills to support operating companies in their efforts to fund and organise collaborative projects, recruit and retain the best talent, alongside the integration of knowledge and skills that live within the Group.

The ESG Working Group

Responsible for the delivery of regulatory reporting requirements as set out by the EU Corporate Sustainability Reporting Directive (CSRD) by 2025 – with alignment to the EU Sustainable Reporting Standards (ESRS) framework by 2024. ESG is a key focus area of the Group, and the ESG Working Group is developing a common set of goals and actions which will move us in the direction of official reporting on a broad range of ESG issues, including carbon, pollution, water, waste, biodiversity and human rights.

WHAT WE DO

General Oceans seeks to create an environment that attracts and retains highly qualified employees, and in which employees feel valued for their own contribution to the Group's performance. There is an expectation across each of our operating companies that employees are familiar with Group policies, and that they act professionally – with care, integrity, and objectivity. Operating companies each have their own ethical and professional guidelines as described in their "code of conduct" or employee instruction guides.

- We focus on providing a safe working environment for employees across our operating companies.
- We have a responsibility to make sure that our employees fully understand their own responsibilities regarding environmental and health and safety matters.
- We support equal rights and opportunities among our employees and do not tolerate harassment or discrimination in any form.

HIGHLIGHTS IN 2023

- The Board of Directors held quarterly meetings to assess and review the strategy and risk factors of the Group.
- Nortek achieved a new ISO 14001 certification, is now fully compliant with the Transparency Act, and has implemented the GRI reporting framework.
- Nortek published a report which outlined business risks and the breaches uncovered in different sectors, with an outline of prevention measures. The report contains information about the due diligence assessments performed which align with OECD guidelines.
- SRS completed its move and renovation to a new facility in San Diego. The renovation of the building is in full compliance with California's rigorous safety and environmental regulations.
- Tritech has worked toward the Living Wage Scotland accreditation and is set to receive the award in the first quarter of 2024. This shows commitment to remunerating employees fairly and according to the cost of living.

KLEIN MARINE SYSTEMS

Klein Marine Systems is the world's leading Side Scan Sonar (SSS) system provider. Klein is recognised world-wide for the manufacture and design of high-resolution side scan sonars. Klein sonars set the industry standard for survey area coverage rate with tow speeds of up to 12 knots, motion-compensated design methods, unique patented nadir gap filler technology, and Automated Target Recognition (ATR) AI software. The Klein name is synonymous with excellent customer service and our systems and products are deployed by governments, navies, port authorities, surveyors, oil companies and universities worldwide.

Klein joined the General Oceans Group in August 2023 in a successful return to its roots as innovators, and now extend support to new markets within a global network of partner companies. We might be undergoing a period of transformation, but the Klein promise of the very best image remains the same, the difference is in the image.

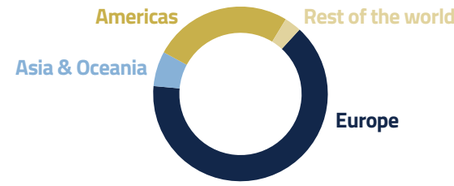
We aim to create excellent career pathways for our talented team so we can continue to deliver for our customers with an innovative, practical, and service-led approach.

2023 HIGHLIGHTS

50,000 SQ. FT
PRODUCTION FACILITY
under renovation

50+ YEARS
OF PIONEERING
side scan survey technology

SALES BY REGION



OUR STRATEGIC OBJECTIVES

- Develop a next generation sonar engine and system architecture which redefine the performance value proposition across the entire line of Klein side scan sonars.
- Move Klein's Synthetic Aperture Sonar (SAS) prototype technology into production.
- Continue to advance Klein's unique high-speed multi-receive beamforming sonar system and move this military technology successfully into the commercial survey market.

MIKE WILLIAMS VP GENERAL MANAGER

KLEIN MARINE SYSTEMS

"Klein is on a path of transformation and technological advancement, with plans to shift further towards digitalisation in the future. Our simplified operations and optimised production facility will support the growth of both Klein and the General Oceans Group".

I'm pleased to report on a busy and active period at Klein Marine Systems. We closed out the year under new ownership, in a move that returns us to our historic roots as innovators. We are immensely proud of our heritage and how we got here and will continue in the image of our original founder and namesake Marty Klein, who trailblazed the industry over half a century ago as the 'father of side scan sonar'.

In August 2023, we were acquired by General Oceans from MIND Technologies, in a strategic move that paves the way for new relationships, products and technological developments. As part of the deal, MIND has licensed its Spectral AI software suite to General Oceans for application inside scan sonar, and potentially for other software projects.

Naturally, the timing of the deal provides limited scope to report on a full financial year, as we have operated under the General Oceans banner for just one quarter of the reporting period. I take this opportunity to introduce Klein Marine Systems and summarise some of the management activities undertaken in the final quarter.

We couldn't be more excited to enter this new phase, joining like-minded professionals from Nortek, Reach Robotics, SRS and Tritech in the pursuit of excellence. Klein will now have access to more operational support and funding, as well as the exceptional technical expertise and R&D intelligence that lies within this powerful global partnership. As a Group, we are now primed for technological innovation and cost-base reduction, and will extend our footprint into new markets and networks as a direct result of these strong relationships. Already we are off to a great start by working collaboratively on projects with the other businesses in the Group.

It is an exciting new phase for the Klein team, and much work is under way which includes developmental improvements to our 50,000 sq. ft site Salem, and a refresh of our website and branding which will strengthen our position as a dominant global player in the underwater technology sector.

A PERIOD OF TRANSITION

We are currently undergoing a remarkable period of innovation, renovation and change, and worked hard to conduct a full business review in the year. Most, if not all, of the company's IT infrastructure has been or will be changed due to the conversion away from MIND toolsets and framework. Several projects have been completed, such as the introduction of a new quoting system, and an ERP systems upgrade is in progress.

During the final quarter, we conducted an in-depth analysis of the structure of our business and operations and were able to secure amicable exit packages for those valued employees whose roles were no longer viable within the new structure. While this always presents some challenges, we can confirm that all procedures were conducted in a fair and responsible manner, as is the Klein way of doing business.

We look to the year ahead with confidence, with a motivated, settled and re-invigorated team. Everyone is primed to deliver on a strategy of business transformation, while focused on developing innovative technological solutions, delivering customer orders, and reducing legacy RMAs. In addition to this, we will seek to improve the internal and external sales organisation to be fully functional in all commercially relevant markets. We have identified three ways to achieve this goal:

- We will re-establish a representative organisation for sales to the hydrographic industry in the 10 most important markets.
- We will be a representative organisation for sales to the military market in the 20 or so countries that are exempt from export restrictions.
- We will strengthen our relationships with the US domestic DoD organisations, US Defence contractors, and commercial companies for their efforts this year.

I'd like to thank the entire team for their efforts this year and look forward to working with our colleagues and business partners old and new, as we enter a new phase of growth with a reignited purpose, and commitment to the quality products and service that have been synonymous with the Klein name for over half a century, and many more to come.

ACTIVITIES IN THE YEAR

- Restructure of teams and job roles, brand refresh, and relationship development across the Group.
- Planning under way to develop technical connections with General Oceans teams peer reviews and in-depth analysis.
- Updates to production staff, testing and quality control in Q4, and weekly quality reviews to assist KPI tracking for the future.
- Refinement of single-beam system test procedures to ensure proper functional testing of optional interfaces.
- Introduced new cloud-based quoting tool, and ERP systems update is in progress.

OUR HISTORY

Founded by Marty Klein in 1968 in a small factory in Salem, New Hampshire, USA, Klein Associates became the first commercial manufacturer of side scan sonar in the world. Since then, Klein Marine Systems has become the leading supplier of side scan sonar equipment, to navies, shipbuilders, secure installations, researchers, oil & gas explorers, and hydrographers in global markets.

SO WHAT IS SIDE SCAN SONAR?

Side scan sonar creates an image of large areas of the sea floor. It uses a sonar device, towed from large ships or unmanned underwater vehicles (UUVs). The tow body travels closer to the seafloor and the sonar device it carries emits two fan-shaped arrays of sound waves on either side of the tow body down to the sea floor across a wide angle, perpendicular to the path of the sensor. The sound waves are reflected off targets in the path of the waves and returned to the source. Once received, the sound waves are translated into electrical signals and sent back to the towing vessel, depicted as profiles of the structures below, and offering accurate mapping of the sea floor and structures.

NORTEK GROUP

Nortek was founded in 1996 with a purpose to enable better understanding and resource management of our oceans through the innovative applications of acoustic technologies. Fast forward more than 25 years, and the relevance of our original purpose is more important than ever, as we navigate the challenges and opportunities presented by several global trends in a changing world.

Our strong technological foundations and first-rate production systems have powered us to grow into the successful company we are today. Our instruments are central to weather forecasting systems, offshore operations, scientific research, defence, and energy industries – and are used in more than 90 countries worldwide. Our distribution network comprises eight subsidiaries, located in: China, The Netherlands, France, Australia, Japan, Brazil, the US, and the UK.

Nortek produces acoustic sensors that measure water movement, such as ocean currents and waves, and provide fundamental input into subsea navigation systems. We are making subsea vehicle and robotic development possible by developing unparalleled navigation sensor packages, right-sized for smaller, more economical, and scalable new vehicles. Nortek maintains its leading market position in ocean current and wave measurement by continuing to introduce novel capabilities to scientists and engineers, most recently expanding into fisheries by adding biomass measurements.

2023 HIGHLIGHTS

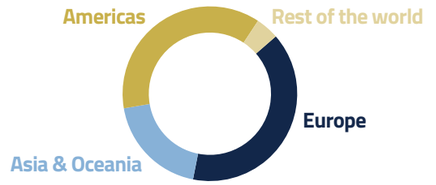
90+

COUNTRIES
with new focus on Middle East & Asia

20%

INCREASE IN REVENUE
since 2022

SALES BY REGION



MORE ABOUT NORTEK

- Our objective is to excite users with useful, innovative technology underpinned by scientific evaluation. We work systematically with quality and are certified by leading quality assurance organisations.
- Most of Nortek's technology is based on a scientific physical principle called the Doppler effect. This relates to the change in frequency (or pitch) when a sound source moves with respect to an observer.
- Nortek's product portfolio ranges from wave measurement systems to single-point turbulence sensors, oceanic current profilers, and underwater navigation sensor packages.
- Our exploratory devices help cast light on the workings of the world's oceans, which are still little understood.
- Our Doppler Velocity Logs support more accurate underwater navigation which is key for both autonomous and remotely operated underwater vehicles.

FINN IVAR MARUM CEO

NORTEK GROUP

"Nortek continues to innovate and is driven by the application of acoustic technologies that will bring positive benefits to our oceans in the long-term, as we strive for better ways to manage the ocean, our most precious stakeholder."

I am pleased to report another excellent performance by Nortek in 2023, with robust growth, improvements in manufacturing, and significant progress on our digitalisation, AI and ESG initiatives in the year. We posted revenue growth in the double digits for the second year running, reporting NOK 543.4 million – representing a year-on-year increase of 20 per cent (FY22: NOK 453 million), and a 33% increase in Company EBIT.

Welcoming Klein Marine Systems to the General Oceans Group was a highlight in August 2023, and we look forward to working with them to explore new products and solutions as they join us alongside Reach Robotics, SRS and Tritech. I am pleased to report on several collaborations with the wider General Oceans team, on transducer design, and software insights and developments.

Much of our growth in 2023 can be attributed to offshore wind projects and the energy transition, as well as increased activity in oil and gas. Defence spending is only set to increase (considering current geopolitical events), and we are well positioned to deal with global risk factors through continued diversification, in a planned effort to meet increased demand for technology solutions – in a clearly identified growth areas of underwater navigation and oceanography.

DATA MANAGEMENT AND SECURITY

In 2023, there was a focus on driving operational improvements through the lens of industrialisation and automation. We made progress in our shift toward data-driven management and supply chain efficiencies, now supported by an enhanced utilisation of our ERP system. We have migrated most of our software into cloud-based solutions to improve access and data security and continued to develop policies to mitigate the ongoing risk of cyber-security – with training and vulnerability assessments communicated and updated regularly for employees.

We established an AI task force who are working on projects to help us find concrete examples where AI applications can add real value to the business. These efforts are being carried out on a cross-departmental basis at Nortek, and more widely across the General Oceans Group, as we seek insights and market intelligence to improve efficiencies and service levels. In the year, we started to use AI to collect notes and insights from the many tradeshows we attended and discovered its utility in collating market intelligence across many sources.

RESPONSIBLE AND SUSTAINABLE BUSINESS

We strive to improve each year, with the support of an exceptional team working to capitalise on the opportunities within reach. We have worked hard in the year to improve our attractiveness as an employer, focusing on our internship programme with additional marketing not only to universities but into in local high schools at a more vocational level, which will help us to source and retain top tech talent and the machine operators of the future.

ESG highlights for 2023 include a new ISO 14001 certification, compliance and reporting according to the Transparency Act, and the implementation of GRI reporting framework.

The GRI standards are the most widely used sustainability reporting standards and have been used for Nortek's 2023 sustainability reporting on economic, environmental, and social impacts. The GRI Standards increase our organisation's transparency and enhance our stakeholder engagement.

OCEAN SPRINT PROJECT

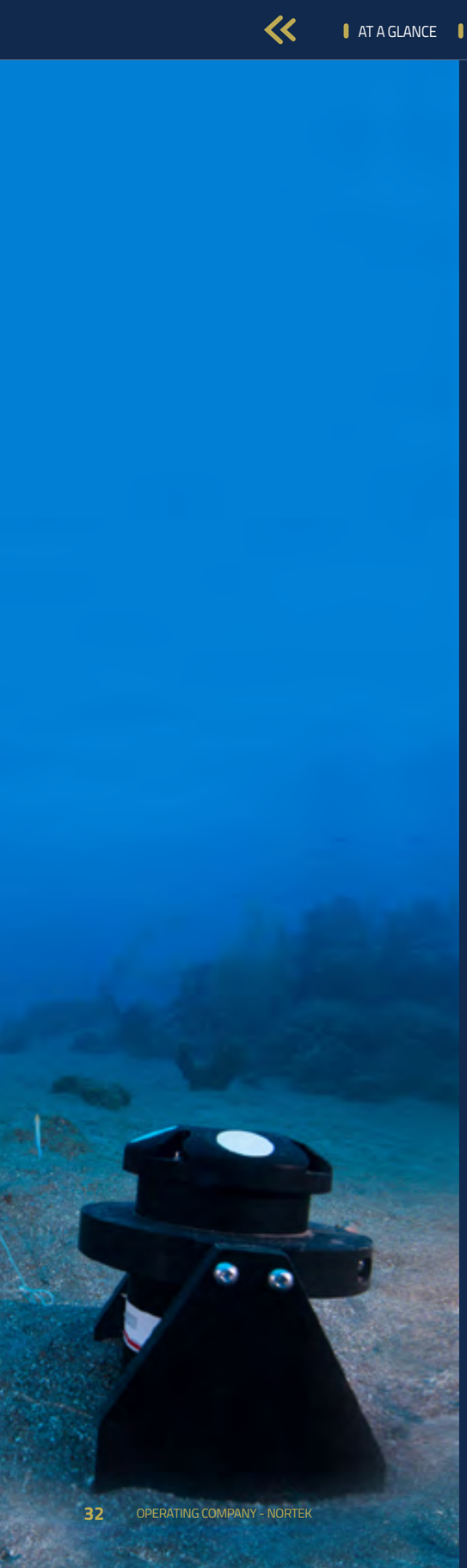
On the theme of encouraging projects with a positive environmental impact, we were proud to announce Nortek BV, our office in the Netherlands, as winners with their 'Bubble Barrier' project, in our 'Ocean Sprint' competition. The Bubble Barrier is a project set up by an NGO which we support through Nortek BV, and Nortek's instruments help enhance the performance of the barrier. You can read a full case study on this in the ESG pages of this report – but in essence, it is a technology that allows rubbish to be collected from rivers before it makes its way downstream to our oceans.

Nortek is a vibrant, diverse, and inclusive place to work, and I attribute much of our success in the year to the contribution each employee has made. Nortek is going from strength-to-strength globally on both price and quality. Our financial position has allowed us to continuously invest in our people and products, alongside the technologies that are key to driving competitive advantage as a well-respected leadership in navigation, currents, and waves. We stand ready to embrace future trends and opportunities, alongside a team of strategic partners and our wonderful team, as part of the General Oceans Group.

DRIVERS FOR GROWTH

In 2023, we continued a strategic path of increased growth, efficiency, and cost-base reduction:

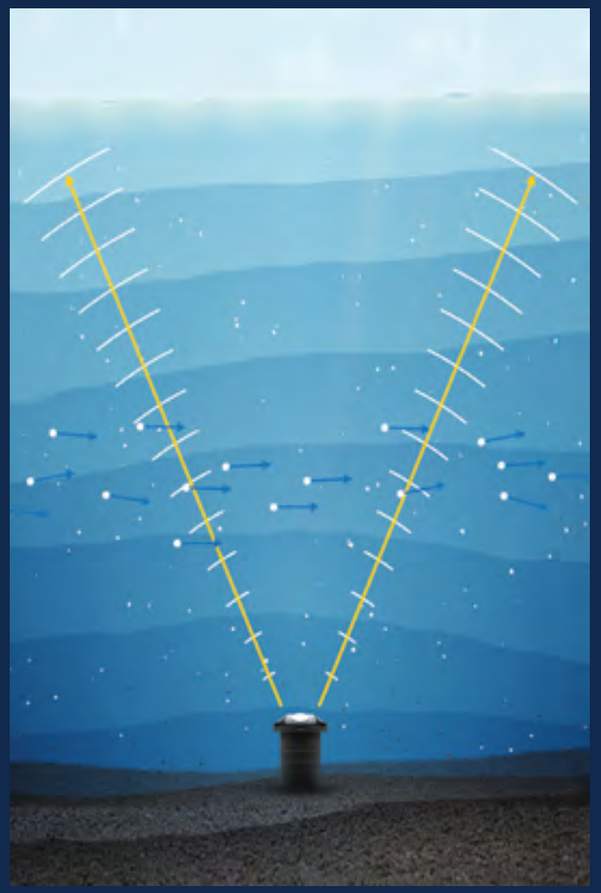
- Doubled our revenue and tripled EBIT over the last five years as we continue to grow market share and deliver value for stakeholders.
- Further developed our people strategy with a focus on growing talent pipelines at both university and vocational level.
- Exploring markets in Asia and the Middle East as part of our global ambitions.
- Continued our efforts to increase production and scale, with progress on cost reductions and manufacturing efficiencies.
- Ongoing digital transformation of our operations, now with mostly cloud-based software.
- Established AI taskforce to research viable concrete examples to add value.
- ISO 14,001 certification, compliance and reporting to the Transparency Act and GRI reporting.



DOPPLER TECHNOLOGY & ADCPS

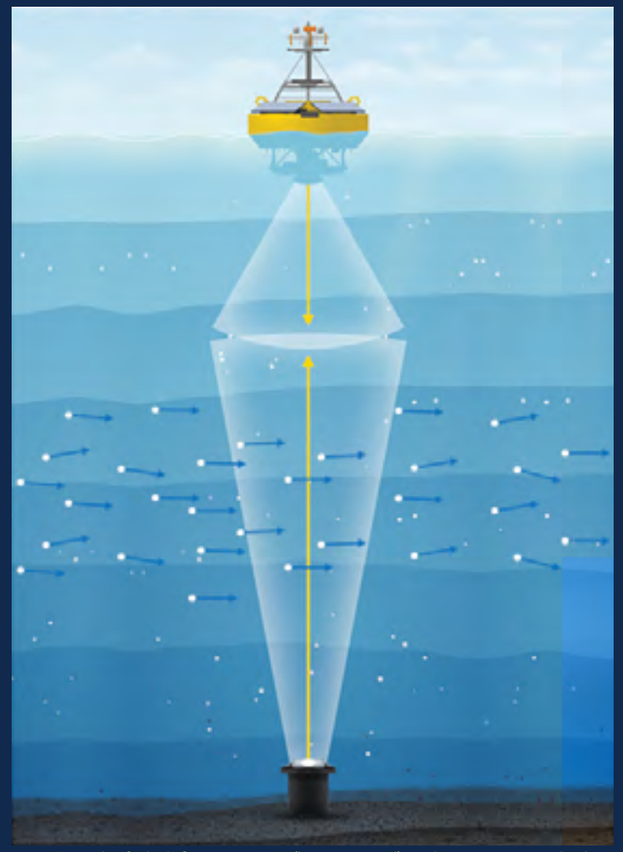
Acoustic Doppler Current Profilers (ADCPs) measure water velocity indirectly by measuring the velocity of particles that are moving with the water. These particles may be zooplankton, suspended sediment, or other particles. ADCPs assume that the particles are moving at the same velocity as the water. This is nearly always a safe assumption, which is why ADCPs have successfully replaced other current meter technologies. These particles are called scatterers because they scatter (or deflect) the sound waves.

Conceptual illustration of what an ADCP does. Acoustic signals (shown here as cones coming out of the ADCP) propagate through the water column. The ADCP then measures the velocity inside each of the layers shown.



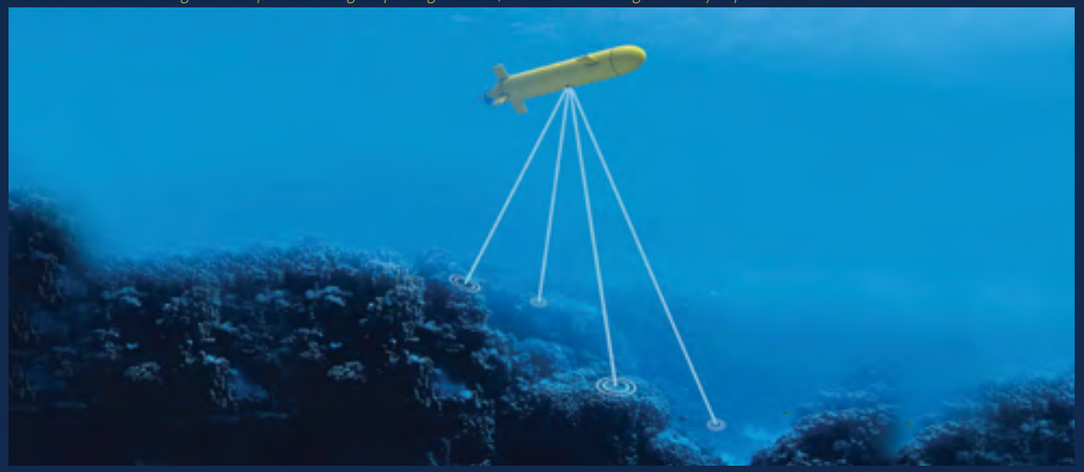
ADCPs measure the particles' velocity using narrow beams of sound. They transmit the sound, wait a short time, then listen for echoes from the particles. Doppler processing tells ADCPs how fast the particles are moving, and therefore, the velocity of the water, by using the change in frequency of the echo and the speed of sound in water to calculate the speed of the moving particles. ADCPs do this using acoustic frequencies that are too high for us to hear.

