



TIDEWATER



2024 ANNUAL REPORT

Governance

Board of Directors

Dick H. Fagerstal	Chairman of the Board Audit Committee Nominating & Corporate Governance Committee
Darron M. Anderson	Audit Committee Safety & Sustainability Committee
Melissa L. Cogle	Audit Committee* Safety & Sustainability Committee
Quintin V. Kneen	President, Chief Executive Officer and Director
Louis A. Raspino	Audit Committee Compensation & Human Capital Committee*
Robert E. Robotti	Compensation & Human Capital Committee Nominating & Corporate Governance Committee
Kenneth H. Traub	Compensation & Human Capital Committee Nominating & Corporate Governance Committee*
Lois K. Zabrocky	Compensation & Human Capital Committee Safety & Sustainability Committee*

* Chairperson

Corporate Officers

Quintin V. Kneen	President and Chief Executive Officer
Sam R. Rubio	Executive Vice President and Chief Financial Officer
David E. Darling	Executive Vice President, Chief Operating Officer and Chief Human Resources Officer
Daniel A. Hudson	Executive Vice President, General Counsel and Corporate Secretary
Piers Middleton	Executive Vice President and Chief Commercial Officer
Lee Johnson	Executive Vice President and Chief Information Officer
West Gotcher	Senior Vice President, Strategy, Corporate Development and Investor Relations
Lisa Ortega	Vice President, Human Resources
Blake Lovelace	Vice President, Finance
Darren J. Vorst	Vice President, Treasurer
Geoff Youngs	Vice President, Controller



Vision

Tidewater will be the global leader in the offshore industry by providing, in the most cost-efficient manner possible, unmatched support and exceptional local service to our customers, utilizing the safest, most highly skilled workforce.



Mission

Tidewater is dedicated to supporting our customers globally with the highest level of service using our best assets: our people and our vessels.

We will deliver these services with the highest level of operational performance to include safety for our people, compliance with all laws and regulations, and respect for the environment and local communities in which we work.

We are committed to providing these services in an honest, cost-efficient, profitable and transparent manner for all stakeholders including employees, customers, capital sources, vendors and local communities.



**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to .

Commission file number: **1-6311**

Tidewater Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State of incorporation)
842 West Sam Houston Parkway North, Suite 400
Houston, Texas
(Address of principal executive offices)



72-0487776
(I.R.S. Employer Identification No.)
77024
(Zip Code)

Registrant's telephone number, including area code: **(713) 470-5300**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	TDW	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐

As of June 30, 2024, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was \$4.7 billion based on the closing sales price as reported on the New York Stock Exchange of \$95.21 per share.

As of February 14, 2025, 51,470,224 shares of the registrant's common stock, \$0.001 par value per share, were outstanding. Registrant has no other class of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's proxy statement to be filed in connection with its 2024 annual meeting of stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K were indicated. The registrant's definitive proxy statement will be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year to which this report relates.

TIDEWATER INC.

FORM 10-K

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

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PART I

ITEM 1. BUSINESS

Unless otherwise required by the context, the terms “we”, “us”, “our” and “the company” as used herein refer to Tidewater Inc. and its consolidated subsidiaries and predecessors.

About Tidewater

We have provided marine and transportation services to the global offshore energy industry since our incorporation in 1956. Our mission includes providing services to our customers with the highest level of operational performance, while complying with all laws and regulations, respecting the environment and local communities in which we work and ensuring the safety of our people.

We offer a large, diversified fleet of offshore service vessels (OSV or vessels), with 211 vessels serving customers in over 30 countries as of December 31, 2024. We believe our global operating footprint allows us to react quickly to changing local market conditions and to be responsive to the changing requirements of our customers. We manage our operations through five geographically aligned reporting segments:

- Americas
- Asia Pacific
- Middle East
- Europe/Mediterranean
- West Africa

Each reporting segment is overseen by a managing director, who is a senior company executive ultimately reporting to our Chief Executive Officer, the chief operating decision maker.

Our vessels routinely move between geographic regions as our customers complete projects and new projects arise. We conduct our business through domestic and international subsidiaries, as well as through joint ventures that we may or may not control (generally where required to satisfy local ownership or local content requirements).

