



Annual Report 2024

Consolidated Financial Statements

Contents

Consolidated statement of financial performance	7
Consolidated statement of other comprehensive income	7
Consolidated statement of financial position	8
Consolidated statement of cash flows	9
Consolidated statement of changes in equity	10
Notes to the Consolidated Financial Statements	11
1. General Information	11
2. Basis of preparation and other significant accounting policies	11
2.1. Basis of Preparation	11
2.2. Basis of Consolidation	12
2.3. Changes in accounting policies and disclosures	12
2.4. Foreign Currency Translation	14
2.5. Significant Accounting Judgements, Estimates and Assumptions	14
2.6. Group Structure and Investments in Subsidiaries	15
2.7. Segment Reporting	15
3. First time adoption of IFRS	16
3.1. Overview	16
3.2. Exemptions applied	17
3.3. Reconciliation of consolidated statement of financial performance as of 31 December 2024	18
3.4. Reconciliation of consolidated statement of financial position as of 1 January 2022 (date of transition to IFRS)	20
3.5. Reconciliation of consolidated statement of financial position as of 31 December 2024	22
3.6. Reconciliation of consolidated statement of other comprehensive income for the year ended December 31, 2024	23
4. Performance	24
4.1. Disaggregation of revenue	24
4.2. Unsatisfied or partially satisfied performance obligations	25
4.3. Contract balances	25
4.4. Project expenses	28

4.5.	Other operating expenses	29
5.	People.....	30
5.1.	Personnel expenses.....	30
5.2.	Employee benefits	30
6.	Capital and financial risk management	36
6.1.	Capital management	36
6.2.	Shareholders' equity	36
6.3.	Financial risk management policies	37
6.4.	Categories and details of financial instruments	40
6.5.	Changes in liabilities arising from financing activities	42
6.6.	Financial income and expenses.....	44
7.	Operating assets and liabilities	45
7.1.	Property plant & Equipment	45
7.2.	Right of use assets	48
7.3.	Inventories	50
7.4.	Current financial assets.....	50
7.5.	Trade and other payables	50
7.6.	Current non-financial assets and liabilities	51
7.7.	Provisions	52
8.	Other	54
8.1.	Income taxes	54
8.2.	Related party disclosures	58
8.3.	Management performance measures	59
8.4.	Events after the reporting date	60

Audit opinion



Report of the independent auditor

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

Opinion

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

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

Basis for opinion

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

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

Other information

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

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

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

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

Board of Directors' responsibilities for the consolidated financial statements

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

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



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

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

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

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

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

PricewaterhouseCoopers AG

Gianluca Galasso

Nicol Nägele

St. Gallen, 06 June 2025

Enclosure:

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

Consolidated statement of financial performance

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

Consolidated statement of other comprehensive income

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

Consolidated statement of financial position

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

Consolidated statement of cash flows

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

Consolidated statement of changes in equity

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

Notes to the Consolidated Financial Statements

1. General Information

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

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

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

2. Basis of preparation and other significant accounting policies

2.1. Basis of Preparation

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

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

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

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

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

2.2. Basis of Consolidation

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

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

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

2.3. Changes in accounting policies and disclosures

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

Lack of exchangeability – Amendments to IAS 21

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

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

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

IFRS 18 Presentation and Disclosure in Financial Statements

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

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

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

classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

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

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

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

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



Image: Geoquip Executive Committee

2.4. Foreign Currency Translation

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

2.5. Significant Accounting Judgements, Estimates and Assumptions

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

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

Material Estimates and Assumptions

Variable considerations: refer to Note 4.3.

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

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

Leasing discount rate: refer to note 6.4.

Provisions: refer to Note 7.7.

Taxes: refer to Note 8.1.

Judgement

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

2.6. Group Structure and Investments in Subsidiaries

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

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

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

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

The primary activities are as follows:

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

2.7. Segment Reporting

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

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

Revenue is generated through the delivery of comprehensive geotechnical services involving high-mobility assets (vessels equipped with specialized rigs) that operate globally. Consequently, the Group's organizational and operational structures are not aligned with geographic, product, or service-

based segment reporting. Rather, they are aligned functionally and strategically across the Group and for management purposes the Group is organised in one business unit.