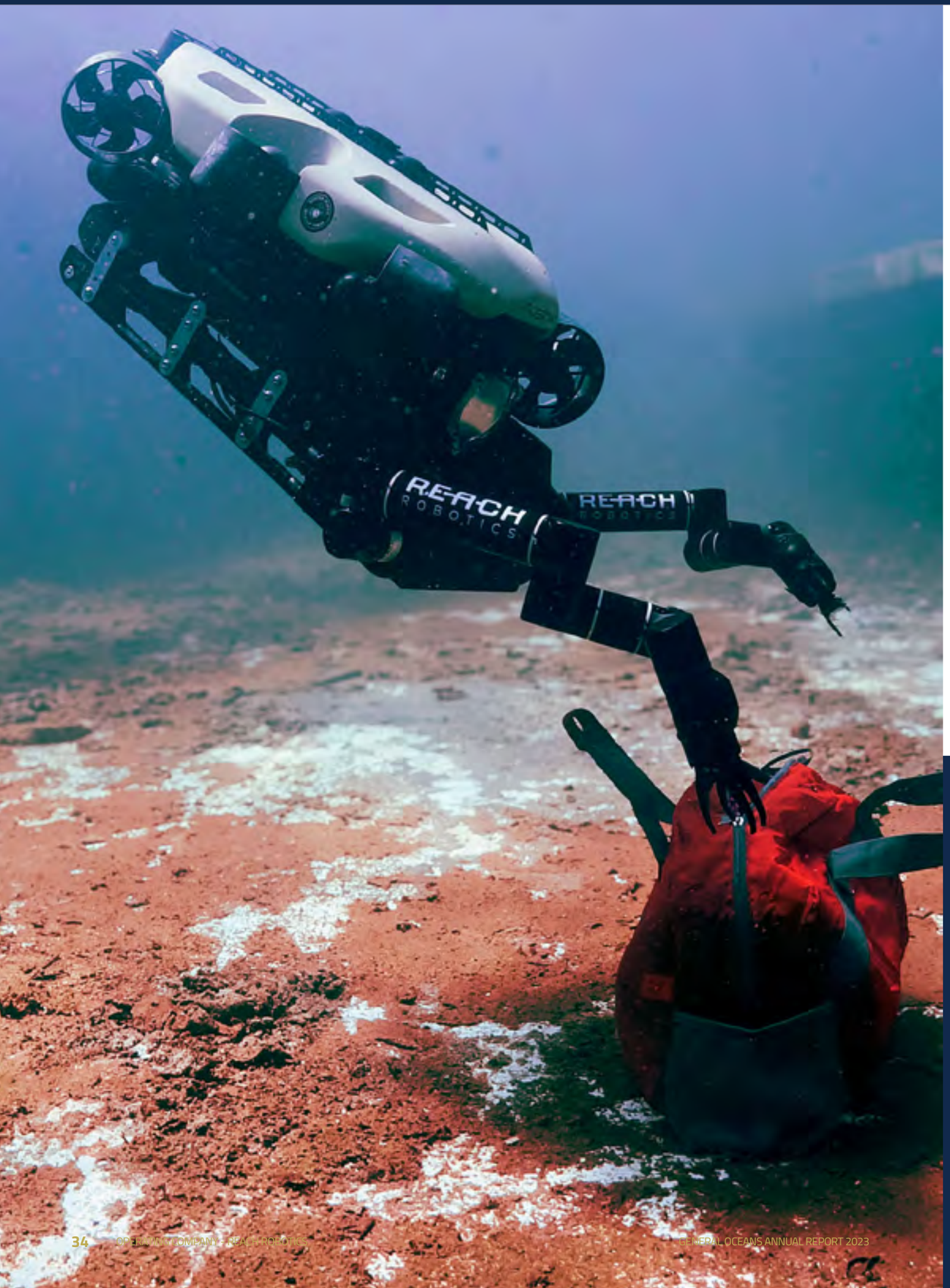
A Doppler Velocity Log (DVL) is a type of ADCP that estimates the velocity of a moving vehicle relative to the stationary sea bottom. This velocity is an important component in a vehicle's navigation system. Inertial Navigation Systems (INS) use motion sensors and algorithms to estimate a moving vehicle's position. Over time, the processing used exposes the position estimate to a growing error. A displacement estimate that does not drift excessively is needed to correct this error. Underwater, in the absence of GPS, DVLs are used to provide this displacement estimate.



Example of a high-frequency ADCP (buoy-mounted) used in conjunction with a low-frequency ADCP (bottom-mounted) to cover the full water column.

A DVL is an essential navigation tool for AUVs designed for long missions, or missions with high accuracy requirements.





REACH ROBOTICS

REACH ROBOTICS

Reach Robotics is a specialist company with expertise in developing the most reliable, tough, and advanced underwater ROV grippers, actuators, and manipulator arms. Our products offer complex inspection and intervention for a wide range of clients; including maritime infrastructure management, military and police operations, marine science, autonomous robotic research applications, and more.

Designed to enable and facilitate remote and autonomous operations in harsh environments, Reach Robotics focuses on user-experience and feedback to create high-performance solutions to difficult problems. As the market trend of accepting artificial intelligence (AI) and robotic solutions continues to develop, we will expand into other markets; such as nuclear power, land-based robotics, and space-ready systems – while retaining our niche position as a subsea robotics company.

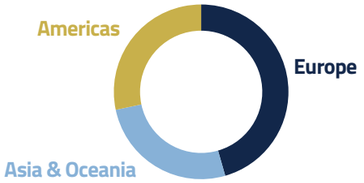
Our difference is the quality of our robotic solutions and the relationships we build. We collaborate as integrated members of our customers' teams, working towards the common goal of successful robotic intervention and inspection across a range of mission-critical industries.

2023 HIGHLIGHTS

900+ UNITS
SOLD TO DATE
in 30 countries

40+
EMPLOYEES
and actively recruiting

SALES BY REGION



STRATEGIC OBJECTIVES

- Provide manipulators that enable efficient remote intervention in subsea environments.
- Adapt our technology to overcome similar challenges in land and space.
- Utilise AI and other emerging technologies to perform complex tasks.
- Build on our Defence partnerships to secure long-term contracts.
- Reach the full potential of manipulators by investing in new ideas.
- Extend our global reach with sales and support offices.

PAUL PHILLIPS CEO

REACH ROBOTICS

"A significant milestone of the year was the release of the Reach X Advanced Intervention System, which has experienced much demand from the commercial sector wanting lightweight manipulators."

In future years, we will look back on 2023 as the year that Reach Robotics established itself as the defining company in the portable subsea intervention landscape. We have had an extremely busy year launching new products and product extensions, conducting research and development, and showcasing our innovations at world-leading ocean technology conferences.

A significant milestone of the year was the introduction of the Reach X Advanced Intervention System (RX-AIS), setting a new benchmark for naval and critical force operators in challenging, unpredictable environments. Developed over five years in collaboration with the US, UK, and Australian militaries, the RX-AIS is a power-dense, compact manipulator that enables portable Remotely Operated Vehicles to carry out tasks previously reserved for human divers.

This is a step-change in future expeditionary intervention, keeping divers out of harm's way, and made possible by the miniaturisation of technology. Mimicking the dexterity of a human diver, the intuitive Reach X is able to complete tasks such as manipulating, cutting, untangling a line, attaching or retrieving, and placing objects in precise locations.

Since its release, Reach X has experienced growing demand from the commercial sector for lightweight manipulators. We have also developed modular and highly dexterous multi-tools, facilitating non-destructive testing and complex intervention for commercial expeditions.

Our popular Alpha Grabber also benefited from a new extension tube accessory, which was developed following customer feedback, this accessory is simple to integrate and compatible with existing systems.

We are fortunate to have long-standing relationships with allied militaries and it is noteworthy to mention the conclusion of the Defence Innovation Hub project (announced in 2021).

A key feature of our manipulator technology is its intuitive control system, powered by our custom-designed human-machine interface (HMI) software, Reach Control. The HMI provides users with the ability to remotely visualise their robotic arm in a three-dimensional plane, receive real-time status and feedback updates, set operational parameters, and customise settings such as force, torque, and speed.

Early in the year, our software R&D team gathered feedback from customers to understand how operators interact with Reach Control in the field. After extensive testing, we released Reach Control V3.10. This latest version incorporates new features and additions, customer-requested changes, and an updated interface design to make operation even more seamless and intuitive.

Translating our success in making underwater robotic arms, we turned our attention to the final frontier – space. In 2022, we were awarded funding under the Moon to Mars: Supply Chain Capability Improvement Grant, with working continuing into 2023. For Reach Robotics, this facilitated the testing and development of our advanced manipulation systems for space environments, supporting Australia's contribution to this sector and positioning us for potential future projects.

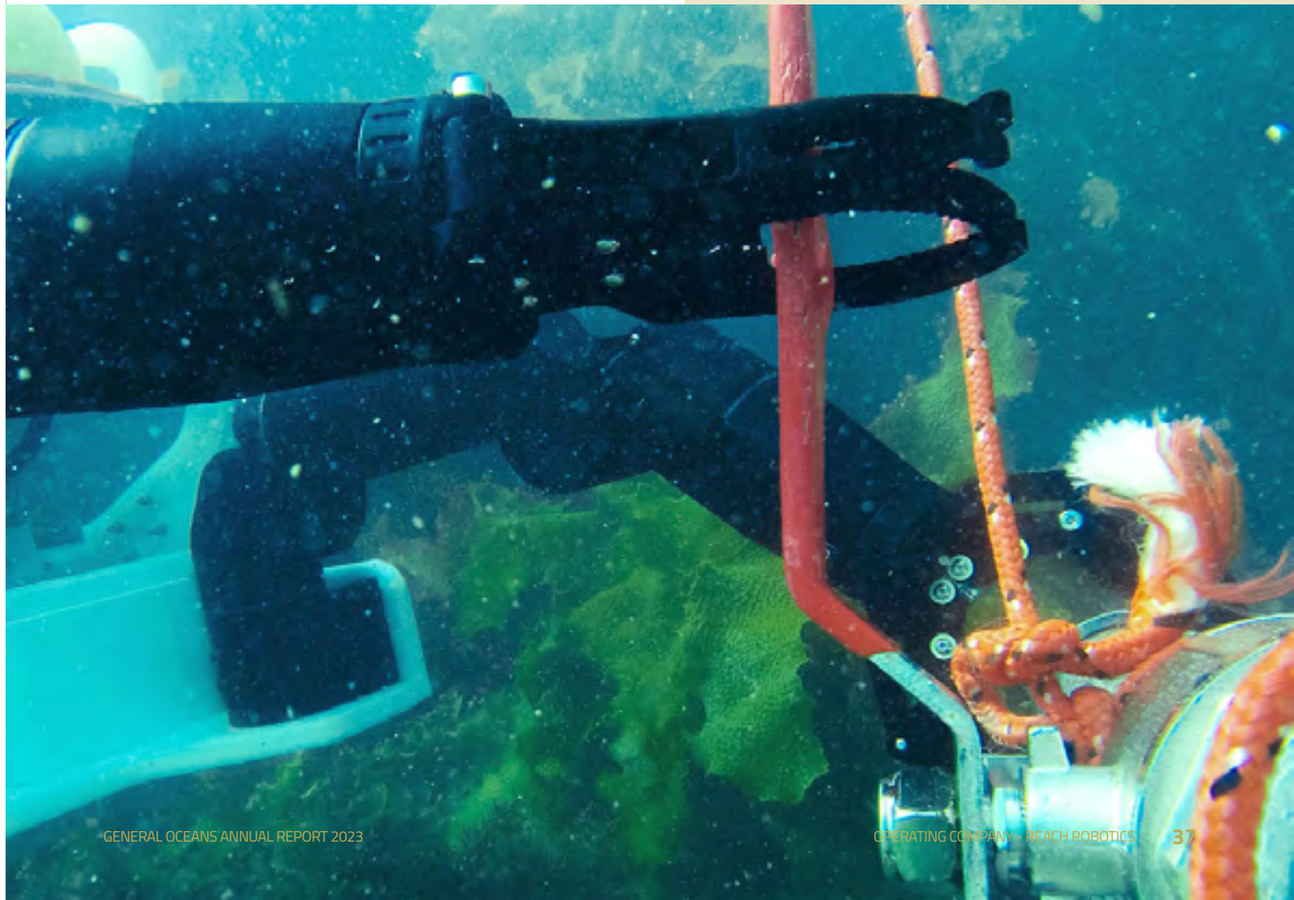
With the aim of optimising manipulators for complex space environments, key applications of manipulator arms in space include on-orbit and life extension servicing of satellites and other spacecraft. Conducting scheduled inspection and maintenance of satellites increases their operational lifespan and therefore improves their overall value.

Building technology for the space sector presents a whole new set of challenges, including ionising radiation, vacuum effects, and extreme thermal fluctuations. Throughout the duration of the grant, we addressed each problem through a process of testing, revision, and verification of our technology. We collaborated with UNSW's Australian Centre for Space Engineering Research, which provided facilities to simulate the harsh conditions of space. This testing informed our future technical developments and strengthened our understanding of space engineering.

I am proud of our involvement in this project, and I eagerly anticipate the potential of applying the knowledge gained to future commercial products.

2023 HIGHLIGHTS

- Launched the Reach X Advanced Intervention System.
- Released a new version of Reach control software.
- Developed a high-force cutter for the US Navy.
- 40+ talented team members, with ongoing recruitment into R&D and Production .
- Celebrated our 7-year anniversary.



In other areas of R&D, we were pleased to announce that our Reach Bravo 7 was selected by INESC TEC, a non-profit organisation operating at the intersection of business and academia, for their ATLANTIS project. This project focuses on the application of robotics and autonomous systems at offshore wind farms, with the goal of reducing the cost of clean energy by minimising expenses related to operation and maintenance activities. These expenses typically arise from the need for human divers, skilled operators, specialty vessels, sensor technology, and complications related to underwater access.

We place great emphasis on nurturing the next generation of engineers by providing them with valuable opportunities to develop their skills and gain practical experience. We welcomed a number of interns to our team and actively engaged in engineering outreach sessions with university groups and high school students. These initiatives are part of our ongoing commitment to support and empower the future of engineering in Australia.

Additionally, we were delighted to participate in several prestigious conferences across the UK, US, and Australia. These events served as invaluable platforms for us to connect with customers, leading manufacturers, and service providers on a global scale. Our participation in these conferences is instrumental in shaping the future direction of our business.

As we enter 2024, we have a team of over 40 dedicated and highly skilled members supporting our growth and shaping the future of subsea robotics. A key focus for this year will be to build sales in Reach X, evolve our sales and marketing capabilities to support our growing range of products, and push forward on key R&D projects.

We are now shipping to over 30 countries worldwide. Our client base is expanding, and in addition to military applications, we are extending into new commercial industries due to our leading technologies.

I would like to take this opportunity to thank our hugely gifted engineers whose groundbreaking work continues to disrupt markets and create new ones.

STRATEGIC ROBOTIC SYSTEMS

SRS was founded in 2015 with a vision to apply alternative technologies to the field of robotics. Functionality, capability, and underwater testing remain integral to our design process. We developed and manufactured the FUSION™ vehicle incorporating a suite of high-end sensors so operators in the global defence community could succeed on complex missions. From imaging sensors to navigational aids, the FUSION™ is a tightly integrated system that improves vehicle dynamics – eliminating the need for problematic cables and connectors. SRS also offers optional instruments to augment performance and the user experience on a mission-specific basis.

Today, we operate primarily in the defence sector, however we've initiated an in-depth analysis to help identify market adjacencies we can expand into, as well as identify additional unique features we can invest in to further differentiate our product offerings. These investments will not be limited to hardware; we are committed to increasing our systems' mission utility through advanced software applications as well as enhancing the autonomy of our systems. We will leverage the ever-evolving state of the art in machine learning and artificial intelligence to constantly evolve the capabilities of our robots.

Our FUSION™ platform is employed globally with a broad range of defence forces including the US Department of Defense, US Homeland Security, and numerous allied nations such as the United Kingdom and Norway, and the team at Strategic Robotic Systems continues to push the art of the possible in expeditionary undersea robotics.

2023 HIGHLIGHTS

$600k

RENOVATIONS
Relocation to San Diego

6+

TRAINING SESSIONS
Delivered to USCG and US Navy

SALES BY REGION

OUR STRATEGIC OBJECTIVES

- Build a world-class maritime robotics business by innovating and collaborating across the General Oceans Group along with industry partners to exceed customer expectations with disruptive technology.
- Create a scalable operations model that enables sustainable growth, profitability, and operational excellence, while broadening our reach across the defence ecosystem and exploring adjacent growth markets.
- Develop a comprehensive recruitment, training, and retention programme that helps us attract and retain top talent, while committing to robust governance processes, accountability, and a long-term ESG framework and sustainability plan.

OMER POROY CEO

STRATEGIC ROBOTIC SYSTEMS

"SRS has now settled into the new facility in San Diego, producing results consistently throughout the transition. Four FUSIONs – with dual Reach Robotics 5FN manipulators – were delivered to an international defence organisation in Europe. A combined effort by the production, engineering and customer teams made this happen under difficult circumstances on a very tight deadline, and I could not be more proud of the people who made it happen."

I joined SRS early in 2023, to facilitate a succession that would allow the original founders to exit and am pleased to have achieved this goal alongside the General Oceans team. Together we delivered a new strategic framework, a seamless transition of leadership within the organisation, and business continuity during a challenging period that saw us relocating our facilities from Redmond, WA to San Diego, CA - requiring a full re-structuring of our team, systems, and processes to be aligned with our mission statement.

Much of the year was focused on preparations for the move, and it is worth reiterating the reasons behind this strategic decision. The three primary reasons; first and foremost, to increase our proximity to our core DoD customers to increase collaboration with them, and to provide exceptional customer service. Two, there was a requirement to address talent and labour shortages for skilled team members with oceanographic and undersea robotics expertise – in a drive to ramp up the company's in-house resources and ability to respond to our customers' requirements. And finally, we wanted to establish a significant presence in California for the benefit of the wider General Oceans Group, so it could serve as a base from which the Group could grow its business footprint in the United States, and into other areas.

Team building, product improvements, and customer service have been the key business drivers for 2023, and we continued to deliver orders in this new chapter of our growth journey. This transitional period required re-alignment with our stakeholders and a careful review of the market dynamics in which we operate. Our strategic framework is geared toward steady progress for the future on both fronts, with our sights firmly set on building the SRS of the future – as a nimble and highly capable maritime robotics company that will be ready to tackle our customers' most challenging requirements.

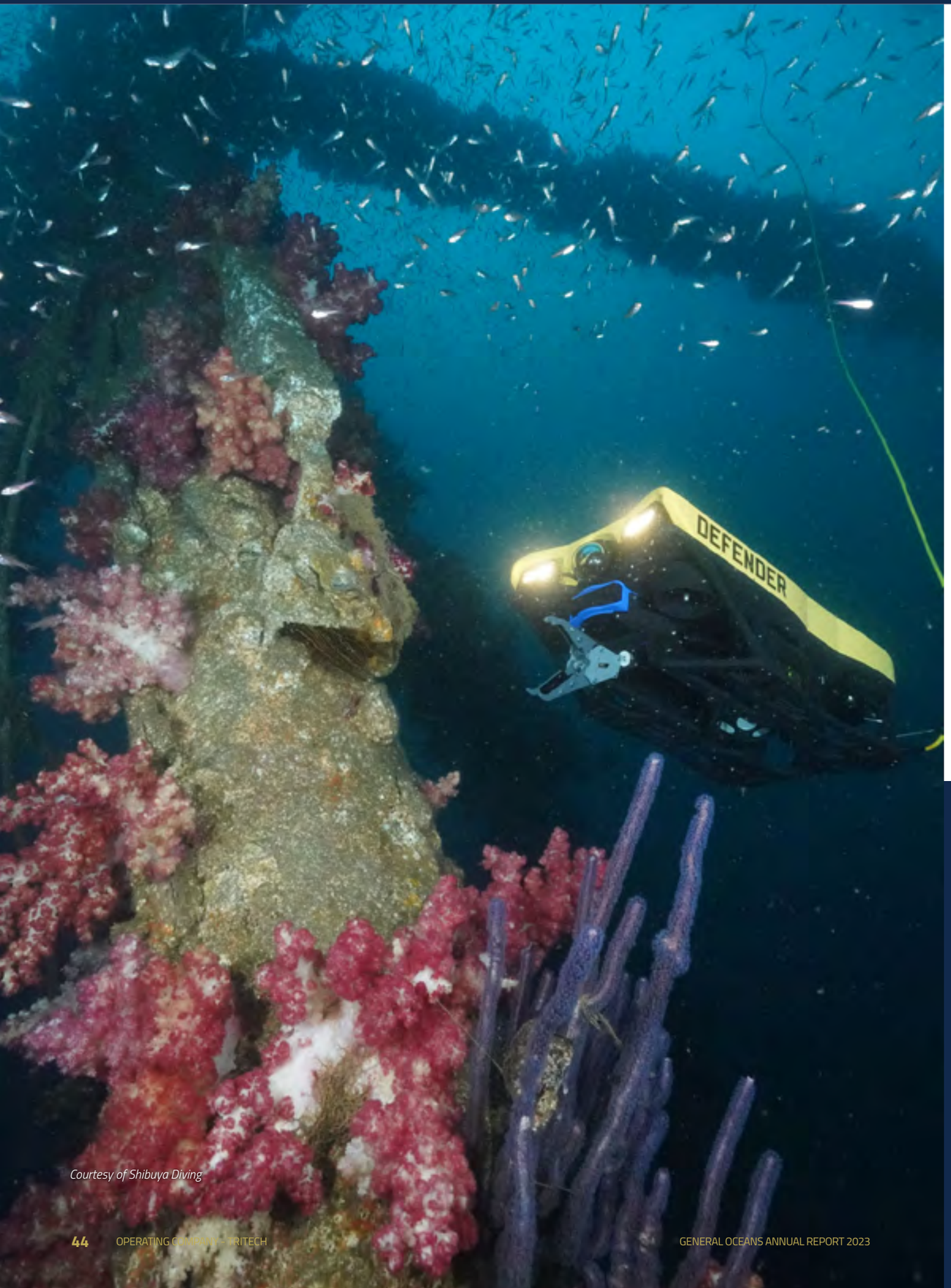
Our team collaborates with the best minds in industry to create exceptional technical solutions for our defence-industry customers, including the United States Navy, Coast Guard and Marine Corps, and internationally for the Royal Navies of Norway and the United Kingdom (UK), among others. Due to the nature of our business, our relationships are built on trust, and contracts are long-standing, but developments cannot always be publicly announced due to issues around national security.

SRS has a strong base with the FUSION™ Hybrid Underwater Vehicle product line which we will continue to invest in. This technically advanced vehicle is the foundation for developing new and unique capabilities in pursuit of further market differentiation. We continued to build strong industry partnerships in the year to extend our profile and reach, which also serve to fill any capability gaps we may opt to fill externally.

I am excited about what the future holds for the team at Strategic Robotic Systems under the careful stewardship of the General Oceans Group. It was my pleasure to serve General Ocean as SRS' transitional CEO during this period of uncertainty and have every confidence that the company will emerge stronger as a leader in maritime robotics and systems integration. The company continues to have my full support as it evolves to solve emerging challenges our customers face in global maritime safety & security in a growing ocean economy.

OUR FOCUS IN 2023

- Completed a $600k renovation to a new facility in San Diego to support a relocation from Redmond, Washington. The renovation of the building is in full compliance with California's safety and environmental regulations.
- International orders from Poland, the Netherlands, Belgium and Australia.
- Delivered FUSION™ systems to new police force and research customers.
- Active engagement with customers and demonstrations/seminars at Oceanology International Americas, Sea Air Space, DSEI, and INDOPAC.
- Demonstrations were performed in San Diego for various branches of UK government agency personnel – FUSION's operational capabilities were highlighted by performing Vessel Hull Inspections and advanced AUV Mode missions, among other things.
- Work undertaken on SRS product strategy with General Oceans team in London.
- Full transparency and governance around all business processes – formalisation of new structure.



Courtesy of Shibuya Diving

TRITECH

Tritech is a high-technology business that provides the most reliable imaging and ancillary equipment for use in underwater applications across multiple market sectors. Our products are used in a variety of scenarios alongside underwater vehicles (ROVs and AUVs); by divers needing the support and assistance of underwater sensors; in survey and hydrographic work, and in marine science and aquaculture.

For over 30 years, Tritech has provided the subsea industry with reliable solutions for the harshest environments and most difficult applications. Our product portfolio consists of a suite of scanning and multibeam imaging and profiling sonar solutions. Oceanographic bathymetric and depth sensing products are also part of the portfolio. Tritech also sells navigation and tracking solutions for small subsea vehicles. Our products go through rigorous production testing, both in-house and on open water, and often remain in use for decades, surviving in the most challenging environments.

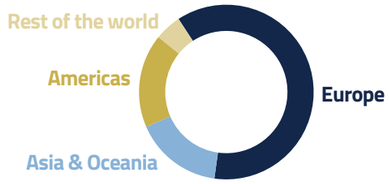
We offer customer support 24 hours a day, 365 days a year from three UK locations and a sales office in the US. Our global network of resellers also regularly support and work with our customers in their local area or region as required.