Our vessels and associated services support all phases of offshore crude oil and natural gas (also referred to as oil and gas) exploration activities, field development, production and maintenance, as well as windfarm development and maintenance. Our services include towing and anchor handling for mobile offshore drilling units; transporting supplies and personnel necessary to sustain drilling, workovers, production activities, field abandonment, dismantlement and restoration activities; offshore construction and seismic and subsea support; geotechnical survey support for windfarm construction, and a variety of other specialized services such as pipe and cable laying.

Our principal customers include large, international, integrated and independent oil and gas exploration, field development and production companies (IOCs); mid-sized and smaller independent exploration and production (E&P) companies; foreign government-owned or government-controlled organizations that explore for, develop and produce oil and gas (NOCs); offshore drilling contractors; and other companies that provide various services to the offshore energy industry, including, among other things, offshore construction companies, windfarm development companies, diving companies and well stimulation companies.

Our revenues, net earnings and cash flows from operations are dependent upon the activity level of our offshore marine vessel fleet. Consistent with other vessel operators in our industry, our business activity is largely dependent on capital budgets and offshore exploration, field development, production and abandonment activity of our customers. Our customers' offshore business activity, in turn, is largely dependent on current and expected oil and gas prices, which fluctuate depending on expected future levels of supply and demand for oil and gas, and on estimates of the cost to find, develop and produce oil and gas reserves both onshore and offshore.

Depending on vessel capabilities and availability, our vessels operate in the shallow, intermediate and deepwater offshore markets. Deepwater oil and gas development typically involves significant capital investment and multi-year development plans. Although deepwater projects are typically less susceptible to short-term fluctuations in commodity prices, they are generally more costly than onshore and other offshore exploration and development.

We expect global offshore windfarm developments to increase over the coming years and believe these developments may provide additional opportunities for a certain cross-section of our larger vessels. These projects generally require fewer but more highly specialized vessels.

Our revenues are derived primarily from vessel time charter or similar contracts ranging in duration from a few months to several years. To a lesser extent, we derive revenue from vessel time charter contracts on a “spot” basis, which are short-term agreements ranging from one day to several months where we provide offshore marine services to customers for specific short-term jobs. The base rate of hire for a term contract is generally a fixed day rate, though some longer-term contracts have rate escalation clauses. In addition, many charter arrangements allow us to recover specific limited additional costs, such as fuel expenses, while on hire.

Vessel Classifications

Our primary vessel classifications include Anchor Handling Towing Supply Vessels (AHTS) and Platform Supply Vessels (PSVs). We also operate a small number of other specialty vessels. A description of the type of vessels categorized in each vessel class and the services typically performed follows.

Anchor Handling Towing Supply Vessels

The most versatile vessels in the Tidewater fleet are large, powerful AHTS vessels, capable of all types of towing, anchor handling activities, and varied subsea operations. Fitted with experienced crews and state of the art technology, AHTS vessels of various classes are capable of positioning and mooring drilling rigs in virtually any location, depth or sea condition and under a wide range of conditions. With a wide range of power, sizes and capacities, these vessels are also well-suited for general offshore support services, drilling rig support functions and cargo transport assignments.

AHTS vessel capabilities are typically distinguished by the vessel’s engine power output in terms of brake horsepower (BHP), which generally correlates with its towing capacity. As of December 31, 2024, we operated 52 AHTS vessels throughout our service regions. During the year ended December 31, 2024, our AHTS vessels contributed approximately 21.0 % of our vessel revenue.

- Small AHTS class. Generally, this vessel class includes AHTS vessels that have up to 8,000 BHP. These vessels typically work in shallow waters along the coast or on the continental shelf. As of December 31, 2024, we operated 20 small AHTS vessels.
- Medium AHTS class. Generally, this vessel class includes AHTS vessels that have between 8,000 and 16,000 BHP. These vessels can work in shallow waters along the coast or on the continental shelf or in intermediate depths further offshore. As of December 31, 2024, we operated 21 medium AHTS vessels.
- Large AHTS class. Generally, this vessel class includes AHTS vessels with over 16,000 BHP. These vessels primarily work in deepwater. Large AHTS vessels are equipped to tow drilling rigs and other marine equipment, as well as to set anchors for the positioning and mooring of drilling rigs that generally do not have dynamic positioning capabilities. As of December 31, 2024, we operated 11 large AHTS vessels.