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

Revenue by geographical area presents as follows:

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

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

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

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

3. First time adoption of IFRS

3.1. Overview

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

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

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

3.2. Exemptions applied

3.2.1. Leasing

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

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

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

3.2.2. Property, plant and equipment

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

3.2.3. Revenue from contracts with customers

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

3.2.4. Estimates

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

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

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

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

The nature of IFRS adjustments is described below:

- USD 14.6m derecognition of vessel charter expenses due to IFRS 16 application, USD 7.6m reclassification between Project expenses and Personnel expenses (refer to c)) as well as USD 2.4m reclassification to Other operating expenses due to cost by nature method application in IFRS Additionally USD 0.3m reclassification from Extraordinary expenses.
- USD 0.8m reclassification from Extraordinary Income.
- USD 7.6m reclassification between Project expenses and Personnel expenses due to cost of sales method application in SCO in 2024.
- USD 2.4m reclassification of Extraordinary expenses to Other operating expenses. USD 0.5m derecognition of rental costs due to IFRS 16 application and USD 2.4m reclassification to Project Expenses due to cost by nature method application in IFRS
- USD 11.5m additional depreciation from right-of-use assets plus USD 0.2m additional depreciation of equipment installed on leasehold assets.
- USD 0.1m of amortization of deferred finance fees which reclassified to Financial expenses.
- Additional expected credit loss on trade receivables and contract assets recognized according to IFRS 9.
- Separation of currency effects into operating and financing currency effects. Additionally currency effects on financing due that arise from fair value calculation on interest free loan in foreign currency and minor consolidation adjustments.
- USD 0.05m insurance reimbursement reclassified to Other income.

- j) USD 1.0m additional interest charge from fair value valuation on interest free shareholder loan. USD 0.9m interest expenses due to leasing recognition under IFRS 16. USD 0.2m amortization of additional capitalized transaction fees in previous periods and USD 0.1m amortization of deferred finances also recognized already under SCO. See f)
- k) Reclassification of Extraordinary income and expenses to Project expenses, Other Income, Other operating expenses.
- l) Recognition of deferred tax assets and liabilities arising from temporary differences and from losses carry-forward.