2023 HIGHLIGHTS

GEMINI 1200iK
NEW MULTIBEAM SONAR
Low-to-high acoustic settings

354 SOLAR PANELS
AT OUR ULVERSTON SITE
Circa. 68% of our electricity consumption

SALES BY REGION



OUR STRATEGY

- Develop and expand our product range to establish Tritech as the preferred brand in all categories of imaging sonars.
- Build a worldwide sales, distribution, and support organization.

DAVID BRADLEY MANAGING DIRECTOR
TRITECH

"We worked hard in the year, with a disciplined approach to building the team. I am pleased to report that our efforts have paid off, with reward for the business, our customers and society in the long-term."

I am pleased to report another productive year for Tritech in 2023, delivering on all areas of our strategy with an excellent set of results. We have now completed our first full financial year since the deal with General Oceans completed in September 2022, and have further developed our working relationships with Nortek, Reach Robotics and SRS.

We finalised an exclusive reseller agreement with Nortek China in Q3 and are confident that this collaboration will deliver value for the stakeholders involved. Strategic partnerships like these will drive our ambition as a global company offering real competitive advantage, while providing local support to our customers and those who use our products in the field.

In 2023, we welcomed Klein Marine Systems to the General Oceans Group, and the Tritech team is looking forward to working with them to explore opportunities together for the future.

ONE TEAM, A DISCIPLINED APPROACH

In the year, we conducted a grassroots review of our people and systems, and have emerged with a sense of purpose that is stronger than ever before. Our mission – worth re-stating – is to provide reliable solutions for a global customer base as they navigate some of the harshest subsea environments. We aim to support the subsea working environment by making it less hazardous.

To deliver our mission, we employ more than 60 people out of our three main sites in Ulverston, Aberdeen and Edinburgh (in the UK) – and have further reinvigorated our representation in the Americas by opening a US sales office in Louisiana, an offshore operations hub, in 2023. This local representation in the Americas is the result of continued growth and development in recent years. It allows us to offer a wide range of imaging and ancillary equipment to new and existing clients across the US, South America and Canada. Our customers are already benefiting from these dedicated points of contact via local sales and support teams, and we are delighted to have expanded our footprint to reflect a growth in demand.

We recognise our employees as a key asset, and they have been a priority focus in 2023, with active talent management, succession-planning and rewards' initiatives now in place at all levels. We are set to receive the Living Wage Scotland accreditation (Q1 2024), joining c.3,400 Scottish employers in a commitment to remunerating employees fairly and according to the cost of living.

SUSTAINABILITY AND EFFICIENCY IMPROVEMENTS

We strive to reduce the levels of power, water and waste consumed or produced through our business operations, and work to the 'reduce, re-use and recycle' principle. We have identified solar generation as the single most effective carbon reduction action we can take and completed the successful installation of 354 solar panels at our Ulverston site, which was designed in 2014 with solar panels in mind. This now provides c.68% of our current electricity consumption.

A full revision of our teams and structure took place in 2023 which has allowed us to support the growth of the business more effectively.

GEMINI 1200iK DEEP RATED MULTIBEAM SONAR

In 2023 we launched a deep rated version of the Gemini 1200ik multibeam sonar as a powerful new addition to our popular Gemini range. This version is depth rated to 1000m and offers the same two operational frequencies so users can switch from either long-range target detection (720 kHz), or enhanced imaging in a higher resolution (1200 kHz).

The 1200ik housing has been engineered to withstand increased water pressure so users can now explore waters up to 1000m in depth. It does possess a slightly increased form-factor, but remains effortlessly compatible with the majority of ROVs and AUVs. Our underwater sensors have a reputation for being compact and easy to install on most underwater vehicles, and the proof is in the significant numbers sold in 2023, and more on order for 2024.

PROCESS AND DELIVERY

During the year we worked hard to build the team to deliver reward for the business, customers and society in the long-term. We have been disciplined in our approach and it has been satisfying to see these efforts pay off. We have made strategic improvements to ramp up the effectiveness of our management team, and tightened our governance and controls, with a newly introduced quarterly-reporting regimen that is already proving successful.

It is a great privilege to lead such a motivated and hard-working team and I am proud of the advancements we have made in 2023, through the lens of new ownership. I look forward to the many exciting challenges and opportunities that lie ahead, as we grow our international footprint and reach into diversified markets.

2023 HIGHLIGHTS

- Full business review of people, production and process, showing promising growth potential.
- New office in US and reseller agreements.
- New production strategy, overhaul of efficiencies and stock levels.
- Recruitment across Sales and Production to support business growth & service customers.
- External recognition as a responsible employer.
- 354 solar panels installed at our production facility in Ulverston.
- Software updates to our Genesis and Seanet pro software.
- Process automation & ERP system upgrade.

CORPORATE GOVERNANCE REPORT

General Oceans AS (the "Company, the Group or General Oceans") seeks to comply with the principles of corporate governance as set out in the Norwegian Code of Practice for Corporate Governance (the "Code" or the "Code of Practice"). This report sets out General Oceans' main corporate governance policies and practices. The application of the Code is based on the "comply or explain" principle.

Good corporate governance is important for General Oceans, and the Company continuously works on its corporate governance principles, documents, and the procedures of its governing bodies (Board of Directors' Investment Committee) to ensure alignment of its practices with the Code. Like most companies, General Oceans is dependent upon good relations with its stakeholders to succeed, and this is a priority for the Group.

A good reputation and solid financial development over time is important so we can build and maintain stakeholder trust and confidence. This includes customers, investors, suppliers, employees, advisors, partners, and public authorities. This requires good control and oversight of the business, as well as transparent reporting of financial results and material events. Equal treatment of shareholders is also important to increase share value and maintain investors' confidence.

General Oceans is aware of its responsibility in society, comprising anti-corruption, working environment, discrimination, environment, employees, and human rights.

BUSINESS

General Oceans AS is a holding and management company, and its business is connected to the ownership in its subsidiaries, each of which is engaged in the ocean technology business.

The Board of Directors sets the direction of the Group by determining the objectives, strategy, and risk profile of the Group, so it creates and sustains value for shareholders, while taking financial, social, and environmental considerations into account. These objectives, strategies, and risk profiles are evaluated on an annual basis by the Board of Directors through a strategic review process. Information concerning the objectives and principal strategies of the Group and changes thereto, as well as business risk aspects, will be disclosed to the market in the context of the Group's annual report, marketing presentations and on the Company's website.

NEUTRALITY AND ARM'S LENGTH PRINCIPLE

The principle of independence, neutrality and arm's length principle applies to all contacts and business associates i.e. customers, suppliers, banks, and other stakeholders.

The Group will establish related-party transaction procedures to ensure that all transactions are premised on commercial terms and structured in line with arm's length principles, and further detail how the Board and executive management should handle agreements with related parties. Such procedures will supplement the procedures set out by applicable law and may amongst other things, lead to an arrangement of independent assessment of the related party transactions. It is the Board members and key employees' responsibility to give notice to the Board of Directors, if they directly or indirectly have interests in any agreements the Company is about to enter. Information on relevant related party transactions (if any) is included in the Notes to the Consolidated Financial Statements.

EQUAL TREATMENT OF SHAREHOLDERS AND FREE TRADE OF SHARES

General Oceans is dedicated to ensuring equitable treatment for all shareholders. The Shareholders Agreement, last updated on 15th December 2023, regulates the conduct of every shareholder within the company. Notably, large shareholders hold a right of

first refusal, further supported by an arrangement allowing one of the significant shareholders to augment their shareholding to 34% of the issued shares.

Comprehensive governance provisions are outlined in the Shareholders Agreement, covering aspects such as the Board composition and proceedings, liquidity event considerations, and other governance matters related to shares.

GENERAL ASSEMBLY

The General Assembly is open to all shareholders of the Company, and the Board of Directors strives to ensure that as many as possible of the Company's shareholders participate in the General Assembly. The Company will send out a Notice of the General Assembly within the time limits set by applicable requirements. An agenda, documents, and information about the matters to be resolved will be included in the Notice, so shareholders can be prepared and informed on the issues to be decided upon at the General Assembly. Shareholders can vote on each individual matter, and those unable to attend the meeting in person or electronically, may vote by proxy. A proxy form is included in the Notice convening the General Assembly. Any deadline for shareholders to give notice of their intention to attend the meeting, will be set as close to the date of the General Assembly as possible. The General Assembly can elect an independent chairperson for the General Assembly and a shareholder may be represented through power of attorney.

Minutes of the General Meeting of Shareholders are taken, and the Board of Directors keeps records of all resolutions in writing. The records shall be deposited at the Company's office for inspection by the shareholders and persons with meeting rights. On application, each will be provided with a copy/ extract from the records as required.

EQUITY AND DIVIDENDS

General Oceans strives for a strong balance sheet. The Board of Directors and the Executive Management Team meet regularly to monitor the Group's capital structure including equity structure/ levels, so they remain appropriate for the Group's objectives, strategy, and risk profile. Authorisations to the Board of Directors to increase the Company's share capital are granted with a defined purpose and limited to no later than 24 months from the date of granting. General Oceans has ambitious goals for future growth and the overall objective is to create long-term value for its owners. To reach these goals the Group will endeavour to have an optimal capital structure.

Excess capital will be evaluated on a continuous basis, taking into consideration, among other market conditions – regulatory requirements, counterparty, and market perceptions, as well as the Group's risk profile. The Board of Directors endeavour to periodically return excess capital to shareholders through dividends. This will require authorisation from the General Assembly.

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

The Norwegian Companies Act (Aksjeloven) stipulates that the Board of Directors shall be elected by the General Assembly, normally for a period of one year. The composition of the Board of Directors aims to ensure that the interests of all shareholders are attended to, and that the roles and responsibilities of management are clearly defined, that corporate governance requirements are met, and that they meet the Company's need for expertise, capacity, and diversity, while at the same time functioning effectively as a collegiate body.

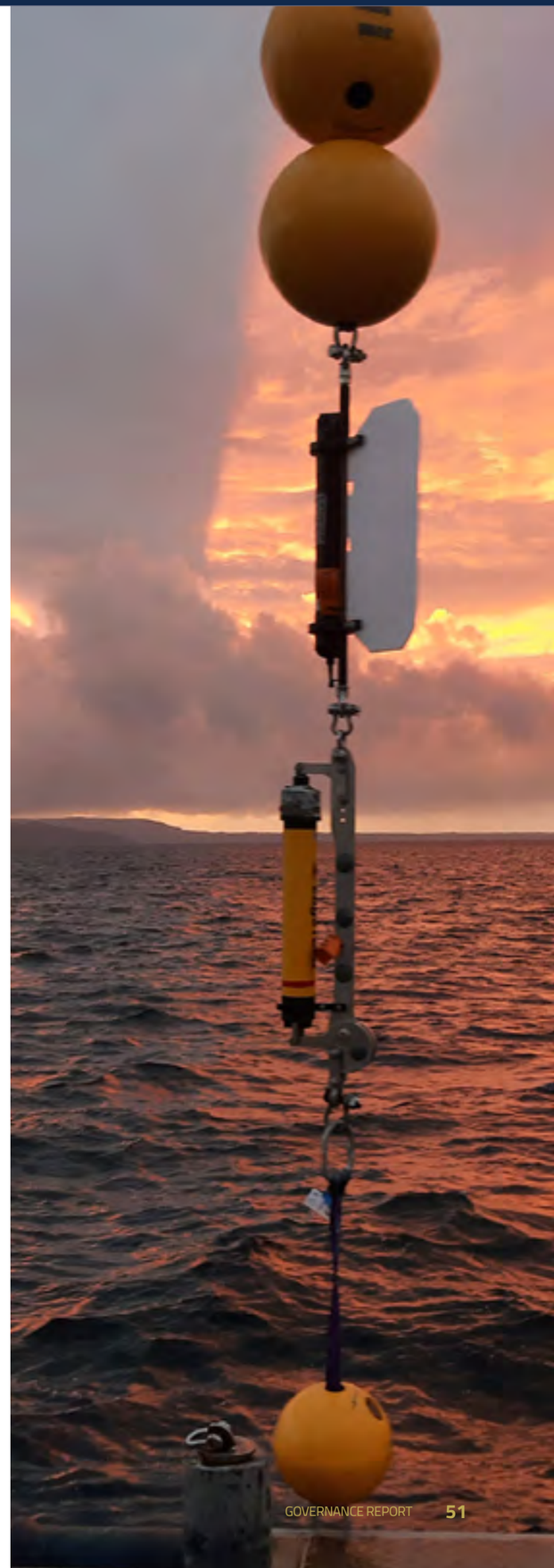
A majority of the shareholder-elected Board members are independent of executive personnel, material business contacts, or major shareholders. Members of the Board of Directors are encouraged to own shares in the Company. The Board of Directors has a fixed yearly compensation which is decided by the General Assembly and reflective of the Board's responsibilities, competencies, use of time, and complexity of the Company. The remuneration of the Board of Directors is not dependent on results, but Board members might be granted options for shares in the Company as part of their remuneration.

Non-Executive Board members (or companies they are affiliated with) do not normally assume tasks for the Company in addition to the Board position. If such a commitment were to be established, the entire Board would be informed and the fee for any engagement would be subject to Board approval. If remuneration is given to the members of the Board beyond the Board fee, this will be stated in the annual report. The remuneration of the Board of Directors and key management personnel are set out in the Notes to the Consolidated Financial Statements.

The President is responsible for the daily management and operations of General Oceans and is supported in his tasks by other members of the Executive Management Team. His responsibilities include: setting and achieving the Group's strategic risks, legal compliance and social responsibility matters that are relevant to General Oceans' business. The President is accountable in these areas to the Board of Directors. In performing his duties, the President is guided by the interests of the Group, taking into consideration the interests of General Oceans' stakeholders. The President provides the Board of Directors with all information necessary to help exercise the duties of the Board of Directors in a timely manner. Furthermore, the President consults with the Board of Directors on important matters and submits important decisions to the Board of Directors for its approval in advance.

The Executive Management Team is task-specific and comprises a combination of senior management personnel across significant companies in the Group. Further details of the Executive Management Team and their biographies can be found in the annual report and on the Company's website.

The Leadership Team has a clear mission to support and maintain a lean group of experts in their respective fields. They support our operating companies in scaling more quickly, nurturing the best talent and funding and organisation of collaborative projects. This is done by successfully combining the knowledge and business acumen which exists across the Group. The Leadership Team is made up of the President, Chief Financial Officer, the Chief People Officer, the VP of Marketing and more recently, the Head of Market Analysis and Insights.



BOARD COMMITTEES

The Board does not have any other sub-committees, but will evaluate this need on an ongoing basis.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors meets regularly to assess and review the strategy and risk factors of the Group. The Board of Directors receives updated financial information at every Board meeting. The financial position is analysed and compared against budgets, strategic plans, and last year's performance. The Board of Directors review the management reports, and risk factors for the Group are discussed and evaluated. The Board of Directors has an annual review, together with the Auditor, before approving the Annual Report.

COMPENSATION TO MANAGEMENT

It is important for General Oceans that it is recognised as an attractive employer. The Group strives to attract competent employees with relevant experience and give them opportunity for further development. Compensation is always determined at the market rate and is reviewed at appropriate intervals.

The Company will establish and implement guidelines for the remuneration of the executive management, which will be presented to the General Assembly. The principles presented in such guidelines provide a framework for the remuneration of key personnel within General Oceans and aim to support the Group's business strategy and long-term interests.

The Company has established financial incentives for employees which include a bonus arrangement, and in some instances this may include shares. Some employees are also shareholders. Key management personnel are included in the same pension and insurance plan as other employees, as determined in their respective domestic jurisdictions. An option scheme may be established for key management personnel as a part of a future listing of the Company.

The Board of Directors set terms and conditions for the President. The President determines the remuneration of executive personnel based on the guidelines established by the Board of Directors, reflecting the overall guidelines to be adopted by the General Assembly. Terms and Conditions are set at market terms and evaluated on an annual basis.

INFORMATION AND COMMUNICATION

The Company wishes to maintain an open dialogue with shareholders, potential investors, and other stakeholders in the securities market. The Company will, before a listing, establish principles for investor relations which include guidelines for the Company's contact with shareholders as well as the financial community.

AUDITOR

In addition to serving as the Group's auditor, the independent auditor firm is also used as an external consultant in respect of accounting issues, tax calculations and issues. The auditor is not used when establishing the company strategy or in other operational matters. Only the President or the Chief Financial Officer can procure non-audit services of the auditor.

The auditor participates in the Board meeting where approval of the annual report takes place. In this meeting, the auditor reports to the Board its views on accounting matters and principles, risk areas and internal control matters. The Auditor participates in other meetings at the Board's request when the auditor's view on a specific matter may be required.

Compensation to the auditor for both audit and non-audit related services, is set by the General Assembly and is described in the Notes to the Consolidated Financial Statements.

SUSTAINABLE BUSINESS

General Oceans provides a positive contribution to society through its collective activities. The Group develops, manufactures, and sells technology for: underwater measurement and tasks' handling and analysis (which increases knowledge and protection of life under water); and side scan sonar equipment and waterside security and surveillance systems, while performing remotely led operations in subsea environments. This incremental knowledge provides wider opportunities to improve resource utilisation and remote handling of underwater tasks, which can reduce the risk to humans.

General Oceans performs research and development (R&D), production, marketing, and distribution from its subsidiaries' headquarters in Norway, the UK, the US, and Australia. It does this via its global salesforce, along with key distributors in specific geographical markets. General Oceans' approach is to serve all customers in a collaborative and adaptable way that provides excellent quality and value.

ETHICAL AND PROFESSIONAL

The operating companies of General Oceans each have their own ethical and professional guidelines as described in their "code of conduct" or employee instruction guides.

These guidelines set out the expected approaches for doing business with our customers, and the expectations we have of our employees when they act on behalf of a General Oceans' company. All employees are introduced to this framework as a part of their initial training.

General Oceans expects that each employee is familiar with the Group's policies and:

- acts professionally and with care, integrity, and objectivity.
- abstains from any actions that could undermine stakeholder confidence in General Oceans.
- treats others with courtesy and respect.
- is aware of ethical issues including human rights, anti-discrimination, labour rights, environmental protection, and anti-corruption matters.

ANTI-CORRUPTION POLICY

Corruption stands in the way of economic development, is anti-competitive and undermines both the rule of law and the democratic process. Our worldwide operations are subject to national and international law, prohibiting General Oceans and its employees from taking part in any form of corruption, such as bribery of public officials or employees in the private sector. The fact that many corruption rules also apply outside the territory of each country, indicates that it is not sufficient to follow the local national law when operating abroad.

General Oceans has a strong commitment to operate according to ethical and sound business principles and complies with all laws and regulations. General Oceans will not allow or tolerate involvement in corruption of any form.

There is a requirement for all General Oceans' employees to fully comply with General Oceans' anti-corruption policy, and no employee can give any other employee authorisation to deviate from this. Any violation of applicable anti-corruption legislation will be considered a serious violation of that employee's duty to their employer and will most likely result in termination of employment or other appropriate sanctions.

General Oceans will take any necessary steps to ensure that our independent business partners, suppliers, customers, and joint ventures partners, do not take part in corruption or other illegal or unethical activities in connection with its business with General Oceans.

LEADERSHIP TEAM

GENERAL OCEANS CENTRAL LEADERSHIP TEAM'S MISSION IS CLEARLY TO MAINTAIN A LEAN GROUP OF EXPERTS IN THEIR FIELDS. THE GOAL IS TO SUPPORT OPERATING COMPANIES IN SCALING FASTER, DEVELOPING THE BEST TALENT, FUNDING AND ORGANISING COLLABORATIVE PROJECTS, AND INTEGRATING THE KNOWLEDGE AND BUSINESS ACUMEN CONTAINED ACROSS THE GROUP.

ATLE LOHRMANN

PRESIDENT

Atle founded multiple companies in the oceanographic sensor space and from 1999 onward, focused on growing the last one, Nortek, into a global technology leader.

Under his leadership, Nortek opened subsidiary offices in eight countries, launched technical expertise centres in Europe and the United States, and established a global network of representatives. Most recently, Atle founded Hefring Engineering, a subsea vehicle company, in the United States.

Atle received a Master of Science in Physical Oceanography and Applied Mathematics from the University of Oslo and holds several pivotal patents in the industry.

ANTON VAN HEERDEN

CHIEF FINANCIAL OFFICER

Anton joined General Oceans as CFO in June 2022 and brings over 20 years of international financial experience. Immediately prior to joining, Anton was the CFO at Tquila Group, a privately held investment group investing in property and disruptive technologies. In the past he was Finance Director of the European Division of the K2 Group, a large technology and talent placement agency. Anton also worked as Group Controller for Deep Ocean Group, a subsea services provider, where he gained experience preparing the group for listing.

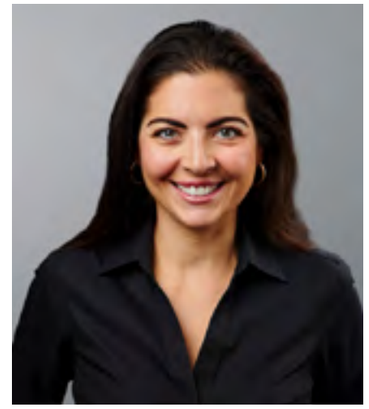
Anton brings a wealth of experience successfully managing finance teams from incubation to maturity. His sector experience includes subsea services, staffing, consulting services, property, renewables, and telecommunications. Anton holds an MBA from the University of Liverpool, degrees in accountancy, and is a registered Chartered Accountant with SAICA.

PETER SMITH

CHIEF PEOPLE OFFICER

Peter is a recent appointment to a newly created CPO role on the Leadership Team, with responsibility for developing cross-platform training and organisational development for the Group. With over 20 years' HR experience in the public and private sector, he has worked for high-profile brands such as Suzuki, Sony and the Ministry of Defence. He joins us from the Transport Exchange Group, where he delivered a cultural transformation programme and doubled headcount across a global workforce.

His expertise that spans commercial and tactical elements of the CPO role; employment law, recruitment, benefits and reward, systems' delivery, D&I and employee wellbeing – he will guide us through this pivotal stage of our journey, as we strive to develop the 'People' pillar of strategy, with a Group framework that bolsters General Oceans as a destination employer for talented professionals.



FREDA ZIFTEH

VICE PRESIDENT OF MARKETING (INTERIM)

Freda began her career with the United States Army Corps of Engineers as a coastal design engineer.

In 2008 she joined The Nortek Group to grow business and customer connections in the Southern United States. She went on to lead Nortek's North American business, based in Boston, Massachusetts. There she expanded the talent base, revenue, technical offerings, markets served, and office locations before moving on to lead Nortek's global marketing programme. Freda co-founded Hefring Engineering in the United States, and serves as the CEO of the subsea vehicle start-up.

Freda holds a Master of Engineering in Coastal and Oceanographic Engineering from the University of Florida and an MBA from Boston University.

EXECUTIVE MANAGEMENT

GENERAL OCEANS IS SET UP AS A PARTNERSHIP STRUCTURE. PARTNERS ARE APPOINTED BASED ON LEADERSHIP IN THEIR RESPECTIVE OPERATING COMPANY. THEY ROUTINELY ENGAGE IN MEETINGS: TO SET THE COURSE FOR THE GROUP, ALLOCATE RESOURCES, AND CONCEIVE COLLABORATIONS.

FINN IVAR MARUM

CEO, NORTEK GROUP

Finn was appointed CEO of Nortek in 2019 following over six years of service as the Chairman of the Board. He brought over 25 years' experience in corporate leadership and finance, including senior global positions in offshore energy, M&A and social impact investment.

Immediately prior to joining Nortek, Finn Ivar was EVP at Norfund, where he oversaw investments in developing nations to drive sustainability and improve quality of life. His successful track record of scaling global businesses is vital to Nortek's current strategic growth initiatives.

Finn Ivar holds a Bachelor of Business Administration and International Relations from Concordia College and a Master of International Affairs from Columbia University.

PAUL PHILLIPS

CEO, REACH ROBOTICS

Paul has had a passion for engineering from a young age. After studying mechatronics, he began his career in Aerospace designing camera systems for UAVs. Co-founding Reach Robotics (formerly Blueprint Lab) in 2016, the company rebranded in 2022 with a new logo and website.