Platform Supply Vessels

PSVs generally have cargo carrying capacities, both below deck (liquid mud tanks and dry bulk tanks) and above deck. Most of our PSVs are outfitted with dynamic positioning capabilities, which allow the vessels to maintain an absolute or relative position when mooring to an offshore installation or rig or another vessel is deemed unsafe, impractical or undesirable. Many of our PSVs also have oil recovery, firefighting, standby rescue and/or other specialized equipment.

PSV capabilities are typically distinguished by the vessel’s deck space and cargo capacity which indicates the size of the loads it can carry. As of December 31, 2024, we operated 139 PSVs throughout our service regions. During the year ended December 31, 2024, our PSVs contributed approximately 75.0% of our vessel revenue.

- Medium PSVs. Generally, this vessel class includes PSVs that have between 500 and 900 square meters of deck space. As of December 31, 2024, we operated 70 Medium PSVs.
- Large PSVs. Generally, this vessel class includes PSVs that have greater than 900 square meters of deck space. As of December 31, 2024, we operated 69 Large PSVs.

Other Vessels

Our other vessel classes include crew boats, utility vessels and offshore tugs. Crew boats and utility vessels are chartered to customers for use in transporting personnel and supplies from shore bases to offshore drilling rigs, platforms and other installations. These vessels may be equipped for oil field security missions in markets where piracy, kidnapping or other potential violence presents a concern. Offshore tugs are used to tow floating drilling rigs and barges; to assist in the docking of tankers; and to assist pipe laying, cable laying and construction barges. During the year ended December 31, 2024, our other vessels contributed approximately 4.0% of our vessel revenue. To support our West Africa segment, we contracted to build (i) two ocean-going tugs, which were completed and delivered in 2023; and (ii) eight Alucat crew boats, two of which were completed and delivered in 2023. We expect five of the remaining six Alucat crew boats to be delivered in early 2025 and one to be delivered later in 2025. As of December 31, 2024, we operated 20 vessels classified as other. During January and February of 2025, we took delivery of five Alucat crew boats and recorded debt of approximately EUR 9.4 million (\$9.7 million).

Acquisition of Solstad Vessels (Solstad Acquisition)

On March 7, 2023, we entered into an Agreement for the Sale and Purchase of Vessels, Charter Parties and Other Assets, which was amended on June 30, 2023 (the Acquisition Agreement), with certain subsidiaries of Solstad Offshore ASA, a Norwegian public limited company (collectively, the Sellers), pursuant to which we agreed to acquire from the Sellers (the Solstad Acquisition): (i) 37 PSVs owned by the Sellers (the Solstad Vessels); and (ii) the charter parties governing certain of the Solstad Vessels. At closing, these vessels operated primarily in the North Sea, Australia and Brazil. On July 5, 2023, we completed the Solstad Acquisition for an aggregate cash purchase price of approximately \$594.2 million, consisting of the \$577.0 million base purchase price plus an initial \$3.0 million purchase price adjustment; \$3.2 million for working capital items comprised of fuel and lubricants; and \$11.0 million in estimated transaction costs, consisting primarily of advisory and legal fees. The purchase price was funded through a combination of cash on hand and net proceeds from both the Senior Secured Term Loan and the 10.375% Senior Unsecured Notes due July 2028. Please refer to Note (4) - “Debt” to our accompanying Consolidated Financial Statements for additional information on the related debt agreements.

Acquisition of Swire Pacific Offshore Holdings Limited (SPO Acquisition)

On April 22, 2022, we acquired all of the issued and outstanding shares of Swire Pacific Offshore Holdings Limited (SPO), pursuant to a Share Purchase Agreement (SPA Agreement) with Banyan Overseas Limited (Banyan) for a total consideration of \$215.5 million, consisting of (i) \$61.6 million in cash paid at closing less a subsequent receipt of an \$8.8 million post-closing working capital refund; and (ii) 8,100,000 warrants, exercisable at \$0.001 per share for one share of our common stock (SPO Acquisition Warrants). As of closing, SPO and its wholly owned subsidiaries owned 50 offshore support vessels operating primarily in West Africa, Southeast Asia and the Middle East.

