



# GC Rieber Shipping ASA

First quarter 2021 (unaudited)

Interim report



GC RIEBER

## Highlights first quarter 2021

- The IMR / Walk-to-Work vessel Polar Queen was sold in March 2021. Gain from sale of the vessel Polar Queen was NOK 21.0 million, in addition the sale triggered the recycling of foreign currency translation differences of NOK 155.2 million (non-cash effect)
- Net profit of NOK 121.9 million, compared with a net loss of NOK 301.6 million in the corresponding period of 2020
- Contract backlog of NOK 182 million as of 1 April 2021<sup>1</sup>
- Shearwater has been awarded several new contracts for marine seismic acquisition projects

## Events after the end of the period

- Shearwater acquired streamers and six seismic acquisition vessels in transactions announced April 2021

## Key figures (Unaudited)

| Figures in NOK million     | Q1 2021 | Q1 2020 | 31.12.2020 |
|----------------------------|---------|---------|------------|
| Operating income           | 24.5    | 44.4    | 233.7      |
| EBITDA                     | -31.0   | 57.8    | 100.9      |
| EBIT                       | 128.1   | -267.1  | -463.0     |
| Profit before tax          | 121.9   | -301.6  | -495.2     |
| Net profit in the period   | 121.9   | -301.6  | -495.3     |
| Earnings per share         | 1.42    | -3.50   | -5.75      |
| Equity ratio               | 69.0%   | 56.3%   | 60,0 %     |
| Number of shares (million) | 86.1    | 86.1    | 86.1       |

<sup>1</sup> Excluding marine seismic and charterers' extension options, including all contracts secured up until the reporting date for this interim report

## Operational review

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*GC Rieber Shipping is a shipowner and project-house with focus on developing profitable and sustainable maritime projects.*

*The company is listed on Oslo Stock Exchange with the ticker RISH. Further information is available on the company's website [www.gcrieber-shipping.com](http://www.gcrieber-shipping.com).*

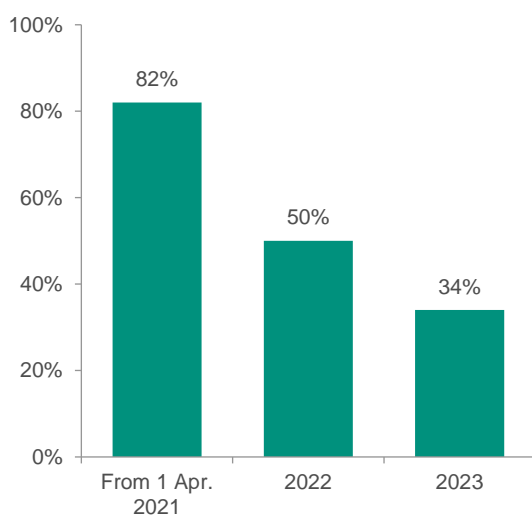
### Capacity utilisation and contract backlog

The fleet capacity utilisation was 100% in the first quarter of 2021 when excluding the sold vessel Polar Queen, compared to 75% in the corresponding period of 2020.<sup>2</sup>

When including all contracts secured up until the reporting date for the first quarter, contract backlog was NOK 182 million as of 1 April 2021, compared with NOK 305 million reported as of 1 April 2020.<sup>3</sup> As of 1 April 2021 contract coverage for 2021, 2022 and 2023 was 82%, 50% and 34%, respectively.

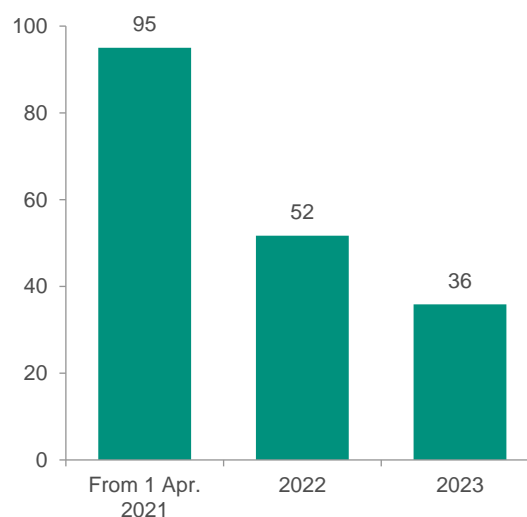
#### Contract coverage

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#### Contract backlog (figures in NOK million)

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### Contract updates in the first quarter of 2021

- The ongoing charter for Polar Onyx with DeepOcean was extended until end of May 2021
- A new three-month charter for Polar Onyx in the North Sea was entered into with a Tier 1 subsea client. The charter will commence in July 2021.
- Shearwater awarded several new acquisition projects in Europe, Asia, Africa and South America.

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<sup>2</sup> Excluding marine seismic

<sup>3</sup> Excluding marine seismic and charterers' extension options

### Sale Polar Queen

GC Rieber Shipping has sold the IMR vessel Polar Queen, built at Freire Shipyard in 2011. The gangway onboard the vessel is excluded from the sale and will remain an asset for GC Rieber Shipping's vessels.