Paul has led the R&D team to develop a series of innovative products, and built up a successful and thriving company to create the next generation of electric manipulators, with a vision to extend human reach into harsh environments. The company has grown from strength to strength under his leadership and boasts more than 120 clients' worldwide, with three patents' pending, and more than 700 units out in the field.

Paul holds a Bachelor of Engineering in mechatronics from the University of Sydney, Australia.

OMER POROY

CEO, STRATEGIC ROBOTIC SYSTEMS

Omer brings over 25 years of ocean technology experience to the Group, spanning the Oceanographic, Offshore Energy and Naval Defence industries with extensive background in maritime autonomy, undersea robotics, integrated ocean sensors, and naval systems engineering. He has led enterprise-level strategy and business development initiatives encompassing Undersea Warfare, Maritime Autonomy and Distributed Maritime Operations at General Dynamics Mission Systems.

Just prior, Omer held various leadership positions at Bluefin Robotics, producer of unmanned undersea vehicles, and Teledyne Technologies.

Omer received his MBA from Massachusetts Institute of Technology, Sloan School of Management, and holds a BSc. and a MSc. degree in Ocean Engineering from Florida Institute of Technology.

BOARD OF DIRECTORS

THE BOARD WAS ELECTED IN 2023 AND PROVIDES EFFECTIVE AND ENTREPRENEURIAL LEADERSHIP OF GENERAL OCEANS. IT IS COLLECTIVELY RESPONSIBLE FOR PROMOTING THE LONG-TERM SUCCESS OF THE GROUP, BY ENSURING THE CREATION AND DELIVERY OF SUSTAINABLE STAKEHOLDER VALUE UNDER ITS GUIDANCE.

STEIN DALE
CHAIR

Stein has been appointed Chair of the Board of General Oceans.

Stein has more than 20 years of leadership experience from Norwegian and International energy companies as former CEO of E.ON International Markets, SVP of Corporate Strategy in E.ON SE, CEO of Multiconsult and CFO in Statkraft. He is currently the Chair of Oslofjord Varme AS and Vice Chair at Gasum OY, board member of Nettpartner AS.

Stein has worked extensively with leadership, strategy and M&A issues, and has been a central figure in leading large-scale transformational projects.

Prior to entering the energy industry, he worked for more than ten years within telecom.

Stein holds a Master of Science in Business from the Norwegian School of Management, Executive Education from IMD, and completed the Advanced Management Program at Harvard Business School.

ASTA STENHAGEN
BOARD MEMBER

Asta Stenhagen joined General Oceans board of directors from December 2023. She has over two decades of legal, finance, and operational experience from her roles at Morrow Batteries, Tietoevry, Wilh. Wilhelmsen Group, and law firm Thommessen, as well as numerous board positions in listed and private companies.

Asta has served amongst as the General Counsel in Morrow Batteries ASA, Head of Legal, Security and Compliance at Tietoevry Corp., Executive Vice President of Legal and Risk at EVRY ASA, and Legal Counsel at Wilh. Wilhelmsen Holding ASA.

Asta holds a Cand. Jur (Master of Law) Degree from the University of Oslo (UiO), including legal subject matters from University of Århus (Denmark) and project management from UiO.

KIM STEINSLAND
BOARD MEMBER

Kim Steinsland was a board member of Nortek AS from 2018 – 2021 and joined the board of General Ocean in May 2023. He is Managing Director of the Norwegian technology company Scanmatic AS and has worked within technology for field instrumentation, control systems and hydro acoustics his whole career.

Prior to his present position in Scanmatic he was central in the merger and creation of Volue ASA in 2020, where his role was Executive Vice President and responsible for the IoT division.

Despite almost two decades in management, Kim insists on being a true technologist. He holds an MSc in Engineering Cybernetics from NTNU and a BSc in Industrial Electronics, in addition to Innovation Management studies at INSEAD.

SASKIA STERUD
BOARD MEMBER

Saskia, together with Torfinn Kildal and Gustav Martinsen, represents the second-largest shareholder, Ferd, on the Board of Directors. She is an Investment Professional at Ferd and was part of the deal team when Ferd invested in General Oceans. In addition to General Oceans, Saskia is responsible for several of Ferd's investments within the consumer industry, including both listed and private companies, and is a board observer at Brav AS. Prior to joining Ferd she worked as an equity- and credit research analyst at the Nordic investment bank, Carnegie in Oslo and Stockholm.

Saskia holds a Bachelor of Science in Finance from St. John's University in New York, where she graduated summa cum laude and competed on the University golf team in NCAA Division 1. She is a Norwegian citizen and resides in Norway.

TORFINN KILDAL
BOARD MEMBER

Torfinn has more than 30 years experience from executive and non executive positions in private and public listed companies mainly in maritime and energy industries. Torfinn was CFO and CEO of Simrad Group, and has been Exec VP Corporate Business Development of Kongsberg Gruppen and CEO of Kongsberg Maritime.

Currently , he is Chairman of Oswo and board member of Glamox AS, Mintra Holding AS, Norkart AS.

During his years in leadership positions, Torfinn has worked extensively with strategic and operational projects related to profitable growth and enterprise transformation.

Torfinn is also involved in social entrepreneurs as chair of Lifetools AS. He holds a master in Business Administration from Norwegian School of Economics (NHH), Executive Education from IMD.

BOARD OF DIRECTORS' REPORT

OVERVIEW

ABOUT US

General Oceans AS ("General Oceans", the "Company") and its subsidiaries (together referred to as the "Group") is a developer and manufacturer of oceanographic sensors and underwater robotic vehicles and manipulators. Our companies have a successful and profitable track record that enables a strong focus on continuous technology development and independent operation.

Our goal is to provide the ocean community with safe and sustainable ways to meet the operational, scientific, and defence challenges that comes with increased activity in the world's ocean. We will meet our goal by leveraging the combined business acumen of the Group and our joint understanding of sensor technologies, robotics, and AI to bring pioneering solutions to market. The Group actively seeks collaboration with existing institutions and companies but is also structured to enable rapid funding and execution of greenfield projects as required to quickly respond to new challenges.

HISTORY

Nortek AS was founded in 1996, adding several subsidiary companies over the years to become a global technology leader in the oceanographic sensor space.

General Oceans AS was incorporated in April 2021 as a subsidiary of Nortek AS and then went through a demerger and merger transaction to form a new group under General Oceans AS.

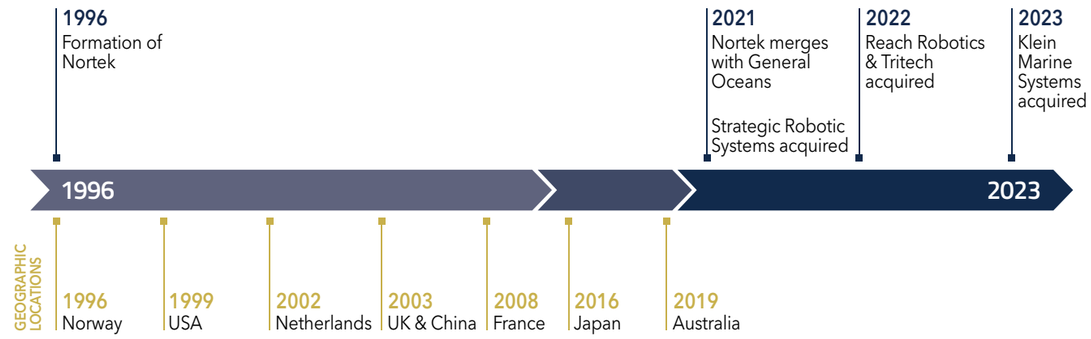
Strategic Robotic Systems Inc ("SRS") was acquired in October 2021 and SRS specialises in the development of underwater vehicle systems.

Blueprint Lab Pty Ltd was acquired in January 2022 and rebranded in 2022 to Reach Robotics ("Reach"). Reach develops products that enable complex inspection and intervention in maritime infrastructure management, military and police operations, marine science, autonomous robotic research applications, and more.

Tritech International Ltd ("Tritech") was acquired in October 2022. Tritech specialises in the design and production of high-performance acoustic sensors and sonars.

EchoSonics Ltd was incorporated in June 2023 with a focus on transducer development and production. The company is co-located with Tritech in Ulverston, UK.

Klein Marin Systems Inc ("Klein") was acquired in August 2023, and is a leading supplier of side scan sonar systems -- deployed by governments, navies port authorities, surveyors, oil companies and universities worldwide.



ACTIVITIES AND SERVICE LINES

The holding company General Oceans AS is incorporated in Norway and operates out of Norway and London through its management arm, General Oceans Ltd. The operating companies are headquartered in Norway, the UK, Australia, and the US -- serving an international customer base through a global sales and support network.

General Oceans operating company founders have a unique characteristic in common. They each found a way to turn excitement into a career and recognised this at an early stage of their professional journey. As 'enthusiasts turned technology users' they had a deeper understanding of customers' needs and saw opportunities to do things differently with better outcomes. As product developers they then went on to build companies and inspire brilliance in their teams and in their products.

'Forward movement' is a fundamental aspect of General Oceans corporate culture; and scientific integrity and sustainable business practices have been embedded in each of the operating companies from the outset. We understand that the ocean is more than just a resource that needs saving. Rather, we look to explore and grow our understanding of it, and the rich possibilities it can provide for generations to come.

GLOBAL PRESENCE

General Oceans has offices globally.

BUSINESS REVIEW

General Oceans AS, as the parent company of the Group, collaborates closely with its operating entities to drive growth and performance. Operating independently from its subsidiaries, General Oceans is agile and decisive, setting long-term strategic objectives from its London headquarters.

The operating companies focus on delivering sustainable long-term solutions to meet customer needs, fostering growth. Leveraging a common integrated platform, each portfolio company sets its own KPIs and performance targets, capitalising on industry expertise and unique brand identity.

As a global group, we are influenced by the overall state of the world economy and the efficiency of international trade. Despite concerns about B2C segments, the energy, defence, and science markets remain robust, with strong demand and positive growth reported by most ocean technology companies in 2023.

While transport and logistics have stabilised, challenges persist in accessing critical electronic components. The surging demand in the ocean technology sector has resulted in extended delivery times and increased component prices. However, we've managed to mitigate most of the added costs by adjusting our pricing strategy. Efforts are ongoing to strengthen our supply and delivery chains by enhancing their robustness and diversifying our supplier base for critical supplies, thereby minimising reliance on single-source suppliers.

Although significant sanctions have been imposed on trade with Russia due to the conflict in Ukraine, the impact on our sales is negligible, with the potential for increased naval defence spending to offset any adverse effects. However, broader market impacts remain uncertain.

The strength of the USD has generally benefited the Group, given that most operating companies earn income in USD while incurring costs in local currencies.

In 2023, we achieved a robust financial performance, marked by a 28.4% increase in revenue. A short summary of key events of 2023 is as follows:

MARKET DEVELOPMENT/INDUSTRY OUTLOOK

Autonomous Underwater Vehicles (AUVs) in its many varieties offer real solutions in marine technology, and industry focus has revolved around their advancement for some years now. While not on the same scale as solutions available on land, demand for these products has been steadily growing.

Several countries have established testing zones for uncrewed surface vessels (USV), and we anticipate that the first autonomously-operating surface vessels will be common practice in the near future, as small-scale autonomous data collectors and on a larger scale for the transportation of goods.

The Defence industry has been investing heavily in research and development (R&D) and deployment of autonomous vehicles, from small scale mapping systems to small autonomous submarines. The US Navy's focus on Explosive Ordnance Disposal (EOD) has been a significant driver for the development of new technologies for AUVs and remotely operated vehicles (ROVs) and their associated sensors and tools. We see significant opportunities in the coastal oceans market, including, but not limited to:

- Offshore wind farms
- Offshore infrastructure
- Oil and Gas
- Coastal pollution control
- Wild and farmed fishing
- Ports
- Beach preservation

In addition to full autonomy, we expect to see a rise in AI-aided control as a key area of development – where technology will enable remote-vehicle operators to optimise operational efficiencies and perform tasks that would have been impossible to complete in the past. Underwater mapping and survey inspection and positioning have been important drivers for the development of ROVs.

As a place of work the ocean can be a hostile environment, and communication is notoriously difficult under water. Light, in optical systems, will

travel fewer than 100 metres under water, restricting data transmission to a limited range. Acoustic systems can travel over longer distances but typically carry a small amount of information. Adding to the challenge, normal radio waves, such as those found in cell phones do not work under water, and neither does a GPS signal – so it can be difficult to pinpoint exact locations when under water.

The ocean is a corrosive environment, which means that most metals and plastic materials have a limited life span and require routine inspection and maintenance. Growth of barnacles and seaweed (naming just two) can limit the lifespan of any installed sensors, and it can be difficult to develop sensors that are able to be deployed for more than a year.

Much to our excitement there are many opportunities for ongoing technology developments as new developments which will improve life on land and in the sea emerge all the time.

DEFENCE

Our industry is heavily involved with global defence forces, and we pride ourselves on the role we play in making the allied nations' frontlines safer. We have contracts with the US, Norwegian, and Royal Navies, and have been awarded contracts, accolades and investments worldwide in technology development as the global landscape for defence continues to evolve.

The rise of the global AUV market is a result of this funding from the defence sector, along with updated infrastructure in acoustic propagation and communication.

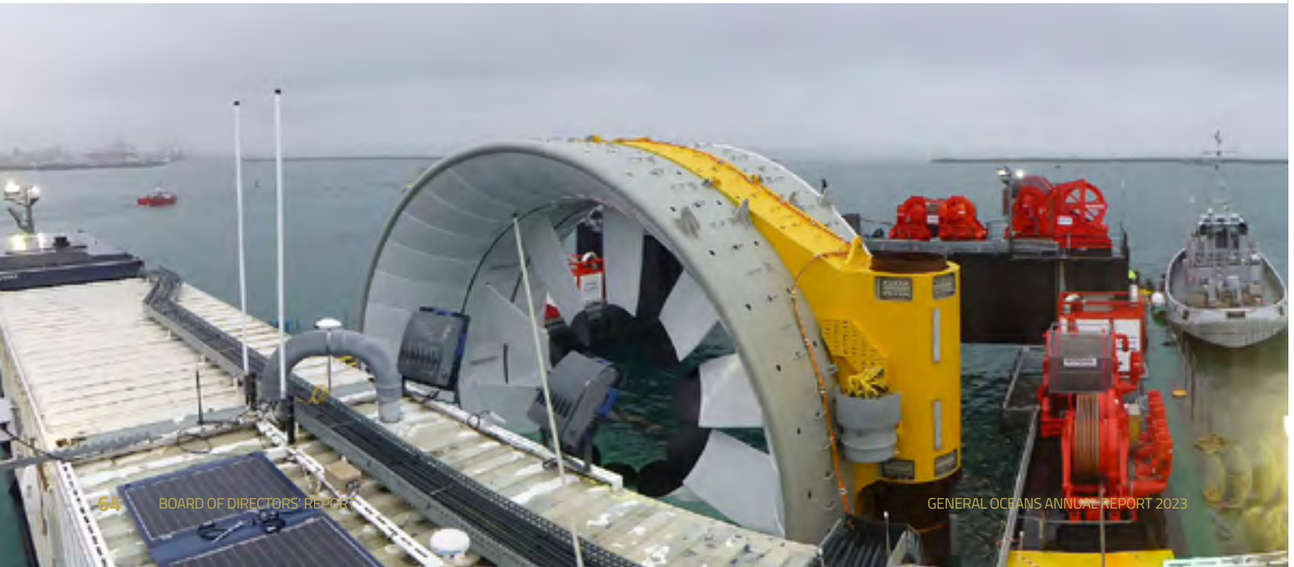
MARINE CONSTRUCTION

Our products and innovations offer complex inspection and intervention in maritime construction operations. Long-term forecasts predict an increase in demand for solutions which serve offshore markets such as defence, wind, ports and harbours, and oil and gas.

Our ROVs, manipulators, and sensors help make offshore operations safer and more efficient by providing domain awareness, early hazard warnings, and diverless repairs and inspections. We prioritise efficiency, safety, and dexterity across all operations and missions. We respect the blue economy, and the conservation of marine and coastal ecosystems.

RESEARCH

Academic and research institutions globally have been key customers and collaborators over the past many years. As the market leader in acoustic sensor technology for ocean research applications, leading scientists around the world have long approached us to develop systems which provide entirely new capabilities, and which can help drive their research forward. This relationship is mutually beneficial as it allows us to stay at the leading edge of industry developments in offshore technology and then transition solutions seeded in the foremost research institutions to industrial customers globally.



FINANCIAL REVIEW

FINANCIAL HIGHLIGHTS

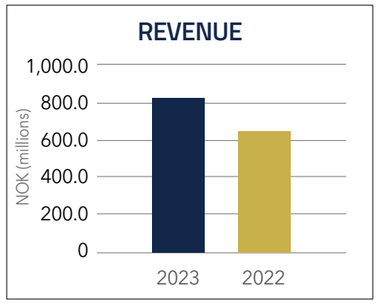
NOK (millions)	2023	% OF REVENUE	2022	% OF REVENUE
Revenue	808.8		629.6	
Gross profit	560.8	69.3%	434.5	69.0%
EBITDA	127.1	15.7%	145.7	23.1%
EBIT	78.1	9.7%	114.9	18.3%
Net (loss) / profit	(72.5)	-9.0%	78.7	12.5%

REVENUE

Revenue increased by NOK 179.1 million, or 28.4%, to NOK 808.8 million in 2023 from NOK 629.6 million in 2022.

This 28.4% increase in revenue resulted from organic growth in existing markets and 12-month contribution from Tritech, versus 3 months in the prior year, as well as a 4.5-month contribution from Klein.

Tritech was acquired in September 2022 and Klein was acquired in August 2023.



GROSS PROFIT

Gross profit increased by NOK 126.3 million, or 29.1%, to NOK 560.8 million in 2023 from NOK 434.5 million in 2022. Gross profit margin (gross profit as a percentage of revenue), remained stable at 69.3% for 2023 (2022: 69.0%).

EBITDA

In 2023, EBITDA decreased by NOK 18.5 million, or 12.7%, to NOK 127.1 million compared to NOK 145.7 million in 2022. This decline is primarily attributed to:

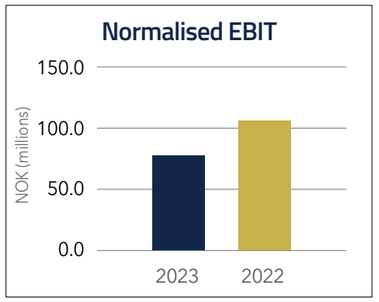
(a) The relocation investment in SRS, coupled with a temporary revenue downturn in 2023.

(b) The acquisition of Klein in August 2023, a business historically operating at a loss had an impact on the Group's EBITDA due to Klein's continued losses post-acquisition. However, we are pleased to report that the investment plan and turnaround strategy implemented for Klein are progressing as planned.

EBIT

In 2023, EBIT, normalised by adding back the NOK 117.3 million effect of the one-off SRS goodwill impairment, decreased by NOK 36.9 million, or 32.1%, to NOK 78.1 million compared to NOK 114.9 million in 2022. The principal reasons for this decrease are the reduction in EBITDA, as explained in the EBITDA section.

For details of the goodwill impairment, please refer to **NOTE 16** to the consolidated financial statements.



TAXATION

Corporate income tax expense for 2023 was NOK 17.0 million compared with a NOK 26.6 million corporate income tax expense in 2022.

Our effective tax rate for 2023, after adjusting for the impact of goodwill impairment, was 27.6% compared to 25.3% for 2022. For additional information on the tax drivers refer to NOTE 11 to the consolidated financial statements.

(LOSS) / PROFIT FOR THE YEAR

Loss for the year was NOK 72.5 million in 2023, from a profit of NOK 78.7 million in 2022. The loss for the year reflected the decrease in EBITDA, one-off goodwill impairment of NOK 117.3 million and an increase in net finance expenses in 2023 of NOK 7.8 million.

DEBT FINANCING

The Group generated NOK 47.7 million from operating activities. In August 2023, the Group made a drawdown of USD 14 million to facilitate the acquisition of Klein. Additionally, in December 2023, the Group issued shares, yielding funds of NOK 210 million, part of which was used to fully repay the NOK 200 million term loan facility.

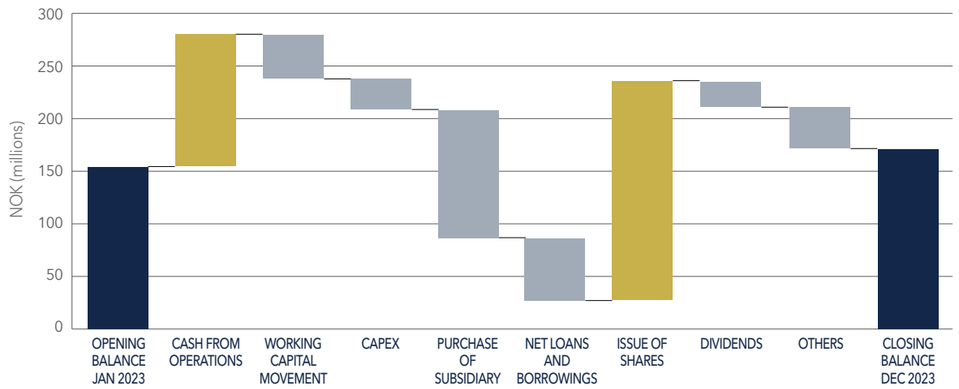
With these transactions accounted for, and barring new acquisitions, we foresee no immediate need to seek external financing to execute our current business strategy in the near future.

LIQUIDITY

We rely primarily on cash flow from operating activities, available cash and cash equivalents as well as liquidity provided by our credit facility to finance our operations and any expansions. Our liquidity requirements primarily relate to funding our working capital requirements, capital expenditures, debt repayments, salaries and related benefits, interest and taxes. Our working capital requirements increase when we experience strong incremental revenue growth.

We manage our liquidity centrally at the corporate level, with the goal of ensuring sufficient liquidity to meet our financial obligations when they fall due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. Our main strategy for mitigating risk related to volatility in cash flow is to maintain a solid financial position. For that purpose, we have established and monitor an internal minimum floor for liquidity reserves and an internal maximum leverage ratio, which are both within the covenants our debt financing. To ensure we have sufficient cash to meet expected operational expenses, including the servicing of financial obligations, we regularly monitor our actual and future cash flow requirements taking into account the maturity profiles of financial assets and liabilities and the rolling forecast of our liquidity reserve, which comprises cash and cash equivalents and the undrawn portion of our debt facilities.

Our movement in cash in the period ended 31 December 2023 can be summarised as follows:



CONTINUED OPERATIONS

These statements have been prepared based on the assumption of continuity of operations. This assumption is derived from the financial solidity of the Group, the development so far in 2023, and the Group companies' plans for rest of the year and in the future.

SUBSEQUENT EVENTS

There are no material subsequent events.

OUTLOOK

The formation of the General Oceans Group aims to unite dynamic and profitable companies within the ocean technology sector, providing access to a broader technological base, a stronger customer network, and the collective expertise of the Group members. While decisions are primarily made locally, each firm's identity and entrepreneurial spirit remain intact.

The markets served by the General Oceans Group are experiencing growth, particularly in ocean science, offshore renewable energy (wind, waves, and tides), and defence and security. Our current products and solutions can be further developed and marketed to expand within existing customer segments and penetrate new markets geographically through innovative engineering, commercial development and collaborative efforts.

We prioritise enhancing the growth and efficiency of our businesses through intra-group cooperation, whilst maintaining the agility needed to lead technologically in this exciting and fast paced industry. This involves sharing best practice and streamlining our supply chain, product development, and sales and marketing activities to reach new markets and customers more efficiently and effectively than if each company operated independently. We actively seek out successful and upcoming entrepreneurs to join our group to support our goals.