On June 24, 2022, we amended the SPA Agreement to allow Banyan to surrender the SPO Acquisition Warrants to satisfy indemnity liabilities. Under the indemnification provisions of the amended SPA Agreement, Banyan requested that we allow them to settle approximately \$1.4 million in indemnified liabilities by surrendering the equivalent value in SPO Acquisition Warrants. We granted Banyan’s request, and during 2022, settled the agreed upon indemnification liabilities in exchange for the surrender of 64,086 SPO Acquisition Warrants that we subsequently cancelled.

During the second half of 2022, we completed two common stock public offerings to facilitate the SPO Acquisition Warrants redemption, including an offering for 4,048,000 shares at \$17.85 per share completed on August 12, 2022, and an offering for 3,987,914 shares at \$30.25 per share completed on November 10, 2022 (Offerings). The Offerings resulted in net proceeds (after expenses) of approximately \$187.8 million that we used to redeem 8,035,914 SPO Acquisition Warrants, which we subsequently cancelled. As a result, no SPO Acquisition Warrants remained outstanding as of December 31, 2022.

Warrant Exercises and Expiration

Prior to November 15, 2024, we had 782,993 “out-of-the-money” warrants outstanding and exercisable for 861,292 shares (based on a 1 warrant to a 1.1 share ratio) with an exercise price of \$100.00, all of which expired November 14, 2024.

Prior to August 1, 2023, we had outstanding Series A Warrants, with an exercise price of \$57.06 and Series B Warrants, with an exercise price of \$62.28, both with an expiration date of July 31, 2023. During July 2023, an aggregate of approximately 2.0 million Series A Warrants and Series B Warrants were exercised and we issued 1.9 million shares of common stock in exchange for \$111.5 million in cash proceeds. All remaining unexercised Series A Warrants and Series B Warrants, approximately 3.1 million in the aggregate, expired according to their terms on July 31, 2023.

Share Repurchase Program

On November 5, 2023, our Board of Directors (Board) approved a \$35.0 million share repurchase program, pursuant to which we repurchased and retired 590,499 shares for approximately \$35.0 million, excluding commissions and a 1% excise tax, during the fourth quarter of 2023. On February 29, 2024, our Board approved a new \$48.6 million share repurchase program, subsequently approving the increase of such program by \$18.1 million on May 2, 2024, \$13.9 million on August 6, 2024, and \$10.1 million on November 2, 2024. During the year ended December 31, 2024, we repurchased and retired 1,384,186 shares for approximately \$90.7 million, excluding commissions and a 1% excise tax.

Customers and Contracting

Demand for our services depends substantially on our customers' strategies and allocation of capital spending related to offshore exploration, development and production of oil and gas reserves. These expenditures are generally dependent on our customers' views of future demand for oil and gas and future oil and gas prices, as well as our customers' ability to access capital. The activity levels of our customers are also influenced by the cost (and relative cost) of exploring for and producing oil and gas offshore, which can be affected by environmental regulations, technological advances that affect energy production and consumption, extreme weather conditions, and local and international economic and political environments, including government mandated moratoriums. Our customers' capital expenditure programs also consider market volatility and competing priorities for funding, including returning capital to stockholders and investing in alternative energy sources.

In addition, we derive a significant amount of revenue from a relatively small number of customers. For the year ended December 31, 2024, our five largest customers accounted for approximately 36.1%, while our ten largest customers accounted for approximately 52.6% of our total revenues.

The following table discloses our customers that accounted for 10% or more of total revenues:

	Years Ended		
	December 31, 2024	December 31, 2023	December 31, 2022
Eni S.p.A	12.3%	10.3%	*
Chevron Corporation.....	*	*	12.3%

* Less than 10% of total revenues.

While it is normal for our customer base to change over time as our vessel time charter contracts turn over, the unexpected loss of any significant customer could, at least in the short term, have a material adverse effect on our vessel utilization and our results of operations.