The sale was completed 23 March 2021 and resulted in a positive liquidity effect of approximately NOK 22 million after repayment of the vessel's outstanding debt. Gain from the sale was NOK 21.0 million, in addition the sale triggered the recycling of foreign currency translation differences of NOK 155.2 million (non-cash effect).

## Financial review (Unaudited)

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### Accounting principles

This interim report has been prepared in accordance with IAS 34 «Interim Financial Reporting» and follows the same accounting principles as in the annual financial statement.

### Operating income

GC Rieber Shipping had operating income of NOK 24.5 million in the first quarter of 2021, compared with NOK 44.4 million in the corresponding period of 2020.

### EBITDA

EBITDA for GC Rieber Shipping amounted to negative NOK 31.0 million in the first quarter of 2021, compared with NOK 57.8 million in the first quarter of 2020.

### Impairment

As at 31 December 2020, the company obtained vessel market values from three reputable brokers for the vessels in the Subsea & Renewables segment and performed impairment testing of the assets in the balance sheet.

Based on these assessments, the fair value for Polar Onyx was set at the average of the two brokers with the lowest market values. Impairment testing as at 31 March 2021 has not resulted in further impairment of the asset values.

The company emphasises that there are significant uncertainties regarding the fair values under the current market conditions.

### Net financial items

The group does not use hedge accounting for currency exchange rates. As a result, exchange rate variations between USD and NOK may have a significant impact on the accounts, in accordance with IAS 39. Unrealised currency gain/loss has no cash effect for the group.

Net financial items were negative NOK 6.2 million in the first quarter of 2021. Net financial items in the corresponding period of 2020 was negative NOK 34.6 million. Unrealised currency loss was NOK 0.5 million for the current period, compared with an unrealised currency loss of NOK 28.5 million for the same period of 2020.

### Profit for the period

GC Rieber Shipping had a net profit of NOK 121.9 million in the first quarter of 2021 including recycled foreign currency translation differences of NOK 155.2 million. The net loss for the corresponding period of 2020 was negative NOK 301.6 million which included impairments of NOK 293.3 million.

## Cash flow

Cash flow from operational activities in the first quarter of 2021 was positive NOK 4.8 million, compared with positive NOK 20.1 million in the first quarter of 2020.

Cash flow from investment activities in the quarter included the sale of Polar Queen and was positive NOK 279.9 million, compared with a positive cash flow of NOK 15.8 million for the corresponding period of 2020.

Cash flow from financing activities was negative NOK 281.2 million in the first quarter of 2021 and reflected payment of interests and instalments on the group's existing loans including repayment of debt in relation to the sale of Polar Queen. Cash flow from financing activities in the corresponding period of 2020 was negative by NOK 19.5 million.

Net cash flow in the quarter was positive NOK 3.5 million, yielding a cash holding of NOK 243.9 million as at 31 March 2021.

## Liquidity and financing

GC Rieber Shipping was in compliance with its financial covenants at 31 March 2021 and has been throughout the first quarter of 2021.

As at 31 March 2021, GC Rieber Shipping had cash and bank deposits of NOK 243.9 million, up from NOK 227.9 million as at 31 March 2020. Net liabilities (liquid assets minus interest-bearing liabilities) amounted to NOK 287.5 million, compared with net liabilities of NOK 1,106.4 million as at 31 March 2020.

## Equity

GC Rieber Shipping had a book equity of NOK 1,241.7 million as at 31 March 2021, corresponding to an equity ratio of 69.0%, compared to 56.3% at the end of March 2020.

# Segments

## Subsea & Renewables

Following the sale of Polar Queen in March 2021, the company owns one vessel, Polar Onyx, within the Subsea & Renewables segment.

Polar Onyx is on charter for DeepOcean BV until end of May 2021. It will commence a new three month contract for a Tier 1 client in July 2021.

| Key figures (in NOK million) | Q1 2021 | Q1 2020 | 31.12.2020 |
|------------------------------|---------|---------|------------|
| Operating income             | 24.5    | 44.4    | 233.7      |
| EBITDA                       | -7.0    | -0.6    | 55.3       |
| EBIT                         | 152.1   | -325.5  | -508,6     |

Operating income amounted to NOK 24.5 million in the first quarter of 2021, compared with NOK 44.4 million in the first quarter of 2020 when the fleet included three vessels. EBITDA amounted to negative NOK 7.0 million, compared with negative NOK 0.6 million in the corresponding period of 2020. EBIT amounted to positive NOK 152.1 million in the period, including the sale of Polar Queen and the related

recycling of foreign currency translation differences (non-cash effect). EBIT in the first quarter of 2020 was negative NOK 325.5 million, including impairments of NOK 293.3 million.