The success of 2023 positions the Group well as we enter 2024 with a focus on:

- **Continued Organic Growth**: Leveraging synergies in sales, maintaining a robust and innovative market and customer led product development program, and ensuring each operating company focuses on its core business as well as exploring growth opportunities. Operationally, this involves sharing best sales practices.
- **Strategic Investments:** We are investing in areas poised for growth, particularly in "Intelligent Autonomy," which requires advanced sensor systems, artificial intelligence / machine learning processing modules, and control algorithms. The Group is funding internal research programs in key future technology areas, as well as seeking partners who can contribute crucial elements to the value chain or have commercial applications that align with and enhance our technology stack.
- **People and Culture:** With our diverse workforce, rich in experience and skills, and spread across various locations, it's crucial to establish, communicate, and foster a unified direction for all. Cultivating a strong organisational culture is paramount in achieving this goal. As we continue to evolve, our objective is to create more opportunities for bringing people together, sharing knowledge, acknowledging expertise, fostering collaboration, and prioritising professional development.

  To this end, we are launching the General Oceans Academy as the primary platform for employee engagement. This initiative includes GO Cascade, the group's inaugural management conference, where we can disseminate the latest updates, facilitate interactions among peers from across the organisation, and begin to foster a truly integrated collective.

As we move forward, we remain committed to driving innovation, pursuing growth opportunities, and creating value for our stakeholders.

WORKING ENVIRONMENT AND SOCIAL RESPONSIBILITY

At the end of 2023, General Oceans AS had 5 employees. The management team of the General Oceans Group consist of four males. The Board of General Oceans AS consist of five external members (two female, three male).

General Oceans has a truly international operation, and we consider the international nature and diversity of our organisation as a competitive advantage. The Group therefore seeks to employ a diverse workforce that is free of any gender or ethnicity bias, which forms a basis for inclusivity, positive development and sound decision making. General Oceans seeks to create an environment which attracts and retains highly qualified employees and in which employees feel valued for their own contribution to the Group's performance. The Group companies focus on providing a safe working environment for employees, and to ensure that the employees fully understand their own responsibilities regarding environmental and health and safety matters. The General Oceans Group supports equal rights and opportunities amongst its employees and does not tolerate harassment or discrimination in any form.

The working arrangements of the Group follow the descriptions and responsibilities associated with different jobs and positions and are independent of gender. All wage adjustments will be conducted based on annual evaluation of the individual's performance and contribution to the Group's achievement of its strategic goals.

REPORTING ON GENDER EQUALITY AND ANTI-DISCRIMINATION

General Oceans AS Board of Directors consist of three male and two female Board members. The Board's Chair is male. The gender demography of the Group is split 74% male and 26% female.

The Group adheres to country laws relating to discrimination in all its territories, and actively promotes anti-discrimination in all aspects of the business. The Group strives to ensure that work of equal value shall receive equal pay, regardless of social differences. Salaries are determined based on a variety of factors, including, but not limited to, seniority, performance, responsibility, and qualifications. Salary adjustments are carried out once a year. Salary levels vary across jurisdictions depending on competition for such resources and the general wage level of the countries in which the Group operates.

WORKING ENVIRONMENT

The Board considers the working environment in General Oceans Group to be good. The Group has done its utmost to maintain a good working environment in situations that have required improvisation and flexibility from all involved.

In 2023 there were no reported working accidents or injuries, and there were no reported incidents of harassment and discrimination.

ENVIRONMENTAL IMPACT

General Oceans believes that the Group's operation has, by its nature, minimal impact on the environment outside what is normal from office and small-scale production and assembly activities. We generate no harmful emissions either to water or to air from our production activity. Waste from our production is not classified as harmful or requiring any special treatment and it is recycled or deposited in line with local regulations.

BUSINESS RISKS

General Oceans can be adversely affected by a variety of business risks and economic developments. General Oceans reviews and re-evaluates its risk profile on a periodic basis to manage the most important risks. General Oceans does not quantify these risks or specify a list of the top five risks as it believes that the careful management of all these risks is important. Singling out particular risks could be misleading, as other risks might in the future have a material adverse effect on General Oceans' business, results of operations and financial condition. A summary presentation of several of these risks are outlined below.

APPROACH TO RISK MANAGEMENT

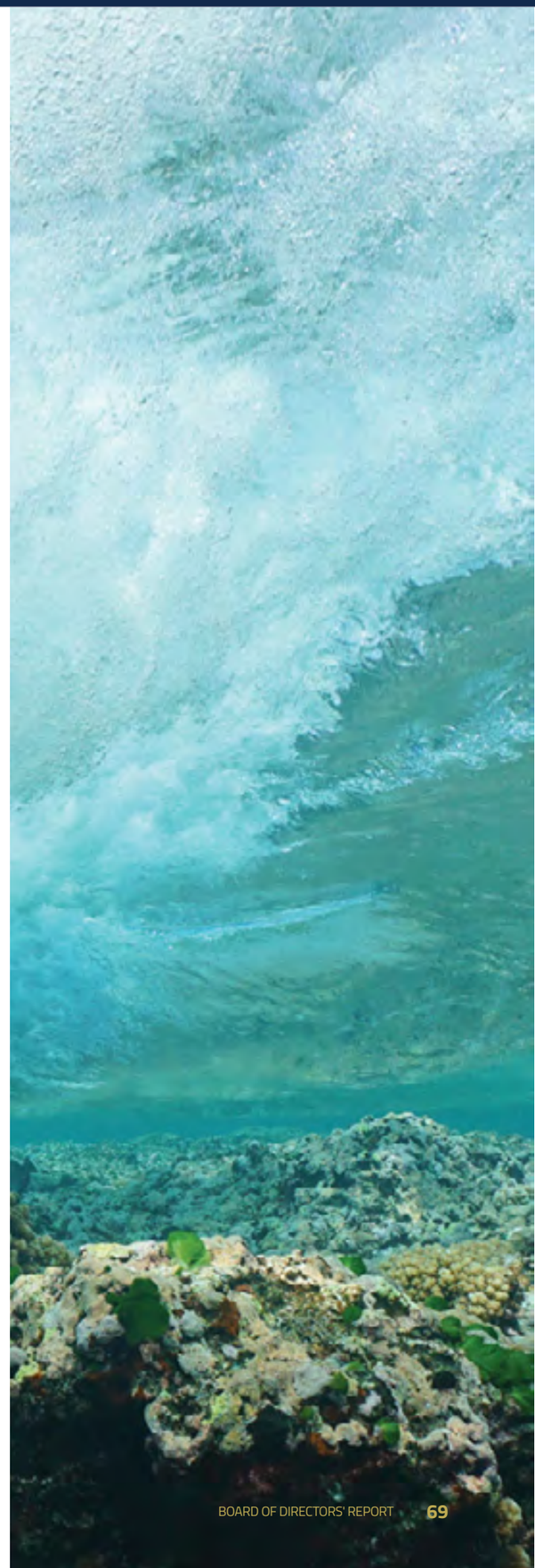
General Oceans Board of Directors sets, and periodically reviews, the risk appetite for the Group. This is the level of risk that the Board is willing to take in pursuit of its objectives. The President together with Executive Management leads the assessment of business risk and risk management and facilitates the discussion of these risks with the Board of Directors. The business risk profile is taken into account when establishing annual business plans and budgets.

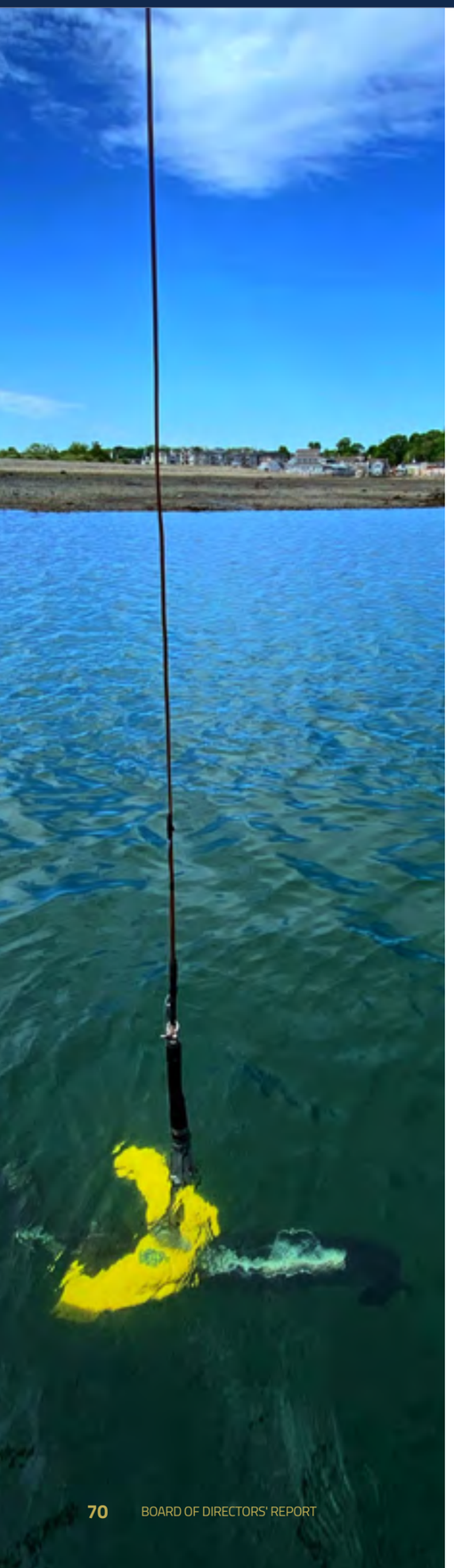
GROUP RISK PROFILE

Below is an overview of the business risks that are of most relevance to the achievement of General Oceans' long-term goals and strategy. This risk overview is not exhaustive. There may be risks, not yet known to General Oceans, which are currently not deemed material, consequently or likely, but which could later turn out to have a material adverse effect on General Oceans' business, results of operations and financial condition.

STRATEGIC RISKS

The Group uses financial instruments (including futures) to hedge or partially hedge expected operational revenue streams. Procedures for risk management are adopted by the boards of the operational subsidiaries. The Group is exposed to a variety of financial risks, whereby the foreign exchange risk has the highest exposure, with liquidity, credit, and interest rate risks having also potentially important impact on the Group.





FUTURE ECONOMIC DOWNTURNS

The subsea industries are exposed to the general global economic activity. Future downturns in the global economy may decrease the demand for General Oceans' products and services and lead to an austerity approach from customers.

COMPETITIVE INDUSTRY

The subsea markets are highly competitive, and competition might limit General Oceans ability to maintain or increase its market share. General Oceans current and future competitors may have greater financial and other resources and may be better positioned to withstand and adjust to changing market conditions and General Oceans may not be able to maintain its competitive position in the market.

INNOVATION

Technology plays a vital role in moving the subsea industry forward. The focus of companies, from a subsea perspective, will include enabling technologies to operate safely in high pressure, extreme temperature and ultra-deep-water environments. To accommodate these new challenges in a cost-effective way the competing subsea providers must innovate, both in terms of technology and product management. The long-term success for General Oceans will be dependent upon its capabilities in creating innovations.

BRAND

General Oceans uses several brands for all its services and products that are delivered to the market. This leads to a reduction of brand concentration risk. Nevertheless, factors that negatively affect General Oceans reputation or brand image, such as adverse publicity or poor service could have a material adverse effect on General Oceans business, results of operations or financial condition.

General Oceans is constantly striving to increase awareness of its brand and strengthen its reputation for providing high-quality, cost-efficient solutions.

POLITICAL AND REGULATORY RISK

Changes in the political, legislative, fiscal and/or regulatory framework governing the activities of General Oceans, subsea companies, defence and/or important suppliers or service providers on which General Oceans depend, could have material impact on General Oceans' business, the markets in which it operates, and the financial condition of General Oceans.

OPERATIONAL RISKS

HUMAN RESOURCES

General Oceans aims to be an industry leader in the quality of the services it provides. This means that General Oceans will have to create an environment in which the most talented people are working together effectively. The success of General Oceans' business depends not only on attracting and integrating but also on retaining highly skilled personnel in all business units and especially as regards to the qualified engineers.

General Oceans focus is on the retention of the members of its senior management and other key personnel and to attract a sufficient number of qualified employees to strengthen General Oceans' position. Special attention goes to attracting highly qualified engineers in a very competitive market for this type of talent. An inability to attract capable engineering talent could negatively affect General Oceans.

CUSTOMER CONCENTRATION

General Oceans is to some extent dependent upon a few large customers within the subsea industries. Even if these companies are large and financially solid, there is no guarantee that the financial solidity will continue in the future. If one or several of these companies should enter into financial difficulties it may be that they will not be able to fulfil their contract(s) with General Oceans. In addition, if one or more of these companies were to cease doing business with General Oceans, our results could be adversely affected.

INSURANCE & LEGAL

General Oceans is insured against several risks. Risks related to professional indemnity and general liability are covered at group level. Production equipment are insured locally, and local cover is arranged for risks associated with normal business operations, such as insurance for buildings and for employees.

General Oceans has a directors and officers liability insurance for the Group, including the parent company and its subsidiaries. The insurance covers the Board members, CEO and members of the management team. The insurance comprises personal legal liabilities, including defence and legal costs.

FINANCIAL RISKS

CREDIT RISK

Credit risk arises primarily from cash and cash equivalents held at financial institutions, and to certain extent, from trade receivables.

General Oceans' exposure to trade receivables is managed through continuous credit risk assessments of each individual customer. General Oceans' customers are typically within the defence, public sector or public sector sponsored institutions, and are generally considered to have a good rating and ability to pay and are thereby considered low risk in credit terms. Historically customer related credit losses have been modest.

LOAN COVENANTS

Failure to comply with financial covenants and other covenants and obligations in the Group's USD 13.7 million (NOK 139.4 million) facility agreement with Nordea or in other financing agreements may have a material adverse effect on General Oceans, including potential increased financial cost, requirement for additional security or cancellation or acceleration of the facility or other financing. General Oceans closely monitors the contractual performance indicators and covenant agreements. Based on the Group's business plan for 2024-2026, management expects to be able to comply with the loan covenants.

FOREIGN EXCHANGE RISK

Currency exchange rates are determined by forces of supply and demand on the currency exchange markets, which again are affected by the international balance of payments, economic and financial conditions, government intervention, speculation and other factors. Changes in currency exchange rates relative to the NOK will affect the NOK value of General Oceans' assets and thereby impact upon General Oceans' total return on such assets.

Management has evaluated the foreign exchange risks of General Oceans entities against their

functional currency. Cash inflows and outflows of the operating segments are offset if they are denominated in the same currency. This means that revenue generated in a particular currency balance out costs in the same currency, even if the revenues arise from a different transaction than that in which the costs are incurred. As a result, only the unmatched amounts are subject to foreign exchange risk. To mitigate the impact of foreign exchange rate fluctuations, General Oceans continually assesses the exposure to currency risks and if deemed necessary a portion of those risks is hedged by using derivative financial instruments.

The Group uses financial instruments (including futures) to hedge, or partially-hedge expected operational revenue streams. Procedures for risk management are adopted by the boards of the operational subsidiaries. Foreign exchange risk is one of the highest financial exposure risks in the Group.

INTEREST RATE RISK

Increasing interest rates may adversely affect General Oceans' business, financial condition, results of operation and liquidity. General Oceans' interest rate risk arises primarily from the term loan (refer to NOTE 22 for the details of the term loan). The term loan has a floating interest based on SOFR (2022: NIBOR) plus a spread and for amounts drawn. Management analyses its interest rate exposure on a continuous basis. Based on General Oceans' expectation of interest rate movements in the coming periods, the acceptability of General Oceans' potential exposure, the assessment is that due to the high liquidity levels in the Group, the impact of this exposure is relatively limited.

To mitigate the impact of interest rate fluctuations, General Oceans continually assesses the exposure to interest rate risks and if deemed necessary a portion of those risks is hedged by using derivative financial instruments.

The Group uses financial instruments (including interest rate swaps) to hedge, or partially-hedge expected contractual cash flows. Procedures for risk management are adopted by the boards of the operational subsidiaries.

TRANSPARENCY ACT

New regulations from 2022 onwards require enterprises to report where the annual accounts can be accessed. The annual reports from General Oceans will no later than 30th of June 2024 be published on the General Oceans website, www.generaloceans.com.

ALLOCATION OF THE COMPANY NET RESULT OF THE YEAR

General Oceans AS generated a net profit for the year 2023 of NOK 5.0 million after tax. The Board proposes the following allocation of the results for General Oceans AS for the year:

Transferred to other equity NOK 5.0 million

BOARD OF DIRECTORS

The members of the Board of Directors have signed the financial statements pursuant to their statutory obligations under The Norwegian Civil Code.

Oslo, 18 April 2024
Board of Directors

STEIN DALE
Chair of the Board of Directors
[Electronically signed]

ASTA ELLINGSEN STENHAGEN
Director
[Electronically signed]

KIM STEINSLAND
Director
[Electronically signed]

TORFINN KILDAL
Director
[Electronically signed]

SASKIA JOSEPHINE STERUD
Director
[Electronically signed]

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(For the Year Ended 31 December)

NOK (thousands)	NOTE	2023	2022
Revenue	6	809,769	629,639
Other income	7	7,209	10,810
Raw materials		(247,986)	(195,172)
Employee benefits	8	(278,114)	(214,007)
Depreciation and amortisation expense	14,15,16	(49,047)	(30,707)
Impairment of goodwill	16	(117,321)	-
Other operating expense	9	(162,762)	(85,620)
OPERATING (LOSS) / PROFIT		**(39,252)**	**114,943**
Finance income	10	23,025	20,990
Finance expense	10	(35,867)	(26,009)
Share of losses from an associate	17	(3,392)	(4,592)
(LOSS) / PROFIT BEFORE TAX		**(55,486)**	**105,332**
Income tax expense	11	(17,039)	(26,601)
(LOSS) / PROFIT		**(72,525)**	**78,731**
Other comprehensive income			
Foreign currency translation differences of foreign operations		25,740	32,014
OTHER COMPREHENSIVE INCOME, NET OF TAX		**25,740**	**32,014**
TOTAL COMPREHENSIVE (LOSS) / INCOME		**(46,785)**	**110,745**
(LOSS) / EARNINGS PER SHARE (NOK)			
Basic (loss) / earnings per share	13	(1.48)	1.62

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(As at 31 December)

NOK (thousands)	NOTE	2023	2022
ASSETS			
Non-current assets			
Property, plant and equipment	14	159,283	91,580
Right-of-use assets	15	75,976	63,591
Intangible assets	16	252,006	351,776
Investment in an associate	17	273	461
Derivative financial assets	18	3,379	1,929
Other receivables	20, 30	12,327	11,887
Deferred tax assets	11	7,362	3,257
		510,606	**524,481**
Current assets			
Inventories	19	205,744	115,197
Trade and other receivables	20	153,401	142,797
Contract assets	6	506	3,226
Derivative financial assets	18	3,569	-
Cash and cash equivalents	21	172,652	153,824
		535,872	**415,044**
TOTAL ASSETS		**1,046,478**	**939,525**
LIABILITIES			
Non-current liabilities			
Contract liabilities	24	644	-
Loans and borrowings	22	126,480	180,276
Lease liabilities	15	67,187	59,731
Derivative financial liabilities	18	2,058	-
Deferred tax liabilities	11	43,748	39,252
		240,117	**279,259**
Current liabilities			
Trade and other payables	23	114,826	99,734
Contract liabilities	24	20,982	21,694
Loans and borrowings	22	14,065	20,347
Lease liabilities short term	15	13,236	6,537
Derivative financial liabilities	18	-	6,154
Income tax payable	11	17,972	18,707
		181,081	**173,173**
TOTAL LIABILITIES		**421,198**	**452,432**
NET ASSETS		**625,280**	**487,093**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT.)

NOK (thousands)	NOTE	2023	2022
EQUITY			
Share capital	25	5,570	4,858
Share premium reserve	25	535,115	325,855
Foreign exchange reserve		63,377	37,637
Retained earnings		21,218	118,743
TOTAL EQUITY		**625,280**	**487,093**

The accompanying notes are an integral part of these consolidated financial statements.

Oslo, 18 April 2024
Board of Directors

STEIN DALE
Chair of the Board of Directors
[Electronically signed]

ASTA ELLINGSEN STENHAGEN
Director
[Electronically signed]

KIM STEINSLAND
Director
[Electronically signed]

TORFINN KILDAL
Director
[Electronically signed]

SASKIA JOSEPHINE STERUD
Director
[Electronically signed]

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(For the Year Ended 31 December)

NOK (thousands)	NOTE	Share capital	Share premium reserve	Foreign exchange reserve	Retained earnings	Total equity
BALANCE AT 1 JANUARY 2022		**255**	**259,746**	**5,623**	**54,012**	**319,636**
Comprehensive income for the year						
Profit for the year		-	-	-	78,731	78,731
Other comprehensive income						
Foreign currency translation differences		-	-	32,014	-	32,014
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**-**	**-**	**32,014**	**78,731**	**110,745**
Contribution by and distribution to owners						
Business combination (share consideration)		22	70,690	-	-	70,712
Share face value increase	25	4,581	(4,581)	-	-	-
Dividends	12	-	-	-	(14,000)	(14,000)
TOTAL TRANSACTIONS WITH OWNERS		**4,603**	**66,109**	**-**	**(14,000)**	**56,712**
BALANCE AT 31 DECEMBER 2022		**4,858**	**325,855**	**37,637**	**118,743**	**487,093**
BALANCE AT 1 JANUARY 2023		**4,858**	**325,855**	**37,637**	**118,743**	**487,093**
Comprehensive income for the year						
Loss for the year		-	-	-	(72,525)	(72,525)
Other comprehensive income						
Foreign currency translation differences		-	-	25,740	-	25,740
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**-**	**-**	**25,740**	**(72,525)**	**(46,785)**
Contribution by and distribution to owners						
Issue of shares	25	712	209,260	-	-	209,972
Dividends	12	-	-	-	(25,000)	(25,000)
TOTAL TRANSACTIONS WITH OWNERS		**712**	**209,260**	**-**	**(25,000)**	**184,972**
BALANCE AT 31 DECEMBER 2023		**5,570**	**535,115**	**63,377**	**21,218**	**625,280**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(For the Year Ended 31 December)

NOK (thousands)	NOTE	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) profit for the year		**(72,525)**	**78,731**
Adjustments for:			
Net losses from sales of assets		150	(444)
Depreciation and amortisation expense	14, 15, 16	50,149	30,707
Impairment of goodwill	16	117,321	-
Bad debt provision	20	21	246
Net finance expenses	10	12,842	17,358
Share of losses from an associate	17	3,392	4,592
Income tax expense	11	17,039	26,601
Increase in inventories	19	(37,664)	(14,132)
Decrease (increase) in trade and other receivables		20,877	(33,369)
Decrease (increase) in contract assets		2,720	(2,067)
(Decrease) increase in trade and other payables		(28,006)	24,173
Decrease in contract liabilities		(68)	(9,683)
Cash generated from operations		86,248	122,713
Income taxes paid		(22,028)	(27,058)
Interest paid		(16,484)	(9,654)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**47,736**	**86,001**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		3,465	1,067
Capital injection to an associate	17	(2,543)	(351)
Proceeds from sale of assets	14	3,553	2,006
Purchase of intangible assets	16	(7,065)	(52)
Purchases of plant and equipment	14	(23,909)	(15,573)
Acquisition of subsidiaries (net of cash)	29	(122,164)	(151,710)
NET CASH USED IN INVESTING ACTIVITIES		**(148,663)**	**(164,613)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from interest bearing loans	22	172,965	200,000
Repayment of interest bearing loans	22	(233,062)	(40,308)
Lease liabilities repaid	15	(14,574)	(7,235)
Dividends paid	12	(25,000)	(14,000)
Issue of shares	25	209,972	-
NET CASH GENERATED FROM FINANCING ACTIVITIES		**110,301**	**138,457**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**9,374**	**59,845**
Cash and cash equivalents at beginning of year		153,824	84,783
Effect of foreign exchange rate changes		9,454	9,196
CASH AND CASH EQUIVALENTS AT END OF YEAR		**172,652**	**153,824**

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - CORPORATE INFORMATION

General Oceans AS (the "Company") was incorporated on 7 April 2021 in Norway. The principal activities of the Company and its subsidiaries (the "Group") is developing and manufacturing oceanographic sensors, underwater vehicle systems, robotic manipulators and software.