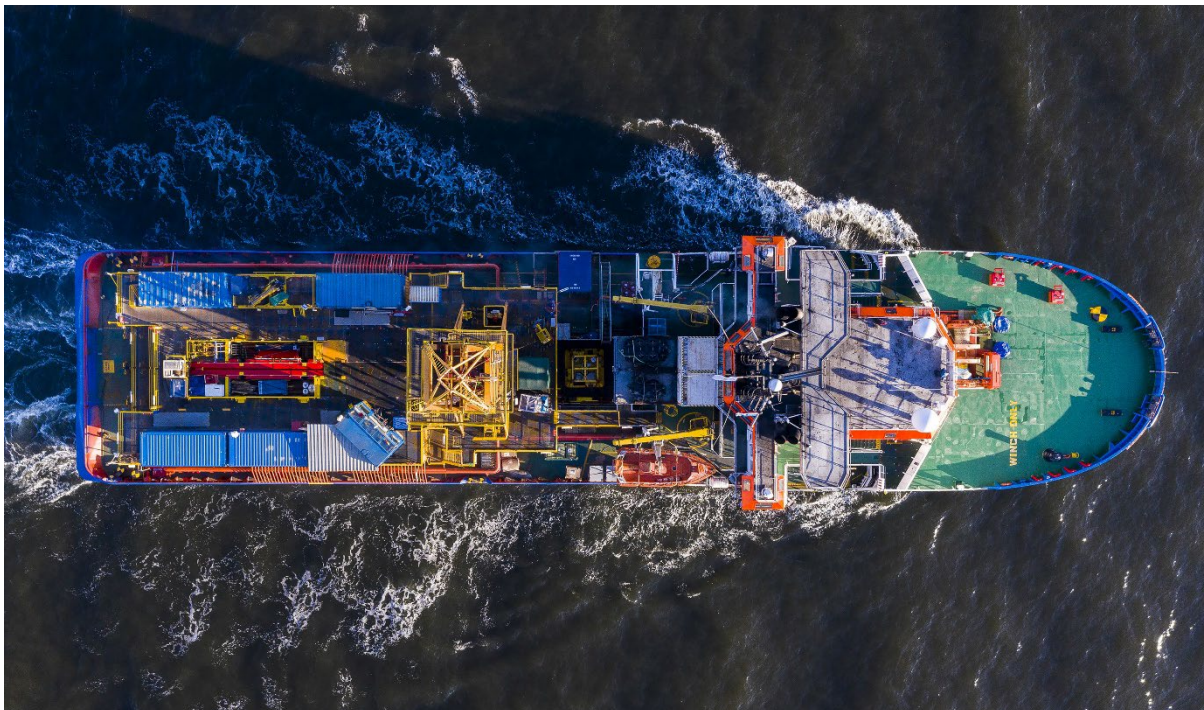


Image: Geoquip Seehorn

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

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

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

- Derecognition of excess of depreciations of USD 0.6m, which also resulted in a reduction of the local income tax liability by USD 0.3m.
- Minor reclassifications.
- The adjustments described in a) also impacted the Group's consolidated retained earnings by USD 0.3 m.

The IFRS adjustments consist of:

- d) Reclassification of drilling-related equipment previously recorded as inventories (USD 1.6m) as well as recognition of leasehold improvement cost related to certain equipment installed on leasehold property (USD 0.6m). A corresponding dismantling provision of USD 0.8m was recognized under non-current liabilities.
- e) Recognition of right-of-use assets and related lease liabilities. Leased assets consist mostly of a vessel and office spaces.
- f) Recognition of deferred tax assets and liabilities arising on temporary differences, of tax benefits from losses carry forwards and related impairments. Refer to note 8.1.1.
- g) Reclassification of contract assets, which were previously presented as accrued income in current non-financial assets under SCO.
- h) Reclassification of prepaid fees originally presented as accrued income in current non-financial assets under SCO.
- i) In addition to adjustments mentioned under g) and h) above, additional USD 0.4 m of deferred finance fees have been presented in current borrowings.
- j) The amount includes USD 0.5m related to the recognition of the obligation related to Swiss defined benefits pension plans and USD 0.4m related to the recognition of the fair value of certain management incentive plans.
- k) USD 5.0m combined historic effects from IFRS 9 application for interest free shareholder loans in terms of equity proportion, accrued interest and FX effects. The counter effect is in retained earnings (see m)),
- l) Reclassification of deferred refinancing fees as follows: USD 0.4m explained under i) above.
- m) Combined effect of the adjustments mentioned above.



Image: Geoquip Saentis

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

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

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

The nature of IFRS adjustments is described below:

- a) USD 0.2m recognition of leasehold improvement cost related to certain equipment installed on leasehold property. A corresponding dismantling provision of USD 1.0m was recognized under non-current provisions.
- b) USD 12.8m Recognition of right-of-use assets and related lease liabilities. Leased assets consist of a vessel and office spaces.

- c) Recognition of deferred tax assets and liabilities arising on temporary differences, of tax benefits from losses carry forwards and related impairments.
- d) The adjustment includes the reclassification of USD 9.7m to contract assets (previously presented as accrued income in current non-financial assets) and USD 0.1m expected credit loss recognition on trade receivables.
- e) Reclassification of USD 1.0m relate to pledged cash in context of performance guarantees in favour of certain customers.
- f) Reclassification of USD 0.4m of deferred refinancing fees to current borrowings as well as reclassification of USD 0.2m of income tax receivables (previously netted with income tax payables).
- g) Non-current borrowings were also adjusted by USD 0.4m for deferred refinancing fees reclassified from current non-financial assets, as well as by USD 0.5m of refinancing fees previously expensed.
- h) Recognition of lease liabilities according to IFRS 16.
- i) Reclassification of current provisions and contract liabilities previously reported under trade and other payables as well as accrued interest expenses to current borrowings (refer to comment k).
- j) See reclassification described in e) above.
- k) Reclassification of deferred finance expenses and accrued interest to current borrowings.
- l) Combined effect of the adjustments mentioned above.