## Joint Ventures and Associated Company

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### Joint Ventures - Ice/Support

The ice-breaker Polar Pevek is owned through a 50/50 joint venture with Maas Capital Offshore. The crew boats Polar Piltun and Polar Baikal are owned through a 50/50 joint venture with MG Holding (Cyprus) Limited. GC Rieber Shipping's 50% stake is reported in the profit and loss statement under «Profit from joint ventures and associates».

Polar Pevek is chartered to Exxon Neftegas until September 2023 and operates out of the DeKastri oil terminal, assisting tankers carrying oil from the Sakhalin I offshore field outside eastern Russia. The crew boat Polar Piltun is chartered to the Sakhalin Energy Investment Corporation (SEIC) through 2021. The crew boat Polar Baikal finished her long-term charter with SEIC in the fourth quarter of 2020 and is currently idle.

The group's share of profit for the first quarter of 2021 amounted to NOK 5.2 million, compared with NOK 7.5 million in the corresponding period of 2020.

### Associated Company - Marine Seismic (Shearwater)

GC Rieber Shipping's 17% stake in Shearwater is reported in the profit and loss statement under «Profit from joint ventures and associates».

Shearwater operates as a global, customer-focused and technology-driven provider of marine geophysical services. Shearwater owns and operates a fleet of 26 seismic acquisition vessels, offering a full range of acquisition services including 3D, 4D and ocean bottom seismic. The company also has a portfolio of proprietary streamer technology and processing software enabling effective execution of geophysical surveys and delivery of high-quality data. The company has approximately 800 employees and operates in all major offshore basins across the world. This combination makes Shearwater a leading global and technology-driven full-service provider of marine geophysical services, able to deliver exceptional customer solutions.

GC Rieber Shipping's share of profit amounted to a net loss of NOK 29.2 million in the first quarter of 2021, compared to a net loss of NOK 1.7 million in the first quarter of 2020.

### Events after the end of the period

In April 2021, Shearwater announced two transactions where Shearwater took over marine seismic acquisition assets previously owned by Polarcus, from Tiger Moth AS, a company affiliated with Woodstreet Inc.

Shearwater acquired the streamers and related seismic equipment for a total cash consideration of USD 50 million. The company further purchased the six seismic acquisition vessels for a total consideration of USD 127.5 million.

The transactions are financed through a new vessel loan facility provided by DNB and GIEK of USD 107.5 million and a convertible loan from Rasmussengruppen AS in the amount of USD 85 million. USD 15 million of the convertible loan is available for general corporate purposes.

## Shareholder information

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The company's shares are listed on Oslo Børs with the ticker RISH. The company's holding of own shares is 54,800, i.e. 0.06% of the shares in the company.

In the first quarter of 2021, the group's shares were traded in a range from NOK 6.10 to NOK 8.05 per share. The closing price 31 March 2021 was NOK 7.25, which based on the 86,087,310 shares outstanding valued the group's equity at approximately NOK 624.1 million. At the end of March 2021, the company had 818 shareholders. 94.5% of the shares were owned by the 20 largest shareholders. Please refer to note 7 for a list of the 20 largest shareholders in the company as at 31 March 2021.

## Risks and uncertainties

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As described in GC Rieber Shipping's annual report for 2020, GC Rieber Shipping is exposed to a number of risks as the company operates in a global market. The Board of Directors of GC Rieber Shipping therefore focuses on efforts to identify and manage risk, and routines have been established with the aim of limiting and reducing the total risk exposure to an acceptable level. Risk factors are categorised into the areas of market risks, financial risks and operational risks.

It is referred to the company's annual report for 2020 for a more detailed description of the company's risk management and the most principal risk and uncertainty factors. The subsea and marine seismic markets are particularly exposed to the development in the oil and gas industry.

We emphasise the prevailing uncertainties related to the COVID-19 outbreak and highly volatile oil price, which has had significant negative effect on the markets in which GC Rieber Shipping operates.

## Outlook

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GC Rieber Shipping's operations are exposed to developments in the markets for oil, gas and renewables. Conditions for GC Rieber Shipping's markets are volatile in the short to medium term.

Within the Subsea & Renewables segment Polar Onyx is on contract with DeepOcean until end-May 2021 after being extend by about three months earlier in 2021. Polar Onyx will go straight to another charter in the North Sea after completing in West Africa for DeepOcean. This charter holds duration of three months. Tender activity for 2021 and into 2022 continues above the levels seen in 2020. Several key long-term tenders in the renewables walk-to-work segment have come out and more are expected. The renewables market shows favourable tendencies for the medium to long term. The market for high end subsea vessels shows signs of improving.

On the back of continued strong developments in the renewables segment, GC Rieber Shipping's in-house project department proceeds with developing tailor-made, innovative and cost-effective vessel solutions for this market.

GC Rieber Shipping expects a slightly better seismic market in 2021 compared to 2020.

The long-standing stability within the Ice/Support segments remain. Certain new activity and tenders are observed.