The registered office of the Company is Vangkroken 2, RUD, 1351, Norway.

The consolidated financial statements are presented in Norwegian Kroner ("NOK"), which is also the Company's functional currency. Amounts are rounded to the nearest thousand, unless otherwise stated.

NOTE 2 - ADOPTION OF NEW AND REVISED STANDARDS

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group has applied the following amendment to IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for an accounting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements— Disclosure of Accounting Policies

The Group has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current*
Amendments to IAS 1	*Non-current Liabilities with Covenants*
Amendments to IAS 7 and IFRS 7	*Supplier Finance Arrangements*
Amendments to IFRS 16	*Lease Liability in a Sale and Leaseback*

The Board of Directors of the Company (the "Board") do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

NOTE 3 - MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

In addition, the Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in this note (2022: Note 4 – Accounting policies) in certain instances in line with the amendments.

3.1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the IASB and Interpretations (collectively "IFRS"), as adopted by the European Union, as well as additional Norwegian reporting requirements pursuant to the Norwegian Accounting Act.

The consolidated financial statements have been prepared on a historical cost basis, except for the following items (refer to individual accounting policies for details):

- Derivative financial instruments – fair value through profit or loss

The accounting policies adopted are set out below.

3.2 GOING CONCERN

The Board has, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

3.3 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the parent company and entities controlled by the parent company (its subsidiaries) made up to 31 December each year. Control is achieved when the parent company:

- Has the power over the investee
- Is exposed, or has rights, to variable returns from its involvement with the investee
- Has the ability to use its power to affect its returns

The parent company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the parent company obtains control over the subsidiary and ceases when the parent company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the parent company gains control until the date when the parent company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

3.4 BUSINESS COMBINATIONS

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3.5 GOODWILL

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

3.6 INVESTMENT IN AN ASSOCIATE

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of the associate are incorporated in these financial statements using the equity method of accounting.

Under the equity method, an investment in an associate is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

If there is objective evidence that the Group's net investment in an associate is impaired, the requirements of IAS 36 Impairment of Assets are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

3.7 REVENUE

The Group recognises revenue from the following major sources:

- Product sales
- Services

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Product sales

The Group sells sensors, operational platforms, and subsea vehicles to customers. Sometimes, these products are customised extensively. However, this customisation does not limit the Group's ability to resell the products if an order gets cancelled, albeit such cancellations are rare.

Revenue is recognised when control of the products has transferred, generally being when the Group has made the products available to the customer. The Group acts as a principal in the transaction, as it has control over the products before their transfer to the customer. A receivable is recognised by the Group when the products are made available to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Services

The Group sells various supporting services in relation to its products, such as repairs and maintenance, short-term equipment rental, staff deployment and training services.

Service revenue is recognised at a point in time or over time, depending on the performance obligations involved in the services. For services performed and completed at a specific point in time, revenue is recognised at the point in time when the Group has rendered the services at their stand-alone selling prices.

The Group applies the practical expedient for certain short-term services where the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date. The Group recognises revenue on these services in the amount to which the Group has a right to invoice.

Warranty relating to product sales

The Group provides warranties for general repairs of equipment with defects that existed at the time of sale. This service relates to maintenance work that may be required to be carried out on the equipment for a 12-month period after sale or over the service period. These assurance-type warranties are accounted for as warranty provisions in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in **NOTE 3.21**.

The Group also provides options for customers to extend the warranty at an additional cost. These service-type warranties are considered to be a distinct service as they are supplied by the Group to customers on a stand-alone basis. Revenue relating to the extended warranty services is recognised over time. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is released on a straight-line basis over the period of service.

Significant financing components

The Group does not have any contracts where the period between the transfer of the promised products to the customer and payment by the customer exceeds one year.

The Group receives an upfront payment for extended warranty services, which covers the entire service period. This upfront payment is intended to reduce administration costs. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

3.8 LEASES

The Group as a lessee

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (which mainly consist of small items of office furniture). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise :

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- The amount expected to be payable by the lessee under residual value guarantees

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

The Group as a lessor

The Group enters into lease agreements as a lessor with respect to some of its buildings.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3.9 FOREIGN CURRENCIES

In preparing the financial statements of the Group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

3.10 BORROWING COSTS

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.11 GOVERNMENT GRANTS

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3.12 DEFINED CONTRIBUTION SCHEMES

The Group provides defined contribution retirement benefit plans for all employees. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit plans are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

3.13 SHORT-TERM AND OTHER LONG-TERM SERVICE BENEFITS

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured using the projected unit credit method and then discounted using yields available on high quality corporate bonds that have maturity dates approximating to the expected remaining period to settlement and are denominated in the same currency as the post-employment benefit obligations.

3.14 TAXATION

The income tax expense represents the sum of current and deferred income tax expense.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the parent company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.15 PROPERTY, PLANT AND EQUIPMENT

Freehold land is not depreciated.

Plant, machinery, fixtures and fittings are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method in accordance with **NOTE 14**.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.16 INTANGIBLE ASSETS

Externally acquired intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives which are disclosed in **NOTE 16**. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Internally generated intangible assets (development costs)

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- The intention to complete the intangible asset and use or sell it
- The ability to use or sell the intangible asset
- How the intangible asset will generate probable future economic benefits
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- The ability to measure reliably the expenditure attributable to the intangible asset during its development

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

The significant intangibles recognised by the Group, their useful economic lives and the methods used to determine the cost of intangibles acquired in a business combination are outlined in **NOTE 16.**

3.17 IMPAIRMENT OF NON-FINANCIAL ASSETS (EXCLUDING GOODWILL)

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual

cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

3.18 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

3.19 CASH AND CASH EQUIVALENTS

In the statement of financial position, cash and bank balances comprise cash and bank balances.

Bank balances for which use by the Group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed in **NOTES 21 AND 22**.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

3.20 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

FINANCIAL ASSETS

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- 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

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognised in profit or loss and is included in the "finance income" line item **(NOTE 10)**.

(ii) Financial assets at FVTPL

Derivative financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Derivative financial assets are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. Fair value is determined in the manner described in **NOTE 5.3**.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'finance income' line item (**NOTE 10**).

For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'finance expense' line item as part of the fair value gain or loss (**NOTE 10**).

Impairment of financial assets

The Group recognises a provision for impairment on trade and other receivables. The amount of provision for impairment is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Impairment provisions for trade receivables are recognised based on the simplified approach in the determination of the lifetime expected credit losses. Under this approach, the Group assesses the credit risk of each customer individually, taking into account factors such as their financial position, payment history, and current economic conditions. The Group considers a range of scenarios to assess the likelihood of default and the potential loss. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for other receivables are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since the initial recognition of the financial asset. For those where the credit risk has not increased significantly since the initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The measurement of provision for impairment is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the provision for impairment is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

FINANCIAL LIABILITIES AND EQUITY

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the parent company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the parent company's own equity instruments.

Financial liabilities at amortised cost

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the

instruments. These foreign exchange gains and losses are recognised in the 'finance expense' line item in profit or loss (NOTE 10) for financial liabilities that are not part of a designated hedging relationship.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps. Further details of derivative financial instruments are disclosed in NOTE 18.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Forward exchange forward contracts are offset in the financial statements as the Group has both a legally enforceable right and intention to offset. The impact of the master netting agreements on the Group's financial position is disclosed in NOTE 18. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

3.21 PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

Dilapidation

Provisions for the costs to restore leased plant assets to their original condition, as required by the terms and conditions of the lease, are recognised when the obligation is incurred, either at the commencement date or as a consequence of having used the underlying asset during a particular period of the lease, at the Board's best estimate of the expenditure that would be required to restore the assets. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

3.22 DIVIDENDS

Dividends are recognised when they become legally payable. In the case of dividends to equity shareholders, this is when approved by the shareholders at the General Assembly.

NOTE 4 - CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In applying the Group's accounting policies, which are described in NOTE 3, the Board is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

CRITICAL JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Board have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

- Revenue recognition –timing of satisfaction (see NOTE 3.7 and 6)

ESTIMATES AND ASSUMPTIONS

- Deferred tax assets – Estimate of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised (see NOTE 11)
- Impairment of goodwill – Estimate of future cash flows and determination of the discount rate (see NOTE 16)
- Lease liabilities – Estimate of incremental borrowing rate used to measure lease liabilities (NOTE 15)

NOTE 5 - FINANCIAL RISK MANAGEMENT

5.1 OVERVIEW

The Group's activities expose it to a variety of financial risks, which can be categorised as:

- Currency risk
- Interest rate risk
- Credit risk, and
- Liquidity risk

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

5.2 FINANCIAL INSTRUMENTS BY CATEGORY

The following table combines information about:

- Classes of financial instruments based on their nature and characteristics
- The carrying amounts of financial instruments
- Fair values of financial instruments (except financial instruments when carrying amount approximates their fair value)

NOK (thousands)	2023	2022
Financial assets		
Financial assets at amortised cost:		
Trade and other receivables	153,214	126,883
Cash and cash equivalents	172,652	153,824
Derivative financial assets	6,948	1,929
TOTAL FINANCIAL ASSETS	**332,814**	**282,636**
Financial liabilities		
Financial liabilities at amortised cost:		
Trade and other payables	86,339	71,551
Loans and borrowings	140,545	200,623
Derivative financial liabilities	2,058	6,154
TOTAL FINANCIAL LIABILITIES	**228,942**	**278,328**

5.3 FAIR VALUE MEASUREMENT

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

	LEVEL 1		LEVEL 2		LEVEL 3	
NOK (thousands)	2023	2022	2023	2022	2023	2022
Financial assets						
Derivative financial assets	-	-	6,948	1,929	-	-
TOTAL FINANCIAL ASSETS	**-**	**-**	**6,948**	**1,929**	**-**	**-**
Financial liabilities						
Derivative financial liabilities	-	-	2,058	6,154	-	-
TOTAL FINANCIAL LIABILITIES	**-**	**-**	**2,058**	**6,154**	**-**	**-**

There were no transfers between levels during the current or prior year.

Derivative financials instruments are fair valued by the 3rd party provider of these derivatives.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: Valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

5.4 FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group's CFO provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group's CFO reports regularly to the Board, who monitors risks and policies implemented to mitigate risk exposures.

5.5 MARKET RISK

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates (see below). The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency and interest rate risk, including:

- Forward foreign exchange contracts to hedge the exchange rate risk
- Interest rate swaps to mitigate the risk of rising interest rates

Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

5.5.1 CURRENCY RISK

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	ASSETS		LIABILITIES	
NOK (thousands)	2023	2022	2023	2022
United States Dollar ("USD")	110,779	44,422	148,028	3,260
Great Britain Pound ("GBP")	950	48,963	1,342	7,304
Australian Dollar ("AUD")	-	19,741	-	1,913
Euro ("EUR")	10,299	18,766	292	1,265
Others	6,027	5,180	3,726	2,746
	128,055	137,072	**153,388**	16,488

Foreign currency sensitivity analysis

The Group is mainly exposed to USD.

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. A positive number below indicates an increase in profit and equity where USD strengthens against NOK. For the weakening of USD against NOK, there would be a comparable impact on the profit and equity, and the balances below would be negative.

The movement in the pre-tax effect is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in USD, where the functional currency of the entity is a currency other than USD.

The Group's exposure to foreign currency changes for all other currencies is not material.

	EFFECT ON PROFIT BEFORE TAX		EFFECT ON PRE-TAX EQUITY	
NOK (thousands)	2023	2022	2023	2022
Change in USD rate				
+10%	(3,725)	4,116	-	-
-10%	3,725	(4,116)	-	-

5.5.2 INTEREST RATE RISK

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring the most cost-effective hedging strategies are applied.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

The Group is exposed to SOFR (2022: NIBOR). The exposures arise on the Group's loans and borrowings.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

NOK (thousands)	EFFECT ON PROFIT BEFORE TAX 2023	EFFECT ON PROFIT BEFORE TAX 2022
Interest rates - increase by 100 basis points	-	(2,000)
Interest rates - decrease by 100 basis points	-	2,000

The Group's sensitivity to interest rates has decreased at 31 December 2023 mainly due to the use of interest rate swaps to swap the floating rate debt to fixed rate debt.

5.6 CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2023 and 31 December 2022, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from its trade and other receivables and contract assets.

It is Group policy, implemented locally, to assess the credit risk of new customers before entering contracts. The Group's customers are typically within the defence, public sector or public sector sponsored institutions, and are generally considered to have a good rating and ability to pay and are thereby considered low risk in credit terms. The credit quality is based on historic experience, their financial position, and other factors.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Further disclosures regarding trade and other receivables, which are neither past due nor impaired, are provided in **NOTE 20**.

5.7 LIQUIDITY RISK

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles

of financial assets and liabilities. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 90 days.

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. For non-derivative financial liabilities, the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest cash flows are floating rate, the undiscounted amount is derived from interest rate curves at the reporting date.

For the foreign exchange forward contracts which are settled on a net basis, undiscounted net cash outflows are presented based on contractual maturities. The undiscounted amounts are derived from exchange rates at the reporting date.

For the interest rate swap which is settled on a net basis, undiscounted net cash outflows are presented based on the expected interest payment. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

NOK (thousands)	UP TO 3 MONTHS	BETWEEN 3 AND 12 MONTHS	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 5 YEARS	OVER 5 YEARS
At 31 December 2023					
Trade and other payables	86,339	-	-	-	-
Loans and borrowings	5,637	17,801	132,236	-	-
Lease liabilities	3,777	11,132	12,218	23,975	44,884
Derivative financial liabilities - cash (inflows) / outflows	(252)	296	1,611	1,261	-
TOTAL	**95,501**	**29,229**	**146,065**	**25,236**	**44,884**
At 31 December 2022					
Trade and other payables	99,734	-	-	-	-
Loans and borrowings	7,571	22,713	29,147	166,231	-
Lease liabilities	2,163	6,488	8,606	19,766	75,656
Derivative financial liabilities - cash outflows	1,539	4,615	-	-	-
TOTAL	111,007	33,816	37,753	185,997	75,656

5.8 CAPITAL RISK

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2022.

The capital structure of the Group consists of net debt and equity of the Group.

The Group monitors capital on the basis of the debt to equity ratio. Debt is defined by the Group as long- and short-term borrowings and lease liabilities (excluding derivatives) as disclosed in **NOTES 15** and **22**. Net debt is defined as debt after deducting cash and cash equivalents. Equity includes share capital, reserves and retained earnings as disclosed in **NOTE 27**.

Due to recent market uncertainty, the Group's strategy is to preserve a strong cash base and achieve a debt-to-adjusted-capital ratio of less than 40% (2022: <40%). The objective of this strategy is to secure access to finance at reasonable cost by maintaining a high credit rating.

The debt-to-capital ratios at 31 December 2023 and at 31 December 2022 were as follows:

NOK (thousands)	2023	2022
Loans and borrowings	140,545	200,623
Lease liabilities	80,423	66,268
Less: cash and cash equivalents	(172,652)	(153,824)
NET DEBT	**48,316**	113,067
Total equity	625,280	487,093
Net debt to equity %	7.7%	23.2%

The Group is subject to certain externally imposed capital requirements as disclosed in **NOTE 22**.

NOTE 6 - REVENUE

The Group has disaggregated revenue from contracts with customers into various categories in the following table which is intended to depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic date.

REVENUE BY NATURE

NOK (thousands)	2023	2022
Product sales	766,810	601,556
Services	41,959	28,083
	808,769	629,639

REVENUE BY MARKET AREA

NOK (thousands)	2023	2022
Marine construction	531,920	343,748
Defence	129,431	169,718
Research	147,418	116,173
	808,769	629,639

Revenue from the defence market is predominantly from government contracts.

REVENUE BY GEOGRAPHIC AREA

NOK (thousands)	2023	2022
Europe	366,147	200,358
Asia and Oceania	144,373	160,370
Americas	266,074	249,940
Rest of the world	32,175	18,971
	808,769	629,639

TIMING OF REVENUE RECOGNITION

NOK (thousands)	2023	2022
At a point in time	808,443	629,068
Over time	326	571
	808,769	629,639

No single customers contributed 10 per cent or more to the Group's revenue in either 2023 or 2022.

As of 31 December 2023, contract assets amounted to NOK 506 thousand (31 December 2022: NOK 3,226 thousand), representing orders that have been completed but not yet invoiced to customers.

NOTE 7 - OTHER INCOME

Other income is not considered to be part of the main revenue generating activities, the Group presents this income separately from revenue.

NOK (thousands)	2023	2022
Grants	3,938	10,366
Gains from sales of assets	1,164	444
Other	2,107	-
	7,209	10,810

NOTE 8 - EMPLOYEE BENEFITS

The employee costs include employee benefit plans and pensions.

NOK (thousands)	2023	2022
Wages and salaries	246,870	190,076
Social security contributions and similar taxes	26,036	19,371
Defined contribution pension cost	5,208	4,560
	278,114	214,007
Number of employees at year end	337	265

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the Board of Directors, CEO's of the subsidiaries, and the CFO of the Group.

NOK (thousands)	2023	2022
Wages and salaries	16,021	8,284
Social security contributions and similar taxes	2,319	768
Defined contribution pension cost	647	273
	18,987	9,325

The number of shares held by the board of directors and key management personnel as at 31 December 2023 was 33,591,684 shares (31 December 2022: 37,035,250 shares). The aforementioned number of shares have been adjusted to reflect the share split during the year. For details please refer to **NOTE 25**.

NOTE 9 - OTHER OPERATING EXPENSES

The direct operating and sales, general and administrative expenses combined are referred to as expenses from operating activities. Included in the expenses from operating activities are, amongst other, the following items:

NOK (thousands)	2023	2022
Sales and marketing	14,142	11,604
Travel	14,602	7,754
Professional fees	10,623	10,150
Research and development	57,247	7,933
Occupancy costs	17,134	13,381
Office expenses	16,896	13,160
Other	32,118	21,638
	162,762	85,620

AUDIT FEES

NOK (thousands)	2023	2022
Statutory audit	842	676
Assurance services	47	78
Other non-assurance services	410	288
Other auditors	3,610	1,823
	4,909	2,865

NOTE 10 - FINANCE INCOME AND EXPENSE

NOK (thousands)	2023	2022
Finance income		
Bank interest income	3,876	1,190
Other interest income	29	74
Foreign exchange gain	19,120	19,726
TOTAL FINANCE INCOME	**23,025**	20,990
Finance expense		
Bank interest expense	(15,993)	(3,616)
Other interest expense	(3,399)	(3,673)
Foreign exchange expense	(16,475)	(18,720)
TOTAL FINANCE EXPENSE	**(35,867)**	(26,009)

NOTE 11 - INCOME TAX

NOK (thousands)	2023	2022
Current income tax	22,998	31,409
Change in deferred tax	(5,959)	(4,808)
TOTAL INCOME TAX EXPENSE	**17,039**	26,601

The income tax expense for the year can be reconciled to the (loss) / profit before tax as follows:

NOK (thousands)	2023	2022
(Loss) / profit before tax	**(55,486)**	105,332
Tax using the Company's domestic tax rate of 22% (2022: 22%)	(12,207)	23,173
Expenses not deductible (taxable) for tax purposes	33,786	6,234
Tax losses	10,100	(307)
Capital allowances	(2,426)	205
Effect of different income tax rates in other jurisdictions	(26)	(500)
Deferred tax	(5,959)	(4,808)
Other	(6,229)	2,604
TOTAL INCOME TAX EXPENSE FOR THE YEAR	**17,039**	26,601

The standard rate of corporation tax applied to reported profit is 22 per cent (2022: 22 per cent). Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

No material uncertain tax positions exist as at 31 December 2023 and 2022.

NOTE 12 - DIVIDENDS

The directors are proposing a final dividend totalling NOK 10.0 million (2022: NOK 25.0 million). This dividend has not been accrued in the consolidated statement of financial position.

NOTE 13 - (LOSS) / EARNINGS PER SHARE

Basic (loss) / earnings per share is calculated by dividing the (loss) / profit for the year by the weighted average number of ordinary shares outstanding during the year.

The following table reflects the income and share data used in the basic (loss) / earnings per share calculations:

	2023	2022
(Loss) / earnings (NOK'000)		
(Loss) / profit attributable to shareholders	(72,525)	78,731
Weighted average number of ordinary shares ('000 shares)	48,915	48,584
BASIC (LOSS) / EARNINGS PER SHARE	**(1.48)**	1.62

In June 2023, General Oceans AS underwent a 1:35 share split. The par value of each ordinary share has been reduced from NOK 3.5 to NOK 0.1. For details, please refer to **NOTE 25**. The denominator for the purposes of calculating (loss) basic earnings per share has been adjusted to reflect the share split.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

The Group did not have any instruments with a dilutive effect on 31 December 2023 and 2022.

NOTE 14 - PROPERTY, PLANT AND EQUIPMENT

NOK (thousands)	LAND AND BUILDINGS	PLANT, MACHINERY AND EQUIPMENT	FIXTURES AND FITTINGS	TOTAL
Costs				
Balance at 1 January 2022	**-**	**46,665**	**19,075**	**65,740**
Business combinations	62,925	21,812	7,508	92,245
Additions	-	12,085	3,488	15,573
Retirement and disposals	-	(5,123)	(2,242)	(7,365)
Exchange differences	1,045	1,917	403	3,365
BALANCE AT 31 DECEMBER 2022	**63,970**	**77,356**	**28,232**	**169,558**
Balance at 1 January 2023	**63,970**	**77,356**	**28,232**	**169,558**
Business combinations	53,086	15,755	272	69,113
Additions	469	13,926	9,514	23,909
Reclassifications	729	(1,688)	(4,376)	(5,335)
Retirement and disposals	-	(7,345)	(102)	(7,447)
Exchange differences	3,604	2,452	1,028	7,084
BALANCE AT 31 DECEMBER 2023	**121,858**	**100,456**	**34,568**	**256,882**
Accumulated depreciation				
Balance at 1 January 2022	**-**	**(27,764)**	**(12,588)**	**(40,352)**
Business combinations	(10,507)	(15,859)	(6,046)	(32,412)
Depreciation charge	(354)	(7,121)	(1,978)	(9,453)
Retirement and disposals	-	4,519	1,284	5,803
Exchange differences	(175)	(1,159)	(230)	(1,564)
BALANCE AT 31 DECEMBER 2022	**(11,036)**	**(47,384)**	**(19,558)**	**(77,978)**
Balance at 1 January 2023	**(11,036)**	**(47,384)**	**(19,558)**	**(77,978)**
Business combinations	-	(9,016)	(149)	(9,165)
Depreciation charge	(2,206)	(9,557)	(3,194)	(14,957)
Reclassifications	(568)	1,999	2,510	3,941
Retirement and disposals	-	3,675	69	3,744
Exchange differences	(944)	(1,589)	(651)	(3,184)
BALANCE AT 31 DECEMBER 2023	**(14,754)**	**(61,872)**	**(20,973)**	**(97,599)**
Carrying amounts				
At 1 January 2022	-	18,901	6,487	25,388
At 31 December 2022	52,934	29,972	8,674	91,580
At 1 January 2023	52,934	29,972	8,674	91,580
AT 31 DECEMBER 2023	**107,104**	**38,584**	**13,595**	**159,283**
Useful life (years)	**3-15**	**3-5**	**3-15**	

During the year ended 31 December 2023, depreciation expenses of NOK 1.1 million were charged to raw materials as factory overheads on production facilities.

NOTE 15 - RIGHT-OF-USE ASSETS AND LEASES

The Group as a lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The Group leases a number of properties in the jurisdictions from which it operates. In some jurisdictions it is customary for lease contracts to provide for payments to increase each year by inflation or and in others to be reset periodically to market rental rates. In some jurisdictions property leases the periodic rent is fixed over the lease term.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the Group's incremental borrowing rate on commencement of the lease is used.