Competition

We have numerous competitors of all sizes. The principal competitive factors for the OSV service industry include (i) the quality, suitability and technical capabilities of vessels; (ii) the availability of vessels and related equipment; (iii) the price and quality of service; and (iv) the legal ability to provide the service in the applicable region. In addition, a strong record for safety and efficiency and the ability to attract and retain qualified and skilled personnel, are important competitive factors. We have numerous competitors in all areas in which we operate, and our ability to compete in the international markets may be adversely affected by regulations requiring, among other things, local construction; flagging; ownership or control of vessels; the awarding of contracts to local contractors; the employment of local citizens; and/or the purchase of supplies from local vendors.

Our diverse, mobile asset base and the wide geographic distribution of our assets generally enable us to respond relatively quickly to changes in market conditions and to provide a broad range of vessel services to customers around the world. We believe that the size, age, diversity and geographic distribution of a vessel operator's fleet, economies of scale and experience level in many areas of the world are competitive advantages in our industry. For example, in the Americas region, we benefit from the rules and restrictions promulgated thereunder by the Merchant Marine Act of 1920 and the Shipping Act, 1916, as amended (collectively, the Jones Act), which limits vessels that can operate in the United States (U.S.) Gulf of America, also known as the United States Gulf of Mexico (U.S. Gulf) and other offshore regions within U.S. territorial waters to those owned by companies that qualify as U.S. citizens. At the same time, in certain foreign countries, we encounter preferences given to vessels owned by local companies that may be mandated by local law or by national oil companies, which we generally attempt to mitigate through affiliations with local companies or other legal alternatives.

Seasonality

Our global vessel fleet generally has its highest utilization rates in the warmer months when the weather is more favorable for offshore exploration, field development and construction work in the oil and gas industry. Hurricanes, cyclones, the monsoon season, and other severe weather can negatively or positively impact vessel operations. Our U.S. Gulf operations can be impacted by the Atlantic hurricane season from the months of June through November, when offshore exploration, field development and construction work tend to slow or halt to mitigate potential losses and damage that may occur to the offshore oil and gas infrastructure should a hurricane enter the area. However, demand for offshore marine vessels typically increases in the U.S. Gulf in connection with repair and remediation work that follows any hurricane damage to offshore oil and gas infrastructure. Additionally, our vessels that operate offshore in India, other areas in Southeast Asia and the Western Pacific are impacted by the monsoon season, which occurs across the region from November to April. Vessels that operate in the North Sea can be impacted by a seasonal slowdown in the winter months characterized by high seas and harsh weather, generally from November to March. Although hurricanes, cyclones, monsoons and other severe weather can have a seasonal impact on operations, our business volume is more dependent on oil and gas pricing, global supply of oil and gas, and demand for our offshore support vessels and other services than on any seasonal variation. Seasonality largely impacts drilling operations. Production and other operations support is not generally impacted, other than by storms.

Government Regulations

Maritime Regulations - General

Our vessels are regulated by numerous international, national, state and local laws, regulations, treaties and other legal requirements, as well as voluntary agreements, which govern health, environmental, safety and security matters in relation to our operations, crew and vessels. These requirements may change depending on the planned voyages of our vessels and the ports and countries visited. If we violate or fail to comply with any of these laws, regulations, treaties and other requirements, we could be fined or otherwise sanctioned by regulators. We are committed to complying with, or exceeding, all relevant requirements.

The primary regulatory bodies that establish maritime laws and requirements applicable to our vessels include:

The International Maritime Organization (IMO): All of our vessels, and the maritime industry as a whole, are subject to the maritime safety, security and environmental regulations established by the IMO, a specialized agency of the United Nations. The IMO's principal sets of requirements are mandated through its International Convention for the Safety of Life at Sea ("SOLAS"), its International Convention for the Prevention of Pollution from Ships (MARPOL) and its International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW).

Flag States: Our ships are registered, or flagged, in various countries, including U.S., Australia, Brazil, Cyprus, Isle of Man, Liberia, Mexico, Norway, Singapore, UK and Vanuatu, which are also referred to as Flag States. Our ships are regulated by these Flag States through international conventions that govern, among other things, health, environmental, safety and security matters in relation to our guests, crew and ships. Representatives of each Flag State conduct periodic inspections, surveys and audits to verify compliance with these requirements.