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Bergen, 21 May 2021

The Board of Directors and Chief Executive Officer in GC Rieber Shipping ASA

Paul-Chr. Rieber, Chairman  
Morten Foros Krohnstad, Vice Chairman  
Birthe Cecilie Lepsøe, Board Member  
Pål Selvik, Board Member  
Ingrid von Streng Velken, Board Member

Einar Ytredal, CEO



**GC RIEBER SHIPPING ASA**  
**First quarter 2021**  
**Consolidated income statement**  
**(Unaudited)**

|   | Note     | 1Q 2021        | 1Q 2020         | 31.12.2020      |
|---|----------|----------------|-----------------|-----------------|
| Charter income  |          | 20 732         | 41 650          | 201 699         |
| Other income  |          | 3 767          | 2 787           | 31 981          |
| <b>Total income</b>   | <b>3</b> | <b>24 499</b>  | <b>44 437</b>   | <b>233 680</b>  |
| Operating expenses  |          | -31 525        | -45 012         | -178 381        |
| Gain (loss) from share issues in associated company                         |          | 0              | 52 619          | 31 068          |
| Profit from joint venture and associates                                    |          | -24 023        | 5 746           | 14 522          |
| <b>EBITDA*</b>  |          | <b>-31 048</b> | <b>57 790</b>   | <b>100 889</b>  |
| Depreciation  | 4        | -17 084        | -31 590         | -104 852        |
| Write-downs   |          | 0              | -293 285        | -459 085        |
| Gains (losses) on sale of fixed assets                                      | 9        | 20 979         | 0               | 0               |
| Foreign currency translation subsidiaries recycled                          | 9        | 155 245        | 0               | 0               |
| <b>Operating profit</b>   |          | <b>128 092</b> | <b>-267 085</b> | <b>-463 048</b> |
| Financial income  |          | 85             | 96              | 978             |
| Financial expenses  |          | -8 167         | -12 710         | -37 423         |
| Realised currency gains (losses)  |          | 2 340          | 6 578           | 8 015           |
| Unrealised currency gains (losses)  |          | -450           | -28 517         | -3 700          |
| <b>Net financial income and expenses</b>                                    |          | <b>-6 191</b>  | <b>-34 553</b>  | <b>-32 130</b>  |
| <b>Profit / loss before taxes</b>   |          | <b>121 900</b> | <b>-301 637</b> | <b>-495 178</b> |
| Taxes   |          | -45            | 0               | -161            |
| <b>Profit / loss for the period</b>   |          | <b>121 855</b> | <b>-301 637</b> | <b>-495 339</b> |
| Earnings and diluted earnings per share (based on average number of shares) |          | 1.42           | -3.50           | -5.75           |

**Consolidated statement of comprehensive income**

|  | 1Q 2021        | 1Q 2020       | 31.12.2020      |
|--|----------------|---------------|-----------------|
| Profit for the period  | 121 855        | -301 637      | -495 339        |
| Other comprehensive income   |                |               |                 |
| Foreign currency translation subsidiaries                          | -2 557         | 332 828       | 29 628          |
| Foreign currency translation subsidiaries recycled                 | -155 245       | 0             | 0               |
| Changes in pension estimates                                       | 0              | 0             | 502             |
| <b>Total comprehensive income / loss for the period net of tax</b> | <b>-35 947</b> | <b>31 191</b> | <b>-465 209</b> |

\* Operating profit before depreciation, write-downs and gains (losses) on fixed assets

**GC RIEBER SHIPPING ASA**  
**First quarter 2021**  
**Consolidated statement of financial position**  
**(Unaudited)**

| <b>Assets</b>                             | <b>Note</b> | <b>31.03.2021</b> | <b>31.03.2020</b> | <b>31.12.2020</b> |
|---|-------------|-------------------|-------------------|-------------------|
| Vessels                                   | 4           | 626 222           | 1 695 305         | 899 240           |
| Machinery and equipment                   | 4           | 6 870             | 13 723            | 8 583             |
| Financial fixed assets                    | 2           | 882 723           | 1 148 932         | 910 252           |
| Long term receivables and restricted cash | 7           | 3 884             | 5 611             | 12 855            |
| <b>Total fixed assets</b>                 |             | <b>1 519 699</b>  | <b>2 863 570</b>  | <b>1 830 930</b>  |
| Inventories                               |             | 0                 | 4 182             | 0                 |
| Receivables                               |             | 36 340            | 55 970            | 59 723            |
| Cash and bank deposits                    | 6           | 243 943           | 227 882           | 240 430           |
| <b>Total current assets</b>               |             | <b>280 284</b>    | <b>288 033</b>    | <b>300 153</b>    |
| <b>Total assets</b>                       |             | <b>1 799 983</b>  | <b>3 151 603</b>  | <b>2 131 083</b>  |
| <b>Equity and liabilities</b>             |             | <b>31.03.2021</b> | <b>1Q 2020</b>    | <b>31.12.2020</b> |
| Restricted equity                         |             | 441 369           | 441 369           | 441 369           |
| Retained earnings                         |             | 800 289           | 1 332 633         | 836 236           |
| <b>Total equity</b>                       | <b>7</b>    | <b>1 241 658</b>  | <b>1 774 003</b>  | <b>1 277 605</b>  |
| Provision for liabilities                 | 8           | 6 607             | 7 244             | 6 607             |
| Other long-term liabilities               | 5,6         | 510 171           | 1 276 218         | 787 673           |
| First year instalments                    |             | 21 229            | 58 099            | 20 212            |
| Current liabilities                       |             | 20 318            | 36 040            | 38 986            |
| <b>Total liabilities</b>                  |             | <b>558 325</b>    | <b>1 377 600</b>  | <b>853 478</b>    |
| <b>Total equity and liabilities</b>       |             | <b>1 799 983</b>  | <b>3 151 603</b>  | <b>2 131 083</b>  |