NOK (thousands)	RIGHT-OF-USE ASSET	LEASE LIABILITIES
Balance at 1 January 2023	**63,591**	**(66,268)**
Additions - new leases	19,449	(19,449)
Additions - lease modifications	5,737	(5,737)
Depreciation expense	(13,136)	-
Interest expense	-	(2,908)
Lease payments	-	14,574
Exchange differences	335	(635)
BALANCE AT 31 DECEMBER 2023	**75,976**	**(80,423)**
Balance at 1 January 2022	**61,925**	**(63,376)**
Additions	7,680	(7,680)
Depreciation expense	(6,227)	-
Interest expense	-	(2,227)
Lease payments	-	7,235
Exchange differences	213	(220)
BALANCE AT 31 DECEMBER 2022	**63,591**	**(66,268)**

LEASE LIABILITIES

NOK (thousands)	2023	2022
Non-current	67,187	59,731
Current	13,236	6,537
	80,423	66,268

As of 31 December 2023, the Group had low value leases of NOK Nil (31 December 2022: NOK 108 thousand) that were not capitalised in the financial statements. The Group has determined that these leases do not meet the criteria for capitalisation under IFRS 16 and, therefore, have been expensed as incurred.

Lease liabilities have multiple maturity dates, refer to **NOTE 5.7** for a maturity analysis of lease liabilities.

The Group as a lessor

Certain buildings are leased to tenants under short-term operating leases with rentals payable monthly. The lessee does not have an option to purchase the property at the expiry of the lease period.

Maturity analysis of operating lease payments:

NOK (thousands)	2023	2022
Up to 3 Months	210	-
Between 3 and 12 Months	281	-
	491	-

NOTE 16 - INTANGIBLE ASSETS

NOK (thousands)	GOODWILL	INTELLECTUAL PROPERTIES, PATENTS AND LICENSES	TRADEMARKS AND CUSTOMER RELATIONSHIPS	DEVELOPMENT COSTS	TOTAL
Costs					
Balance at 1 January 2022	**104,968**	**9,796**	**89,803**	**-**	**204,567**
Additions	-	52	-	-	52
Business combinations	65,503	25,278	49,608	-	140,389
Exchange differences	13,459	1,066	11,406	-	25,931
BALANCE AT 31 DECEMBER 2022	183,930	36,192	150,817	-	370,939
Balance at 1 January 2023	**183,930**	**36,192**	**150,817**	**-**	**370,939**
Additions	-	1,922	1,035	4,108	7,065
Business combinations	9,381	8,978	3,408	-	21,767
Reclassifications	-	5,335	-	-	5,335
Exchange differences	3,619	1,829	6,143	-	11,591
BALANCE AT 31 DECEMBER 2023	**196,930**	**54,256**	**161,403**	**4,108**	**416,697**
Amortisation and impairment					
Balance at 1 January 2022	-	(1,194)	(1,497)	-	(2,691)
Amortisation charge	-	(3,129)	(12,738)	-	(15,867)
Exchange differences	-	(168)	(437)	-	(605)
BALANCE AT 31 DECEMBER 2022	-	(4,491)	(14,672)	-	(19,163)
Balance at 1 January 2023	**-**	**(4,491)**	**(14,672)**	**-**	**(19,163)**
Business combinations	-	(2,663)	-	-	(2,663)
Amortisation charge	-	(5,866)	(16,190)	-	(22,056)
Impairment	(117,321)	-	-	-	(117,321)
Reclassifications	-	(3,941)	-	-	(3,941)
Exchange differences	-	479	(26)	-	453
BALANCE AT 31 DECEMBER 2023	**(117,321)**	**(16,482)**	**(30,888)**	**-**	**(164,691)**

NOK (thousands)	GOODWILL	PROPERTIES, PATENTS AND LICENSES	TRADEMARKS AND CUSTOMER RELATIONSHIPS	DEVELOPMENT COSTS	TOTAL
Carrying amounts					
At 1 January 2022	104,968	8,602	88,306	-	201,876
At 31 December 2022	183,930	31,701	136,145	-	351,776
At 1 January 2023	183,930	31,701	136,145	-	351,776
AT 31 DECEMBER 2023	**79,609**	**37,774**	**130,515**	**4,108**	**252,006**
Useful life (years)	**N/A**	**5 - 20**	**10 ***	**N/A**	

** At 31 December 2023, the Group has a trademark of NOK 4,301 thousand (31 December 2022: Nil) with indefinite useful life. The trademark was tested for impairment.*

Research and development costs of NOK 57,247 thousand (2022: NOK 7,933 thousand) that are not eligible for capitalisation have been expensed in the year incurred and they are recognised in other operating expenses.

The research and development costs expensed this year were primarily due to the heightened payroll expenses allocated to research and development, linked with the Group's research activities in ocean technologies. This increase in labour costs reflects our sustained dedication to enhancing our capabilities in marine technology.

Impairment testing

The Group assesses at each reporting date, whether there is an indication that an intangible asset may be impaired in accordance with NOTE 3.5 and 3.17. The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment testing for development costs

Included in the carrying amount of development costs at 31 December 2023 is an amount of NOK 4,108 thousand related to a development project for a new version of vector. This new vector is planned to be launched in Q1 2025. Consequently, the benefit of the development project will not be realised as soon as previously expected and management has carried out an impairment test.

The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2023	2022	2023	2022
Annual revenue growth rate	3.6%	N/A	-1.0%	N/A
Discount rate	7.2%	N/A	+0.5%	N/A

The recoverable amount of the development project that included these development costs was estimated based on the present value of the future cash flows expected to be derived from the development project (value in use). The recoverable amount of the development project was estimated to be higher than its carrying amount and no impairment was required.

Impairment testing for goodwill

At 31 December 2023 and 2022, the Group's goodwill originated from business combinations are as follows:

NOK (thousands)	2023	2022
Strategic Robotic Systems Inc	-	117,321
Reach Robotics Pty Ltd	35,693	34,598
Tritech International Ltd	34,928	32,011
Klein Marine Systems Inc	8,988	-
	79,609	183,930

Strategic Robotic Systems Inc

At 31 December 2023, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. SRS' initial revenue growth profile at the time of acquisition did not materialise as expected during 2023, primarily due to several factors affecting actual sales performance. Despite optimistic projections, SRS faced challenges such as intensified competition, and unforeseen disruptions as it relocated its office to San Diego. Consequently, sales orders fell short of expectations, resulting in a shortfall in revenue generation. The recoverable amount of SRS was NOK 106.3 million as at 31 December 2023. In response to the underperformance, the projected cash flows have been reassessed and adjusted to accurately reflect the current business landscape, ensuring a more realistic and sustainable financial outlook moving forward. The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2023	2022	2023	2022
Annual revenue growth rate	4.1%	13.0%	-1.0%	-1.0%
Discount rate	13.5%	12.5%	+0.5%	+0.5%

It was concluded that the recoverable amount was lower than the carrying amount of the CGU. As a result of this analysis, management has recognised an impairment loss of NOK 117.3 million in the current year against goodwill with a carrying amount of NOK 117.3 million as at 31 December 2022.

Reach Robotics Pty Ltd

As at 31 December 2023, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The headroom related to Reach in the impairment-test amounted to NOK 4,317 thousand. The projected cash flows have been updated to reflect the decreased demand for products and services. The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2023	2022	2023	2022
Annual revenue growth rate	13.5%	20.6%	-1.0%	-1.0%
Discount rate	13.0%	12.0%	+0.5%	+0.5%

By reference to the recoverable amount assessed in the impairment calculations, it is concluded that there is no impairment indication identified on intangible assets.

Tritech International Ltd

As at 31 December 2023, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The headroom related to Tritech in the impairment-test amounted to NOK 53,242 thousand. The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions. .

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2023	2022	2023	2022
Annual revenue growth rate	9.9%	9.8%	-1.0%	-1.0%
Discount rate	13.5%	12.5%	+0.5%	+0.5%

By reference to the recoverable amount assessed in the impairment calculations, it is concluded that there is no impairment indication identified on intangible assets.

Klein Marine Systems Inc

As at 31 December 2023, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The headroom related to Klein in the impairment-test amounted to NOK 59,407 thousand. The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2023	2022	2023	2022
Annual revenue growth rate	4.2%	N/A	-1.0%	N/A
Discount rate	15.0%	N/A	+0.5%	N/A

By reference to the recoverable amount assessed in the impairment calculations, it is concluded that there is no impairment indication identified on intangible assets.

NOTE 17 - INVESTMENT IN AN ASSOCIATE

The following entities have been included in the consolidated financial statements using the equity method:

NAME	COUNTRY OF INCORPORATION AND PRINCIPAL PLACE OF BUSINESS	PROPORTION OF OWNERSHIP INTEREST AT 31 DECEMBER	
		2023	2022
Hefring Inc	United States of America	25%	25%

Summarised financial information

NOK (thousands)	2023	2022
Current assets	10,015	2,078
Non-current assets	257	320
Current liabilities	(1,973)	(553)
Non-current liabilities	(7,208)	-
NET ASSETS	**1,091**	1,845
GROUP SHARE OF NET ASSETS (25%)	**273**	461
Revenues	980	700
Loss from operations	(12,993)	(18,877)

NOTE 18 - DERIVATIVE FINANCIAL INSTRUMENTS

NOK (thousands)	2023	2022
Derivative financial assets		
Forward foreign exchange contracts	6,948	1,929
TOTAL DERIVATIVE FINANCIAL ASSETS	**6,948**	1,929
Non-current	3,379	1,929
Current	3,569	-
TOTAL DERIVATIVE FINANCIAL ASSETS	**6,948**	1,929

NOK (thousands)	2023	2022
Derivative financial liabilities		
Forward foreign exchange contracts	-	(6,154)
Interest rate swap	(2,058)	-
TOTAL DERIVATIVE FINANCIAL LIABILITIES	**(2,058)**	(6,154)
Non-current	(2,058)	-
Current	-	(6,154)
TOTAL DERIVATIVE FINANCIAL LIABILITIES	**(2,058)**	(6,154)

Foreign exchange risk arises when individual group operations enter into transactions denominated in a currency other than their functional currency. To reduce the Group's exposure to FX fluctuations with the USD the Group takes out a foreign exchange forwarding contract to the value of USD 750,000 per month. At the reporting date the Group had 21 (2022: 15) active foreign exchange forwarding contracts maturing monthly up to September 2025 (2022: March 2024).

During the year, the Group entered into an interest rate swap agreement in place with a notional amount of NOK 138.9 million (USD13.7 million) (2022: Nil) whereby the Group receives a variable rate of interest at SOFR-OIS Compound and pays interest at a fixed rate of 4.65% on the notional amount. Such contract enables the Group to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loans and borrowings.

These contracts were not designated as hedging instruments for the purposes of hedge accounting in accordance with IFRS 9 'Financial Instruments'.

The derivative financial instruments are all net settled; therefore, the maximum exposure to credit risk at the reporting date is the fair value of the derivative financial instruments which are included in the consolidated statement of financial position.

Gains and losses in fair valuing foreign exchange forwarding contracts are recognised in 'finance costs' in the consolidated statement of profit or loss. Gains and losses on maturity are recognised in 'finance costs' in consolidated statement of profit or loss.

NOTE 19 - INVENTORIES

The inventories comprise of the following:

NOK (thousands)	2023	2022
Raw materials and consumables	125,433	42,409
Work-in-progress	12,173	782
Finished goods and goods for resale	68,138	72,006
	205,744	115,197

The cost of inventories utilised are recognised as an expense in raw materials.

At 31 December 2023, slow moving inventories of NOK 11.1 million have been written off (31 December 2022: Nil).

NOTE 20 - TRADE AND OTHER RECEIVABLES

NOK (thousands)	2023	2022
Trade receivables	127,767	109,168
Less: provision for impairment of trade receivables	(672)	(651)
Net trade receivables	127,095	108,517
Prepayments	12,514	15,914
VAT receivable	1,699	293
Bonds, deposits, guarantees	1,642	3,426
Related party receivables	12,327	11,887
Other receivables	10,451	14,647
TOTAL	**165,728**	154,684
Non-current	12,327	11,887
Current	153,401	142,797
TOTAL TRADE AND OTHER RECEIVABLES	**165,728**	154,684

The Group utilises judgement and historical credit losses to assess customer receipts on an individual basis. The creation and release of the allowance for doubtful debts for impaired receivables have been charged to profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

NOK (thousands)	2023	2022
Current	67,368	47,738
1-30 days	27,338	35,882
31-60 days	9,580	7,052
61-90 days	8,659	2,047
>90 days	14,150	15,798
BALANCE AT 31 DECEMBER	**127,095**	108,517

NOTE 21 - CASH AND CASH EQUIVALENTS

NOK (thousands)	2023	2022
Bank deposits payable on demand	155,308	143,760
Bank deposits restricted to tax payments	17,344	10,064
BALANCE AT 31 DECEMBER	**172,652**	153,824

Restricted bank deposits are tax deductions made on behalf of employees.

NOTE 22 - LOANS AND BORROWINGS

	2023		
NOK (thousands)	CURRENT	NON-CURRENT	TOTAL
Term loan	13,931	126,319	140,250
Other borrowings	134	161	295
TOTAL	**14,065**	**126,480**	**140,545**

	2022		
NOK (thousands)	CURRENT	NON-CURRENT	TOTAL
Term loan	20,116	180,000	200,116
Other borrowings	231	276	507
TOTAL	20,347	180,276	200,623

In 2022, the Group acquired a NOK 200.0 million term loan facility, secured by a first priority pledge over a selection of the subsidiary shares. The termination date of the facility is 3 years from the first drawdown (circa 2025). In December 2023, following a share issue (refer to **NOTE 25**) the Group early repaid the NOK 200.0 million loan.

In August 2023, the Group made a drawdown of USD 14.0 million to fund the acquisition of Klein. The loan facility as at 31 December 2023 was USD 13.7 million (NOK 139.4 million).

The facility contains the following customary covenants:

- Equity/Assets at all times of at least 40%
- NIBD/EBITDA not to exceed 3.0
- Minimum cash balance of NOK 50m

The interest is in line with market conditions and is based on SOFR (2022: NIBOR) plus a margin of 2.0% to 2.5% (the spread depends on certain leverage covenants).

LOAN COVENANTS

	2023	2022
Equity ratios		
Total equity	625,280	487,093
Total assets	1,046,478	939,525
EQUITY RATIO	**60%**	52%

NOK (thousands)	2023	2022
NIBD ratios		
Loans and borrowings	140,545	200,623
Cash and cash equivalents	(172,652)	(153,824)
NIBD	(32,107)	46,799
EBITDA	127,116	145,650
NIBD TO EBITDA RATIO	**(0.3)**	0.3

The Group has complied with these covenants throughout 2023 and 2022.

Other borrowings comprise of business loans at a fixed interest rate of 0.55% (2022: 0.55%), repayments are monthly, the loans terminate in 2024 and 2026.

NOTE 23 - TRADE AND OTHER PAYABLES

NOK (thousands)	2023	2022
Trade payable	60,339	32,788
Wage taxes and social securities	21,315	21,565
Accruals	27,272	28,183
Provision - Warranties	691	2,959
Provision - Dilapidations	524	409
VAT Payable	1,012	3,431
Other payables	3,673	10,399
TOTAL	**114,826**	99,734

For certain products the Group has incurred an obligation to exchange the item if it breaks prematurely due to a manufacturing fault. Revenue for the sale of the products is recognised once the goods are delivered. No provision for warranty claims are made as the amounts historically has been not material. Warranty claims are expensed to cost of sales.

Leasehold dilapidations relate to the estimated cost of returning a leasehold property to its original state at the end of the lease in accordance with the lease terms. The cost is recognised as depreciation of leasehold improvements over the remaining term of the lease. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease.

NOTE 24 - CONTRACT LIABILITIES

NOK (thousands)	2023	2022
Prepayments from customers	18,011	14,848
Invoiced revenue, not delivered	3,615	6,846
BALANCE AT 31 DECEMBER	**21,626**	21,694

NOK (thousands)	2023	2022
Non-current	644	-
Current	20,982	21,694
	21,626	21,694

Set out below is the amount of revenue recognised from:

NOK (thousands)	2023	2022
Amounts included in contract liabilities at the beginning of the year	21,694	31,377
	21,694	31,377

Management expects that 25 per cent of the transaction price allocated to the unsatisfied and/or partially unsatisfied contracts as of the year ended 2023 will be recognised as revenue during the next reporting period (NOK 219.1 thousands). The remaining 75 per cent, NOK 560.7 thousands will be recognised in the 2025 financial year and NOK 83.6 thousands in the 2026 financial year.

NOTE 25 - SHARE CAPITAL AND PREMIUM

	NUMBER OF SHARES	ORDINARY SHARES	SHARE PREMIUM	TOTAL
	(thousands)	NOK '000	NOK '000	NOK '000
Balance at 1 January 2022	1,277,061	255	259,746	260,001
Business combination (share consideration)	111,049	22	70,690	70,712
Share face value increase	-	4,581	(4,581)	-
BALANCE AT 31 DECEMBER 2022	1,388,110	4,858	325,855	330,713
Balance at 1 January 2023	**1,388,110**	**4,858**	**325,855**	**330,713**
1:35 share split	47,195,740	-	-	-
Shares issued	7,115,747	712	209,260	209,972
BALANCE AT 31 DECEMBER 2023	**55,699,597**	**5,570**	**535,115**	**540,685**

In April 2022 General Oceans AS increased the par value of shares from NOK 0.2 to NOK 3.5 per share. The increase in share value is funded by the share premium reserve.

In June 2023, General Oceans AS underwent a 1:35 share split. The par value of each ordinary share has been reduced from NOK 3.5 to NOK 0.1.

In December 2023, the General Assembly of shareholders approved the issue of 7,115,747 ordinary shares at a price of NOK 31.54 per share.

Largest 20 shareholders by year end 31 December 2023 were:

SHAREHOLDER	NUMBER OF SHARES	PERCENTAGE
Atle Lohrmann	31,191,310	56.0%
FC Holding XXVII AS	14,235,629	25.6%
Loco Holding AS	1,470,000	2.6%
Hungry Horse AS	1,225,000	2.2%
PMPB Investments Pty Ltd ATF Phillips Family Trust	1,175,339	2.1%
S.Nylund Holding AS	1,050,000	1.9%
MCSB Investments Pty Ltd ATF Sproule Family Trust	783,559	1.4%
KMB Enterprises Pty Limited ATF the KMB Investments Trust	544,145	1.0%
Rosenthal/Fleming Family Trust	398,930	0.7%
Torstein Pedersen	350,000	0.6%
James Barratt	332,745	0.6%
Robin Sharphouse	332,745	0.6%
DM Whillas Family Trust	280,000	0.5%
Alltrust SIPP Limited fbo James Barratt M0005440	276,045	0.5%
Embark SIPP re Robin Sharphouse S1077038	276,045	0.5%
Luis Sebastiao	237,650	0.4%
S.D.Kamminga Beheer B.V.	236,250	0.4%
Antonio Pascoal	209,160	0.4%
Anders Gabriel Ridley-Smith	155,470	0.3%
Charles Gregory Sweney	101,535	0.2%
Other shareholders	838,040	1.5%
	55,699,597	**100.0%**

At 31 December 2023 the board of directors and key management held 33,591,684 shares (At 31 December 2022: 37,035,250). The aforementioned number of shares have been adjusted to reflect the share split during the year.

NOTE 26 - RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

NOK (thousands)	LOANS AND BORROWINGS	LEASE LIABILITIES	TOTAL
Balance at 1 January 2022	40,931	63,376	104,307
Financing cash flows	159,692	(7,235)	152,457
New leases	-	7,680	7,680
Foreign exchange adjustments	-	220	220
Other changes:			
Interest expense	-	2,227	2,227
BALANCE AT 31 DECEMBER 2022	200,623	66,268	266,891
Balance at 1 January 2023	**200,623**	**66,268**	**266,891**
Financing cash flows	(60,097)	(14,574)	(74,671)
New leases	-	25,186	25,186
Foreign exchange adjustments	19	635	654
Other changes:			
Interest expense	-	2,908	2,908
BALANCE AT 31 DECEMBER 2023	**140,545**	**80,423**	**220,968**

NOTE 27 - RESERVES

The following describes the nature and purpose of each reserve within equity:

RESERVE	DESCRIPTION AND PURPOSE
Share premium	Amount subscribed for share capital in excess of nominal value.
Foreign exchange reserve	Gains/losses arising on retranslating the net assets of overseas operations into NOK.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

NOTE 28 - CONSOLIDATION COMPANIES

The principal subsidiaries of the Group, all of which have been included in these consolidated financial statements, are as follows:

NAME	BUSINESS OFFICE	OWNERSHIP 2023	EQUITY 2023	PROFIT/ (LOSS) 2023
Nortek AS	Rud	100%	132,152	56,442
Nortek Netherlands BV	Hoofddorp	100%	10,133	1,831
Nortek Instruments Ltd	Southampton	100%	13,747	3,307
Nortek Qingdao Measuring Equipment Co Ltd	Qingdao	100%	17,277	2,020
Nortek Brasil Representacoes, Consultoria	Florianopolis	100%	876	575
Nortek Japan GK	Tokyo	100%	(615)	(645)
Nortek USA Inc	Boston	100%	11,446	2,676
Nortek Australia Pty Ltd	Melbourne	100%	2,203	503
SAS Nortek Mediterrannee	La Garde	100%	23,376	4,310
Strategic Robotic Systems Inc	San Diego	100%	31,206	(24,489)
Klein Marine Systems Inc	Salem	100%	91,765	(18,655)
General Oceans Inc	Boston	100%	116,896	(1,520)
Reach Robotics Pty Ltd	Sydney	100%	10,159	(3,670)
Tritech International Ltd	Ulverston	100%	119,396	17,113
EchoSonics Ltd	Ulverston	100%	(1,280)	(1,325)
General Oceans UK Holdings Ltd	London	100%	-	-
General Oceans Ltd	London	100%	420	472

NOTE 29 - BUSINESS COMBINATIONS

Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

Klein Marine Systems Inc

On 21 August 2023, General Oceans AS acquired 100 percent ownership interest in Klein for a total cash consideration of NOK 122,164 thousand. Klein designs, manufactures, and sells advanced side-scan sonar systems for the oceanographic, hydrographic, and defence industries on a world-wide basis. The company was consolidated from the date of acquisition and the preliminary acquisition analysis gave rise to goodwill of NOK 9,381 thousand. Capitalised goodwill related to acquisitions comprises synergies, assets related to employees, other intangible assets that do not qualify for separate capitalisation, expectations of future profitability and growth and expectations of better market conditions.

The purchase price and fair value of assets and liabilities acquired are presented in the following table.

NOK (thousands)	FAIR VALUE RECOGNISED ON ACQUISITION
Consideration	**122,164**
Recognised amounts of identifiable assets acquired and liabilities assumed	
Property, plant and equipment	59,948
Identifiable intangible assets	9,723
Inventories	52,883
Trade and other receivables	12,382
Deferred tax liabilities	(4,645)
Trade and other payables	(17,508)
Total identifiable net assets	**112,783**
GOODWILL	**9,381**

NOK (thousands)	
NET CASH OUTFLOW ON THE ACQUISITION	**122,164**

Included in identifiable intangible assets are Trademark NOK 3,408 thousand and Intellectual property NOK 6,315 thousand. Transaction costs amounted to NOK 1,506 thousand.

Since the acquisition the acquiree Klein contributed NOK 34,062 thousand to Group revenues and NOK 18,655 thousand to net losses.

If the business combination had been completed on 1 January 2023, management estimates that the acquiree would have contributed NOK 73,846 thousand to Group revenues and NOK 39,994 thousand to net losses in 2023. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2023.

NOTE 30 - RELATED PARTIES

During the year Group companies entered into the following transactions with related parties who are not members of the Group.

	INCOME		EXPENSES		AMOUNTS OWED BY RELATED PARTIES		AMOUNTS OWED TO RELATED PARTIES	
NOK (thousands)	2023	2022	2023	2022	2023	2022	2023	2022
Hungry Horse AS	440	197	-	-	12,327	11,887	-	-
Ocean Illumination (CA)	-	-	932	584	-	-	-	-
	440	197	**932**	584	**12,327**	11,887	**-**	-

Hungry Horse AS and Ocean Illumination (CA) are owned by shareholders. The long-term loan to Hungry Horse matures in 2029 and attracts interest according to section 5-12 of the Norwegian Tax Act.

NOTE 31 - CONTINGENCIES AND CLAIMS

The Group was not involved in any material contingencies or legal claims as 31 December 2023 and 2022.