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

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

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



Image: Geoquip Elena

4. Performance

4.1. Disaggregation of revenue

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

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

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

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

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

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

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

4.2. Unsatisfied or partially satisfied performance obligations

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

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

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

4.3. Contract balances

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

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

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

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

4.3.1. Trade receivables

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

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

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

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

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

4.3.2. Contract assets

Contracts assets are presented in the table below:

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

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

Accounting policies - Revenue from contracts with customers

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

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

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

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

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

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

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

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

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

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

Contract Assets and Liabilities

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

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

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

4.4. Project expenses

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

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

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

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

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

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

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

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

4.5. Other operating expenses

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

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

5. People

5.1. Personnel expenses

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

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

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

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

5.2. Employee benefits

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

5.2.1. Retirement benefit plans

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

Defined contribution plans

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

Defined benefit plans

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

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

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

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



Image: Geoquip Speer

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

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

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



Image: Geoquip Graduates

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

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

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

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

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

Plan participants are split as follows:

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

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

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

Accounting policies – Post employment benefits

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

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

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

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

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

5.2.2. Management incentive plan

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

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

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

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

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

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

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

Accounting policies – Management incentive plan

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

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



Image: Project Manager

6. Capital and financial risk management

6.1. Capital management

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

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

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

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

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

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

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

6.2. Shareholders' equity

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

6.3. Financial risk management policies

6.3.1. Risk management overview

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

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

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

MARKET RISK

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

FOREIGN CURRENCY RISK

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

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

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

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

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

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

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

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

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

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

INTEREST RATE RISK

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

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

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

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

CREDIT RISK

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

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

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

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

LIQUIDITY RISK

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

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

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

6.4. Categories and details of financial instruments

The following table shows the categories of financial instruments:

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

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

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

Accounting policies – Financial instruments

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

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

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

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

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

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

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

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

Cash and cash equivalents consist of cash at banks.

6.5. Changes in liabilities arising from financing activities

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

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

6.5.1. Borrowings from banks

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

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

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

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

6.5.2. Borrowings from shareholders

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

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

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

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

6.5.3. Lease liabilities

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

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

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

6.6. Financial income and expenses

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

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



Image: Dina Polaris

7. Operating assets and liabilities

7.1. Property plant & Equipment

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

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

* Assets under construction

Vessels

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

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

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

Drilling equipment

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

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

Assets under construction

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

Property

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

Other assets

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

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

The following assets are pledged in favour of financial institutions:

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

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

Accounting policies – Property, plant and equipment

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

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

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

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

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

7.2. Right of use assets

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

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

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

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

The amounts recognized in the financial performance are:

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

There are no additional leasing commitments.

Accounting policies – Leases

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

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

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

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

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

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

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

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

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

7.3. Inventories

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

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

7.4. Current financial assets

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

7.5. Trade and other payables

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

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

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

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

7.6. Current non-financial assets and liabilities

Current financial assets are as follows:

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

Other current non-financial liabilities are as follows:

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



Image: Offshore Environmental Specialists

7.7. Provisions

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

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

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

Accounting policies - Provisions

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

outcomes that are not wholly within the Group's control. The most significant areas of estimation uncertainty at the reporting date relate to liquidated damages.

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

Liquidated damages

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

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

Onerous contracts

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



Image: Offshore Engineer

8. Other

8.1. Income taxes

8.1.1. Recognised deferred tax assets and liabilities

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

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

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

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

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

8.1.2. Tax loss carry-forwards

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

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

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

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

8.1.3. Income tax recognised in the statement of financial performance

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

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

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

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

8.1.5. Reconciliation of effective tax rate

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

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

Accounting policies - Income tax

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

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

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

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

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

8.2. Related party disclosures

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

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

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

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

8.3. Management performance measures

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

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

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

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

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

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

Reconciliation to result from operating activities

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

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

8.4. Events after the reporting date

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

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