**GC RIEBER SHIPPING ASA**  
**First quarter 2021**  
**Consolidated statement of cash flows**  
**(Unaudited)**

|  | Note | 1Q 2021         | 1Q 2020        | 31.12.2020      |
|--|------|-----------------|----------------|-----------------|
| EBITDA                                     |      | -31 048         | 57 791         | 100 889         |
| Change in net current assets               |      | 35 856          | -37 710        | -34 988         |
| <b>Net cash from operating activities</b>  |      | <b>4 808</b>    | <b>20 081</b>  | <b>65 901</b>   |
| Acquisition of tangible fixed assets       |      | 0               | 0              | 0               |
| Sale of tangible fixed assets              |      | 279 903         | 0              | 281 195         |
| Other investing activities                 |      | 0               | 15 773         | 35 281          |
| <b>Net cash from investment activities</b> |      | <b>279 903</b>  | <b>15 773</b>  | <b>316 476</b>  |
| New loans and repayments                   |      | -272 693        | -7 292         | -300 371        |
| Installment financial lease                |      | 0               | 0              | -1 851          |
| Net interest paid                          |      | -8 504          | -12 207        | -42 722         |
| <b>Net cash from financing activities</b>  |      | <b>-281 197</b> | <b>-19 499</b> | <b>-344 944</b> |
| Net change in liquidity                    |      | 3 514           | 16 355         | 37 433          |
| Liquidity at beginning of period           |      | 240 430         | 211 527        | 211 528         |
| Restricted cash                            |      | 0               | 0              | -8 531          |
| <b>Liquidity at end of period</b>          |      | <b>243 943</b>  | <b>227 882</b> | <b>240 430</b>  |

**GC RIEBER SHIPPING ASA**  
**First quarter 2021**  
**Consolidated statement of changes in equity**  
**(Unaudited)**

|                              | Share<br>capital | Own<br>shares | Share<br>Premium<br>reserve | Other equity   | Total equity     |
|------------------------------|------------------|---------------|-----------------------------|----------------|------------------|
| Balance at 01.01.2020        | 154 957          | -98           | 286 510                     | 1 301 445      | 1 742 814        |
| Profit for the year          |                  |               |                             | -465 209       | -465 209         |
| <b>Balance at 31.12.2020</b> | <b>154 957</b>   | <b>-98</b>    | <b>286 510</b>              | <b>836 236</b> | <b>1 277 605</b> |
| Balance at 01.01.2021        | 154 957          | -98           | 286 510                     | 836 236        | 1 277 605        |
| Profit for the year          |                  |               |                             | -35 947        | -35 947          |
| <b>Balance at 31.03.2021</b> | <b>154 957</b>   | <b>-98</b>    | <b>286 510</b>              | <b>800 289</b> | <b>1 241 658</b> |

**GC RIEBER SHIPPING ASA**  
First quarter 2021  
Group  
(Unaudited)

**Note 1 General information**

GC Rieber Shipping ASA is registered and domiciled in Norway, with its head office in Bergen. The consolidated interim accounts for the Group include GC Rieber Shipping ASA with its subsidiaries and the Group's investment in associated companies. The Group accounts for fiscal year 2020 were approved by the Board of Directors on 16 March 2021. The consolidated financial statement for the year ended 31 December 2020 with notes and auditor's report are available on our website at [www.gcrieber-shipping.com](http://www.gcrieber-shipping.com).

**Accounting principles**

The Group's financial reporting is in accordance with International Financial Reporting Standards (IFRS). The consolidated interim accounts at 31 March 2021 have been prepared in accordance with IAS 34 Interim financial reporting. The interim financial statements are unaudited and do not include all the information required in full annual financial statements, and therefore should be read in conjunction with the 2020 Group accounts. The condensed, consolidated quarterly financial statements were approved by the Board of Directors on 21 May 2021.