NOTE 32 - EVENTS AFTER THE BALANCE SHEET DATE

There are no events after balance sheet date.

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

BDO AS
Munkedamsveien 45
Postboks 1704 Vika
0121 Oslo

Independent Auditor's Report

To the Annual Shareholders meeting of General Oceans AS

Opinion

We have audited the financial statements of General Oceans AS.

The financial statements comprise:	In our opinion:
• The financial statements of the parent company, which comprise the balance sheet as at 31 December 2023, income statement and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and • The financial statements of the group, which comprise the balance sheet as at 31 December 2023, and income statement, statement of comprehensive income, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.	• The financial statements comply with applicable statutory requirements. • The accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway. • The accompanying financial statements give a true and fair view of the financial position of the group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (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 and the Managing Director (management) are responsible for the other information. The other information comprises the Board of Directors' report. Our opinion on the financial statements does not cover the other information.

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 consolidated financial statements or our knowledge obtained in the audit or otherwise appears

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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.

Opinion on the Board of Director's report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view, for in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and fair presentation of the financial statements of the group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The financial statements of the Group use the going concern basis of accounting unless management 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 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 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 ISAs 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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:
https://revisorforeningen.no/revisjonsberetninger

BDO AS

Norunn Byrkjeland
State Authorised Public Accountant
(This document is signed electronically)

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INDEPENDENT AUDITOR'S REPORT

PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Byrkjeland, Norunn
Partner
På vegne av: BDO AS
Serienummer: no_bankid:9578-5998-4-792505
IP: 188.95.xxx.xxx
2024-05-10 07:17:48 UTC
bankID

Dokumentet er signert digitalt, med **Penneo.com**. Alle digitale signatur-data i dokumentet er sikret og validert av den datamaskin-utregnede hash-verdien av det opprinnelige dokument. Dokumentet er låst og tids-stemplet med et sertifikat fra en betrodd tredjepart. All kryptografisk bevis er innegrert i denne PDF, for fremtidig validering (hvis nødvendig).

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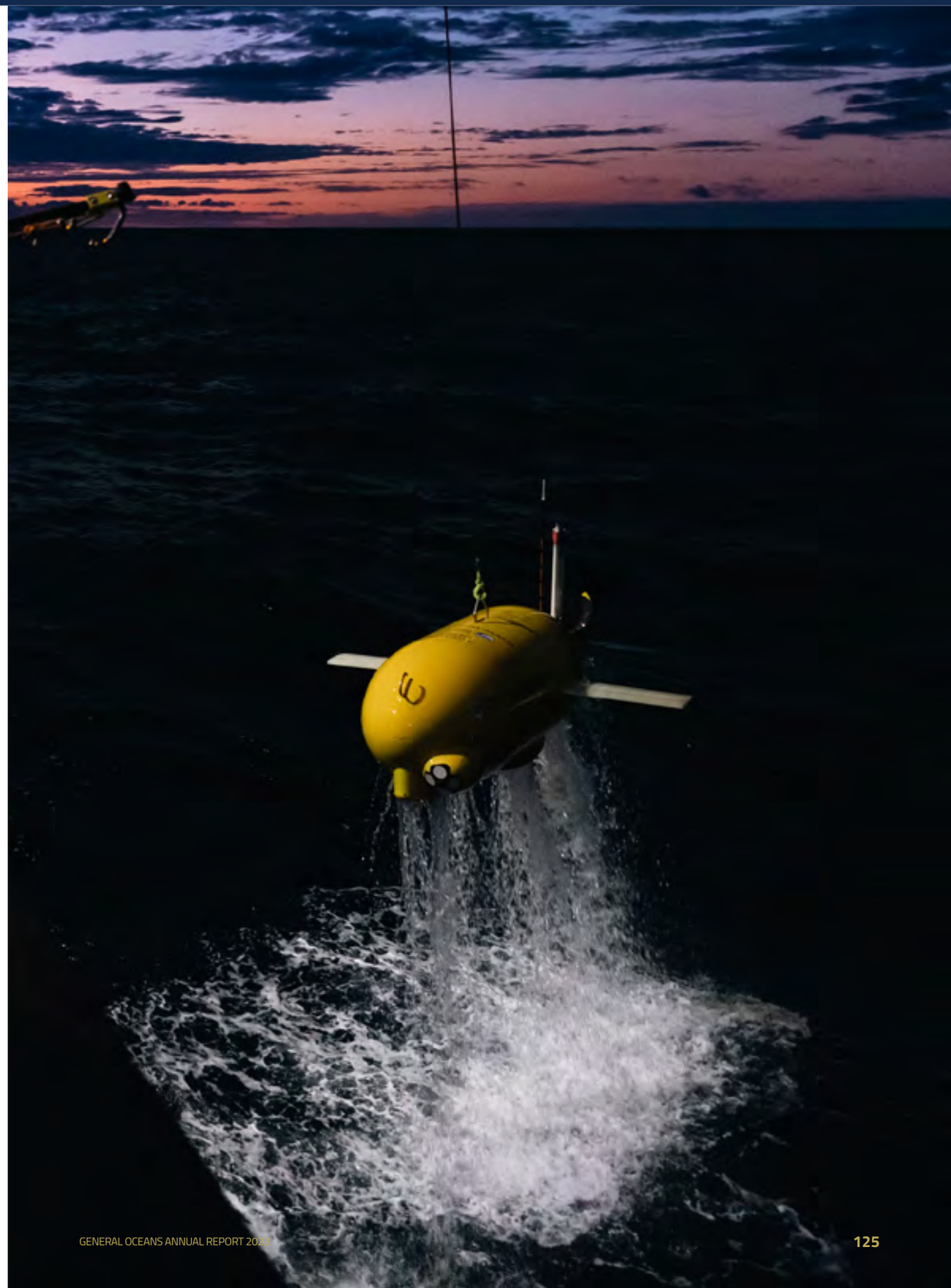

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APPENDIX C

APPLICATION FORM FOR THE RETAIL OFFERING

General information: The terms and conditions for the Retail Offering are set out in the prospectus dated 16 March 2026 (the "**Prospectus**"), which has been issued by General Oceans ASA (the "**Company**", and together with its consolidated subsidiaries, the "**Group**") in connection with the initial public offering (the "**Offering**") and the related admission to listing and trading (the "**Listing**") of the Company's ordinary shares (the "**Shares**") on Euronext Oslo Børs, a regulated market operated by Oslo Børs ASA ("**Oslo Børs**" or the "**Oslo Stock Exchange**"). The Offering comprises up to 23,809,523 new Shares to be issued by the Company to raise gross proceeds in the amount of approximately NOK 500 million (the "**New Shares**") and up to 26,190,477 existing Shares (the "**Sale Shares**") offered by the Company's shareholders Atle Lohrmann and Ferd Go Holding AS ("**Ferd**", and together with Atle Lohrmann, the "**Selling Shareholders**") prior to the exercise of the Greenshoe Option (as defined below). As part of the Offering, the Managers (as defined below) may elect to over-allot up to a number of Shares amounting to a maximum of 15% of the number of New Shares and Sale Shares to be sold in the Offering (the "**Additional Shares**"). In order to facilitate such over-allotment, The Selling Shareholders and the Company are expected to grant an option to the Managers which may be exercised by ABG Sundal Collier ASA as the "**Stabilisation Manager**", to borrow a number of existing Shares (with respect to the Company, Shares held in treasury) equal to the number of Additional Shares (the "**Lending Option**"), as well as an option to purchase up to 7,500,000 Additional Shares at the Offer Price to cover short positions made or created in connection with the Offering as a result of over-allotments (the "**Greenshoe Option**"). The Greenshoe Option shall first be utilized in full towards the Company. The Greenshoe Option from the Selling Shareholders shall be exercised pro-rata based on the number of Shares lent by each Selling Shareholder. Part of the Offering compromises an offering of Offer Shares to the public in Norway and Sweden subject to a lower limit per application of an amount of NOK 10,500, and an upper limit per application of an amount of NOK 2,499,999 for each investor (the "**Retail Offering**"). Multiple applications by one applicant in the Retail Offering will be treated as one application with respect to the maximum application limit.

All capitalised terms not defined herein shall have the meaning as assigned to them in the Prospectus.

Application procedure: Applicants who are residents of Norway with a Norwegian personal identification number may apply for Offer Shares through the ESO online application system by following the link on any of the following websites: www.abgsc.com/transactions, www.dnb.no/emisjoner or www.arctic.com/offerings. Applicants who are residents of Sweden must use the application facilities of Nordnet Bank AB ("**Nordnet**") as further detailed below. Applications in the Retail Offering for applicants located in Norway can also be made by using this Retail Application Form. Retail Application Forms must be correctly completed and submitted by the deadline to the following application office:

ABG Sundal Collier ASA	**DNB Carnegie, a part of DNB Bank ASA**	**Arctic Securities AS**
Ruseløkkveien 26	Dronning Eufemias gate 30	Haakon VIIs gate 5
P.O. Box 1444 Vika	P.O. Box 1600 Sentrum	P.O. Box 1883 Vika
N-0115 Oslo	N-0021 Oslo	NO-0161 Oslo
Norway	Norway	Norway
Tel: +47 22 01 61 68	Tel: +47 915 04800	Tel: +47 21 01 31 00
Email: subscription@abgsc.no	Email: retail@dnb.no	Email: mail@arctic.com

The Application Period in the Retail Offering will begin on 17 March 2026 at 09:00 CET and end on 24 March 2026 at 12:00 CET, unless extended. The applicant is responsible for the correctness of the information filled in on this Retail Application Form. Retail Application Forms that are incomplete or incorrectly completed, electronically or physically, or that are received after the expiry of the Application Period, and any application that may be unlawful, may be disregarded without further notice to the applicant. None of the Company, the Selling Shareholder or the Managers may be held responsible for postal delays, unavailable internet lines or servers or other logistical or technical matters that may result in applications not being received in time or at all by the application office.

Applicants who are residents of Sweden must use the application facilities of Nordnet.

Nordnet undertakes to act as placing agent for the Company in the Retail Offering, and applications may be made electronically through the Nordnet webservice. Applications through the Nordnet webservice can be made at www.nordnet.no, for Norwegian applicants residing in Norway and through www.nordnet.se, for Swedish applicants residing in Sweden. Please note that this Retail Application Form may not be submitted to Nordnet. Any application forms submitted to Nordnet will be disregarded without further notice to the applicant

Nordnet Bank
Karl Johans gate 16C
P.O. Box 302 Sentrum
N-0154 Oslo
Norway
Tel: +47 23 33 30 23
E-mail: kundeservice@nordnet.no

All applications made in the Retail Offering will be irrevocable and binding upon receipt of a duly completed Retail Application Form, or in the case of applications through the ESO online application system or the Nordnet webservice, upon registration of the application, irrespective of any extension of the Application Period, and cannot be withdrawn, cancelled or modified by the applicant after having been received by the application office, or in the case of applications through the ESO online application system, upon registration of the application. Applications made through the Nordnet's webservice will be irrevocable and binding if not amended or withdrawn within 12:00 CET on 24 March 2026.

Price of Offer Shares: NOK 21.00 per Offer Share.

Allocation: Payment and Delivery of Offer Shares: In the Retail Offering, no allocations will be made for a number of Offer Shares representing an aggregate value of less than NOK 10,500 and a maximum application amount of NOK 2,499,999 for each applicant, however, that all allocations will be rounded down to the nearest number of whole Offer Shares and the payable amount will hence be adjusted accordingly. DNB Carnegie is acting as settlement agent for applicants in the Retail Offering who are residents of Norway. DNB Carnegie expects to issue notifications of allocation of Offer Shares in the Retail Offering for applicants who are residents of Norway on or about 25 March 2026 by issuing allocation notes to the applicants by mail or otherwise.

Any applicant who is a resident of Norway and that wishes to know the precise number of Offer Shares allocated to it, may contact one of the application offices from 12:00 CET on 25 March 2026 and onwards during business hours. Applicants who have access to investor services through an institution that operates the applicant's ESO account should be able to see how many Offer Shares they have been allocated beginning on or around 10:00 CET on 25 March 2026. In completing an application form, or registering an application through the ESO online subscription system, each applicant in the Retail Offering that is a resident of Norway irrevocably authorises DNB Carnegie (on behalf of the Managers) to debit the applicant's Norwegian bank account for the total amount due for the Offer Shares allocated to the applicant. The applicant's account number must be stipulated on the application form or registered through the ESO online application system. Accounts will be debited on or about 26 March 2026 (the payment due date), and there must be sufficient funds in the stated bank account from and including 25 March 2026. Applicants who do not have a Norwegian bank account must ensure that payment of the allocated Offer Shares is made on or before the payment due date. Should any investor using an application form or applying through the ESO online subscription system have insufficient funds on his or her account, should payment be delayed for any reason or if it is not possible to debit the account, interest will accrue on the amount due at a rate equal to the prevailing interest rate under the Norwegian Act on Interest on Overdue Payments of 17 December 1976, No. 100, which at the date of this Prospectus was 12% per annum. DNB Carnegie, a part of DNB Bank ASA (on behalf of the Managers) reserves the right (but has no obligation) to make up to three debit attempts through 8 April 2026 if there are insufficient funds on the account on the payment due date. Nordnet is acting as settlement agent in the Retail Offering for residents of Sweden will populate information on allocated Offer Shares on its online service platform, which all such applicants in the Retail Offering will be able to access through their Nordnet accounts on or about 26 March 2026. Applicants who apply for Offer Shares in the Retail Offering through Nordnet's webservice must have available funds on the stated bank account on 24 March 2026 at 12:00 CET and until the payment date. Subject to timely payment by the applicant, delivery of the Offer Shares paid for in the Retail Offering is expected to take place on or about 27 March 2026 (or such later date upon the successful debit of the relevant account).

Guidelines for the applicant: Please refer to the below pages of this Retail Application Form for further application guidelines.

Applicant's ESO account (12 digits):	I/we apply for Offer Shares for a total of NOK (minimum NOK 10,500 and maximum NOK 2,499,999):	Applicant's bank account to be debited (11 digits):

I/we hereby irrevocably (i) apply for the number of Offer Shares allocated to me/us, at the Offer Price, up to the aggregate application amount as specified above subject to the terms and conditions set out in this Retail Application Form and in the Prospectus, (ii) authorise and instruct the Managers (or someone appointed by the Managers) acting jointly or severally to take all actions required to purchase the Offer Shares allocated to me/us on my/our behalf, to take all other actions deemed required by them to give effect to the transactions contemplated by this Retail Application Form, and to ensure delivery of such Offer Shares to me/us in the ESO, (iii) authorise DNB Carnegie (on behalf of the Managers) to debit my/our bank account as set out in this Retail Application Form for the amount payable for the Offer Shares allocated to me/us, and (iv) confirm and warrant to have read the Prospectus and that I/we are aware of the risks associated with an investment in the Offer Shares and that I/we are eligible to apply for and purchase Offer Shares under the terms set forth therein.

Date and place*:	Binding signature**:

* Must be dated during the Application Period.
** The applicant must be of legal age. If the Retail Application Form is signed by proxy, documentary evidence of authority to sign must be attached in the form of a power of attorney or company registration certificate.

DETAILS OF THE APPLICANT — ALL FIELDS MUST BE COMPLETED	
First name	Surname/Family name/Company name
Home address (for companies: registered business address)	Zip code and town
Identity number (11 digits) / business registration number (9 digits)	Nationality
Telephone number (daytime)	E-mail address
Legal Entity Identifier (LEI) / National Client Identifier (NCI):	

GUIDELINES FOR THE APPLICANT

THIS RETAIL APPLICATION FORM IS NOT FOR DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, HONG KONG, SOUTH AFRICA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH THE DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL. OTHER RESTRICTIONS ARE APPLICABLE. PLEASE SEE "SELLING RESTRICTIONS" BELOW.

Regulatory issues: Legislation passed throughout the European Economic Area (the "EEA") pursuant to the Markets and Financial Instruments Directive ("MiFID") implemented in the Norwegian Securities Trading Act, imposes requirements in relation to business investment. In this respect, the Managers must categorise all new clients in one of three categories: Eligible counterparties, Professional clients and Non- professional clients. All applicants applying for Offer Shares in the Offering who/which are not existing clients of the Managers will be categorised as Non-professional clients. The applicant can by written request to one of the Managers ask to be categorised as a Professional client if the applicant fulfils the provisions of the Norwegian Securities Trading Act and ancillary regulations. For further information about the categorisation, the applicant may contact the Managers. The applicant represents that it has sufficient knowledge, sophistication and experience in financial and business matters to be capable of evaluating the merits and risks of an investment decision to invest in the Company by applying for Offer Shares, and the applicant is able to bear the economic risk, and to withstand a complete loss of an investment in the Company.

Target market: The target market for the Offering and the Offer Shares is retail, non-professional, professional and other eligible counterparties. Negative target market: An investment in the Offer Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.

Execution only: As the Managers are not in the position to determine whether the application for Offer Shares is suitable for the applicant, the Managers will treat the application as an execution only instruction from the applicant to apply for Offer Shar es in the Offering. Hence, the applicant will not benefit from the corresponding protection of the relevant conduct of business rules in accordance with the Norwegian Securities Trading Act.

Information Exchange: The applicant acknowledges that, under the Norwegian Securities Trading Act and the Norwegian Financial Undertakings Act and foreign legislation applicable to the Managers there is a duty of secrecy between the different units of the Managers as well as other entities in the Managers' group. This may entail that other employees of the Managers or the Managers' group may have information that may be relevant to the applicant, but which the Managers will not have access to in their capacity as Managers for the Retail Offering.

Information barriers: The Managers are securities firms offering a broad range of investment services. In order to ensure that assignments undertaken in the Managers' corporate finance departments are kept confidential, the Managers' other activities, including analysis and stock broking, are separated from their corporate finance departments by information barriers. The applicant acknowledges that the Managers' analysis and stock broking activity may act in conflict with the applicant's interests with regard to transactions in the Offer Shares as a consequence of such information barriers.

ESO account and anti-money laundering procedures: The Retail Offering is subject to applicable anti-money laundering legislation, including the Norwegian Money Laundering Act of 6 March 2009 no. 11 and the Norwegian Money Laundering Regulation of 13 March 2009 no. 302 (collectively, the "Anti-Money Laundering Legislation"). Applicants who are not registered as existing customers of one of the Managers must verify their identity to the Managers in accordance with requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Applicants who have designated an existing Norwegian bank account and an existing ESO account on the Retail Application Form are exempted, unless verification of identity is requested by the Managers. Applicants who have not completed the required verification of identity prior to the expiry of the Application Period will not be allocated Offer Shares. Participation in the Retail Offering is conditional upon the applicant holding an ESO account. The ESO account number must be stated in the Retail Application Form. ESO accounts can be established with authorised ESO registrars, which can be Norwegian banks, authorised investment firms in Norway and Norwegian branches of credit institutions established within the EEA. Establishment of a ESO account requires verification of identity to the ESO registrar in accordance with the Anti-Money Laundering Legislation. However, non-Norwegian investors may use nominee ESO accounts registered in the name of a nominee. The nominee must be authorised by the Norwegian Ministry of Finance.

Selling restrictions: The Offering is subject to specific legal or regulatory restrictions in certain jurisdictions, see Section 15 "SELLING AND TRANSFER RESTRICTIONS" in the Prospectus. Neither the Company nor the Selling Shareholders assume any responsibility in the event there is a violation by any person of such restrictions. The Offer Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or under any securities laws of any state or other jurisdiction of the United States and may not be taken up, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within, into or from the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. There will be no public offer in the United States. The Offer Shares will, and may, not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within, into or from any jurisdiction where the offer or sale of the Offer Shares is not permitted, or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any jurisdiction where the offer or sale is not permitted, except pursuant to an applicable exemption. In the Offering, the Offer Shares are being offered and sold to certain persons outside the United States in offshore transactions within the meaning of and in compliance with Rule 903 of Regulation S under the U.S. Securities Act, and to persons in the United States who are QIBs as defined in, and in reliance on, Rule 144A under the U.S Securities Act or another available exemption from registration requirements under the U.S. Securities Act.

Neither the Company nor any Selling Shareholders have authorised any offer to the public of its securities in any Member State of the EEA other than Norway and Sweden. With respect to each Member State of the EEA other than Norway and Sweden, which has implemented the EU Prospectus Directive (each, a "Relevant Member State"), no action has been undertaken or will be undertaken to make an offer to the public of the Offer Shares requiring a publication of a prospectus in any Relevant Member State. Any offers outside Norway and Sweden will only be made in circumstances where there is no obligation to produce a prospectus.

Stabilisation: In connection with the Offering, the Stabilisation Manager or its agents, on behalf of the Managers, may, upon exercise of the Lending Option, engage in transactions that stabilise, maintain or otherwise affect the price of the Shares for up 30 days from the first day of Listing. Specifically, the Stabilisation Manager may effect transactions with a view to supporting the market price of the Shares at a level higher than might otherwise prevail, through buying Shares in the open market at prices equal to or lower than the Offer Price. There is no obligation on the Stabilisation Manager and its agents to conduct stabilisation activities and there is no assurance that stabilisation activities will be undertaken. Such stabilising activities, if commenced, may be discontinued at any time, and will be brought to an end at the latest 30 calendar days after the first day of the Listing.

Personal data: The applicant's personal data will be processed confidentially and according to legal obligations. Personal data will only be shared as far as necessary to fulfil this agreement/transaction (for example with ESO, and if applicable, other Managers in the transaction). Supplementary information on processing of personal data and the applicants' rights can be found on the Managers' websites.

Investment decisions based on full Prospectus: Investors must neither accept any offer for, nor acquire any Offer Shares, on any other basis than on the complete Prospectus.

Terms and conditions for payment by direct debiting - securities trading: Payment by direct debiting is a service provided by cooperating banks in Norway. In the relationship between the payer and the payer's bank the following standard terms and conditions apply.

1. The service "Payment by direct debiting — securities trading" is supplemented by the account agreement between the payer and the payer's bank, in particular Section C of the account agreement, General terms and conditions for deposit and payment instructions.
2. Costs related to the use of "Payment by direct debiting — securities trading" appear from the bank's prevailing price list, account information and/or information is given by other appropriate manner. The bank will charge the indicated account for incurred costs.
3. The authorisation for direct debiting is signed by the payer and delivered to the beneficiary. The beneficiary will deliver the instructions to its bank who in turn will charge the payer's bank account.
4. In case of withdrawal of the authorisation for direct debiting the payer shall address this issue with the beneficiary. Pursuant to the Financial Contracts Act, the payer's bank shall assist if payer withdraws a payment instruction which has not been completed. Such withdrawal may be regarded as a breach of the agreement between the payer and the beneficiary.
5. The payer cannot authorise for payment a higher amount than the funds available at the payer's account at the time of payment. The payer's bank will normally perform a verification of available funds prior to the account being charged. If the account has been charged with an amount higher than the funds available, the difference shall be covered by the payer immediately.
6. The payer's account will be charged on the indicated date of payment. If the date of payment has not been indicated in the authorisation for direct debiting, the account will be charged as soon as possible after the beneficiary has delivered the instructions to its bank. The charge will not, however, take place after the authorisation has expired as indicated above. Payment will normally be credited the beneficiary's account between one and three working days after the indicated date of payment/delivery.
7. If the payer's account is wrongfully charged after direct debiting, the payer's right to repayment of the charged amount will be governed by the account agreement and the Financial Contracts Act.

Overdue and missing payments: Overdue payments will be charged with interest at the applicable rate under the Norwegian Act on Interest on Overdue Payments of 17 December 1976 no. 100, which at the date of the Prospectus is 12% per annum. Should payment not be made when due, the Offer Shares allocated will not be delivered to the applicant, and the Managers reserves the right, at the risk and cost of the applicant, to cancel at any time thereafter the application and to re-allot or, from the third day after the Payment Date, otherwise dispose of or assume ownership to the allocated Offer Shares, on such terms and in such manner as the Managers may decide (and the applicant will not be entitled to any profit therefrom). The original applicant will remain liable for payment of the Offer Price for the Offer Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Company, the Selling Shareholder and/or the Managers may enforce payment of any such amount outstanding.

General Oceans ASA

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