**Foreign currency**

GC Rieber Shipping Group uses the Norwegian krone (NOK) as its presentation currency. Some subsidiaries have US Dollar (USD) as their functional currency. Consequently, accounting standard IAS 21 will apply. A fluctuation in the USD/NOK exchange rate affects the company's equity and result, as the Group's debts are in USD and most of the vessels are recorded in the accounts in USD and converted to USD/NOK exchange rate on the balance sheet date. For subsidiaries with USD as functional currency, the translation differences on vessels and liabilities are recognized through Comprehensive Income directly in equity. Translation differences also arise in respect of subsidiaries that have the USD as their functional currency and hold liquid assets in NOK. Here the value of the liquid reserves in NOK translated to USD will be determined by the exchange rate on the balance sheet date and the translation difference will be recognised in profit and loss as unrealised gain/loss. At 31.03 2021 the exchange rate USD against NOK was 8.52, and 8.53 at 31.12.2020.

**Estimates**

Preparation of interim financial statements requires use of assessments, estimates and assumptions that affect accounting principles and reported amounts for equity and liabilities, income and costs. The statements are based on assumptions and estimates, and some of them are beyond the company's control and therefore subject to risks and uncertainty. The actual result may differ from these estimates. When preparing this consolidated interim financial statement, the management has used the same critical assessments related to application of accounting principles as were used for the Group financial statements for the financial year that ended on 31 December 2020 and the most important sources of estimate uncertainty are the same as for preparation of the 2020 Group financial statements.

**Related parties**

The Group makes purchase and sales transactions with related parties as part of the normal business operations. Note 17 of the 2020 annual report describes transactions with related parties. There have been no material changes or transactions in connection with related parties that make a material impact on the Group's position or profit for the period.

## Financial risk management

GC Rieber Shipping makes a continuous and thorough assessment of operational and financial risk factors. The Group's objectives and principles for financial risk management are in accordance with what has been stated in the Group financial statements for 2020.

## Note 2 Segment

The Group's management team, as presented on the Group's website, examines the Group's performance from a product and geographical perspective when defining operating segments. The management team has defined two operating segments: Subsea & Renewables and Joint Ventures and Associated Company. Joint Ventures and Associated Company comprises subsegments, Ice/Support and Marine Seismic.

The geographic perspective is not a focal point in the internal management reporting for either of the segments.

The segments are considered to have different operational and financial risk profiles. Any transactions between the segments are carried out at arm's length and eliminated in the consolidated financial statements.

### Subsea & Renewables

Until March 2021 the Group owned and operated two vessels within the Subsea & Renewables segment: Polar Queen and Polar Onyx. At 23 March 2021 Polar Queen was sold, hence the Group now owns and operates one vessel in this segment. Polar Onyx is a high capacity flexible pipelay and subsea construction vessel built for harsh conditions and deep waters. The vessel is designed to operate in the SURF/Construction/IMR market.

### Joint Ventures & Associates

Joint Ventures include the 50% owned vessels operating in Russia. The 17% owned marine geophysical company Shearwater is presented as an associated company in the segment report.

| Figures in NOK 1 000                                | 1Q 2021        | 1Q 2020         | 31.12.2020      |
|---|----------------|-----------------|-----------------|
| Subsea & Renewables                                 | 24 499         | 44 437          | 233 680         |
| <b>Operating income</b>                             | <b>24 499</b>  | <b>44 437</b>   | <b>233 680</b>  |
| Subsea & Renewables                                 | -7 026         | -576            | 55 298          |
| Gain (loss) from share issues in associated company | 0              | 52 619          | 31 068          |
| Associates – Seismic                                | -29 200        | -1 699          | -33 869         |
| JV - Ice/Support                                    | 5 177          | 7 446           | 48 391          |
| <b>EBITDA*</b>                                      | <b>-31 048</b> | <b>57 790</b>   | <b>100 889</b>  |
| Subsea & Renewables                                 | 152 115        | -325 450        | -508 639        |
| Gain (loss) from share issues in associated company | 0              | 52 619          | 31 068          |
| Associates – Seismic                                | -29 200        | -1 699          | -33 869         |
| JV - Ice/Support                                    | 5 177          | 7 446           | 48 391          |
| <b>Operating profit</b>                             | <b>128 092</b> | <b>-267 085</b> | <b>-463 049</b> |

\* Operating profit before depreciation, write-downs and gains (losses) on fixed assets

| Carrying amount      | 31.03.2021 | 31.12.2020 |
|----------------------|------------|------------|
| JV - Ice/Support     | 173 910    | 169 650    |
| Associates - Seismic | 708 805    | 740 602    |

## Note 3 Income

| Figures in NOK 1 000                   | Q1 2021       | Q1 2020       | 31.12.2020     |
|--|---------------|---------------|----------------|
| TC hire                                | 20 732        | 41 650        | 201 698        |
| BB hire                                | 0             | 0             | 0              |
| Other revenues                         | 3 767         | 2 787         | 31 981         |
| <b>Revenue from external customers</b> | <b>24 499</b> | <b>44 437</b> | <b>233 680</b> |
| <b>Time of revenue recognition</b>     |               |               |                |
| At a point in time                     | 0             | 0             | 0              |
| Over time                              | 24 499        | 44 437        | 232 970        |
| <b>Total</b>                           | <b>24 499</b> | <b>44 437</b> | <b>233 679</b> |

TC hire (time charter hire) are revenues were the Group is to deliver vessels, equipment and crew as a service to the customer based on a fixed fee/day rate. A time charter contract can be divided into a bareboat element and a service component. Out of total income per 31.03.2021, the bareboat element constitutes approximately NOK 5 million. Remaining income qualifies as IFRS 15 income.

Other revenue is additional services provided in connection with for example time charter contracts and fees for technical support and sales of bunkers.

Terms of payment in contracts with customers are from 30-45 days depending on contract.

## Note 4 Fixed assets

| Figures in NOK 1 000                               | Vessels and<br>periodic<br>maintenance | Machinery and<br>equipment |
|--|--|----------------------------|
| <b>Net book value 01.01</b>                        | <b>899 240</b>                         | <b>8 583</b>               |
| Additions  | 0                                      | 0                          |
| Disposals  | -258 903                               | 0                          |
| Depreciation                                       | -15 371                                | -1 713                     |
| Write-downs  | 0                                      | 0                          |
| Changes in translation differences during the year | 1 256                                  | 0                          |
| <b>Net book value 31.03</b>                        | <b>626 222</b>                         | <b>6 870</b>               |

The vessels have carrying amount in USD, which are converted to NOK by using the exchange rate on the balance sheet date in the consolidated financial statements. Changes in the exchange rate USD/NOK result in translation differences, which are recognised in the comprehensive income. Accumulated exchange translations are included in the amounts above.

The vessel Polar Queen was sold in March 2021.

## Note 5 Amendments to credit facilities

In early 2018, GC Rieber Shipping negotiated revised terms and certain amendments to the two Subsea & Renewables credit facilities, described in note 14 to the Group's annual report for 2020.

As a result of the current challenging market conditions, GC Rieber Shipping in the third quarter of 2020 received further amendments to the two credit facilities. The new amendments include the following main changes with effect through 2021;

- Prolonging the 80% reduction of scheduled amortisation
- Reducing the minimum equity ratio from 30% to 25%
- Suspending the minimum vessel value clauses

## Note 6 Cash sweep

When negotiating revised terms and certain amendments to the two Subsea & Renewables credit facilities in early 2018, the new terms and amendments included the following cash sweep mechanism;

- Cash sweep of the average aggregate consolidated cash in the company during the six months prior to the sweep date in excess of the following threshold amounts;
  - NOK 150 million in 2019
  - NOK 120 million in 2020 and onwards

50% of the proceeds from the sale of Ernest Shackleton is excluded from the cash sweep mechanism.

The next cash sweep is in June 2021 and semi-annually thereafter.

For further information about terms and amendments, please refer to note 14 to the Group's annual report for 2020.

## Note 7 Overview of shareholders

The 20 largest shareholders in GC Rieber Shipping ASA as of 31 March 2021 (outstanding shares):

| <b>Name</b>                             | <b>Number of shares</b> | <b>Owner's share</b> |
|---|-------------------------|----------------------|
| GC Rieber AS                            | 66 145 908              | 76,8 %               |
| AS Javipa                               | 2 003 492               | 2,3 %                |
| GC Rieber Fondet                        | 1 807 255               | 2,1 %                |
| Pareto Aksje Norge Verdipapirfond       | 1 622 749               | 1,9 %                |
| Viben AS                                | 1 334 435               | 1,6 %                |
| Celsius AS                              | 1 328 768               | 1,5 %                |
| Trioship Invest AS                      | 1 190 000               | 1,4 %                |
| Tannlege Randi Arnesen AS               | 850 000                 | 1,0 %                |
| Delta A/S                               | 832 000                 | 1,0 %                |
| Johanne Marie Rieber Martens Allm. Fond | 786 654                 | 0,9 %                |
| Storkleiven AS                          | 709 170                 | 0,8 %                |
| Pelicahn AS                             | 685 166                 | 0,8 %                |
| Benedicte Martens Nes                   | 386 250                 | 0,4 %                |
| Middelboe AS                            | 377 448                 | 0,4 %                |
| Triofa 2 AS                             | 278 001                 | 0,3 %                |
| Mikkel Martens                          | 225 949                 | 0,3 %                |
| Dag Fredrik Jebsen Arnesen              | 212 000                 | 0,2 %                |
| Thorild Marie Rong                      | 210 648                 | 0,2 %                |
| Bergen Råvarebørs AS                    | 208 668                 | 0,2 %                |
| Tigo AS                                 | 186 359                 | 0,2 %                |
| Other Shareholders                      | 4 706 390               | 5,5 %                |
| <b>Outstanding Shares</b>               | <b>86 087 310</b>       | <b>100,0 %</b>       |



## Note 8 Leases

The Group is both a lessor, as it charters vessels to customers, and a lessee.

The Group has long term lease agreements on office buildings and warehouses that are affected by IFRS 16. For the Group, these lease commitments result in the recognition of an asset (right-of-use) and a liability for a period of time.

There are no significant changes the Group's profit but the cash flow statement for leases are affected with lease payments being presented as financing activities as opposed to operating activities. Some of the Groups commitments relates to arrangements that do not qualify as leases under IFRS 16.

### **Operational leasing, where the group is a lessor**

The Group charters its owned vessels under time charter parties of varying duration to different charterers. Lease income from lease of vessels is reported to the profit and loss account on a straight-line basis for the duration of the lease period. The lease period starts from the time the vessel is put at the disposal of the lessee and terminates on the agreed date for return of the vessel. Future minimum nominal lease payments arising from contracts as at 31 March 2021, amounts to NOK 3,4 million in 2021. The lease payments include bareboat contracts and bareboat components from time charter contracts.

## Right-of-use assets – lease liabilities

### Right of use assets

Figures in NOK 1 000

31.03.2021

|  |              |
|--|--------------|
| Net present value of lease commitments | 4 316        |
| <b>Balance at 1 January</b>            | <b>4 316</b> |
| New lease liabilities                  | 0            |
| Disposals during the year              | 0            |
| Depreciation                           | - 432        |
| <b>Balance at period end</b>           | <b>3 884</b> |

### Lease Liabilities

Figures in NOK 1 000

31.03.2021

|  |              |
|--|--------------|
| Net present value of lease liabilities | 4 413        |
| <b>Balance at 1 January</b>            | <b>4 413</b> |
| New lease liabilities                  | 0            |
| Disposals during the year              | 0            |
| Lease payments during the period       | - 422        |
| <b>Balance at period end</b>           | <b>3 992</b> |

Figures in NOK 1 000

|   |       |
|---|-------|
| Undiscounted lease liability and maturity of cash flows |       |
| Less than 1 year  | 1 366 |
| 1-4 years   | 2 730 |
| Total undiscounted lease liability as at 31 December    | 4 095 |
| Interest rate   | 3 %   |

Figures in NOK 1 000

31.03.2021

|   |           |
|---|-----------|
| <b>Effect on Profit and loss statement</b>  |           |
| Administration cost – office rent           | 463       |
| Depreciation – right-of-use asset           | -432      |
| Interest cost – lease liabilities           | 33        |
| <b>Net effect Profit and loss statement</b> | <b>64</b> |

## Note 9 Sale of Polar Queen

Gain from the sale of Polar Queen was NOK 21.0 million, in addition the sale triggered the recycling of foreign currency translation differences of NOK 155.2 million. Recycling of foreign currency translation differences does not have cash effect.

## Note 10 Performance measurement definitions

### Alternative performance measurements

The Group presents alternative performance measurements (APM) that are regularly reviewed by management and aim to enhance the understanding of the Group's performance. APMs are calculated consistently over time and are based on financial data presented in accordance with IFRS and other operational data as described below.

| Measure  | Description  | Reason for including  |
|--|--|---|
| <b>Operating profit before depreciation (EBITDA)</b> | EBITDA is defined as operating profit, before impairment of tangible and intangible assets, depreciation of tangible assets. EBITDA represents earnings before interest, tax and depreciation, and is a key financial parameter for the Group. | This measure is useful in evaluating operating profitability on a more variable cost basis as it excludes depreciation and impairment related primarily to acquisitions that occurred in the past. EBITDA shows operating profitability regardless of capital structure and tax situations  |
| <b>Operating profit (EBIT)</b>                       | EBIT represents earnings before interest and tax.  | EBIT shows operating profitability regardless of capital structure and tax situations.  |
| <b>Net interest-bearing debt</b>                     | Net interest-bearing debt consists of both current and non-current interest-bearing liabilities less interest bearing financial assets, cash and cash equivalents.   | Net interest-bearing debt is a measure of the Group's net indebtedness that provides an indicator of the overall statement. It measures the Group's ability to pay all interest-bearing liabilities within available interest-bearing financial assets, cash and cash equivalents, if all debt matured on the day of the calculation. It is therefore a measurement of the risk related to the Group's capital structure. |
| <b>Equity ratio</b>                                  | Equity divided by assets at the reporting date.  | Measure capital contributed by shareholders to fund the Group's assets.   |
| <b>Earnings per share</b>                            | Earnings divided by average number of shares outstanding.  | Measures the Group's earnings on a per-share basis.   |

### Other definitions

| Measure                     | Description   |
|-----------------------------|---|
| <b>Market value</b>         | Calculated average vessel value between several independent brokers' estimates based on the principle of "willing buyer and willing seller".  |
| <b>Capacity utilisation</b> | Capacity utilisation is a measure of the Group's ability to keep vessels in operation and on contract with clients, expressed as a percentage. The capacity utilisation numbers are based on actual available days. |
| <b>Contract coverage</b>    | Sum of undiscounted revenue related to secured contracts in the future. Optional contract extensions as determined by the client in the future are not included.  |