Classification Societies: Class certification is one of the necessary documents required for our vessels to be flagged in a specific country, obtain liability insurance and legally operate. Our vessels are subject to periodic class surveys, including dry-dock inspections, by vessel classification societies to verify that our vessels have been maintained in accordance with the rules of the classification societies and that recommended repairs have been satisfactorily completed. Dry-dock frequency is a statutory requirement mandated by SOLAS.

National, Regional, and other Authorities: We are subject to the decrees, directives, regulations, and requirements of the European Union (EU), the UK, the U.S., other countries, and many other authorities, including ports that our vessels visit.

Port Regulatory Authorities (Port State Control): Our vessels are also subject to inspection by the port regulatory authorities, which are also referred to as Port State Control, in the various countries that they visit. Such inspections include verification of compliance with maritime safety, security, environmental, customs, immigration, health and labor requirements applicable to each port, as well as with regional, national and international requirements. Many countries have joined together to form regional Port State Control authorities.

Our Board of Directors has a Safety & Sustainability Committee (S&S Committee), which is comprised of three independent directors as of December 31, 2024. The principal function of the S&S Committee is to assist the Board in fulfilling their responsibility to supervise and monitor our health, environmental, safety, security (HESS) and sustainability policies, programs and initiatives at sea and ashore and compliance with related legal and regulatory requirements. The S&S Committee and our management team review at least quarterly significant HESS relevant risks or exposures and associated mitigating actions.

Maritime Regulations - Safety

The IMO has safety standards as part of SOLAS. To help ensure crew safety, SOLAS establishes requirements for the following:

- Vessel design and structural features
- Life-saving and other equipment
- Construction and materials
- Fire protection and detection
- Safe management and operation
- Radio communications
- Emergency drills

Our crew undergo regular safety training that meets or exceeds all international maritime regulations, including SOLAS requirements, which are periodically revised. Additionally, we have implemented and continue to develop policies and procedures that we believe enhance our commitment to the safety of our crew.

SOLAS requires implementation of the International Safety Management Code (ISM Code), which provides an international standard for the safe management and operation of ships and for pollution prevention. Under the ISM Code, vessel operators are required to:

- Develop and implement a Safety Management System (SMS) that includes, among other things, the adoption of safety and environmental protection policies setting forth instructions and procedures for operating vessels safely and describing procedures for responding to emergencies and protecting the environment. In addition, our SMS includes health and security procedures
- Obtain a Document of Compliance (DOC) for the vessel operator, as well as a Safety Management Certificate (SMC) for each vessel they operate. These documents are issued by the vessel's Flag State and evidence compliance with the ISM Code and the SMS
- Verify or renew DOCs and SMCs periodically in accordance with the ISM Code

Our OSVs are regularly audited by our various national authorities, and we are required to maintain the relevant certificates of compliance with the ISM Code.

Maritime Regulations - Security

Our vessels are subject to numerous security requirements. These requirements include the International Ship and Port Facility Security Code, which is part of SOLAS, and the U.S. Maritime Transportation Security Act of 2002, which addresses U.S. port and waterway security. These regulations include requirements as to the following:

- Implementation of specific security measures, including onboard installation of a ship security alert system
- Assessment of vessel security
- Efforts to identify and deter security threats
- Applicable security plans and processes, including training, drills and exercises

Additionally, we have developed security annexes for those U.S. flag vessels that transit or work in waters designated as high risk by the USCG pursuant to the latest revision of Maritime Security Directive 104-6.

Maritime Regulations – Environmental

During the ordinary course of business, our operations are subject to numerous international, multi-national, national, state and local environmental laws, regulations and treaties that govern air emissions, waste management, and the storage, handling, use and disposal of hazardous substances, including the discharge of oil, oil products and other pollutants into navigable waters. Violations of these laws may result in civil and criminal penalties, fines, injunctions and other sanctions. Compliance with the existing governmental regulations that have been enacted or adopted regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment has not had, nor is expected to have, a material effect on us. Environmental laws and regulations are subject to change, however, and may impose increasingly strict requirements, and, as such, we cannot estimate the ultimate cost of complying with such potential changes to environmental laws and regulations.

As a means of managing and improving our environmental performance and compliance, we strive to adhere to standards set by the International Organization for Standardization (ISO), an international standard-setting body, which produces worldwide industrial and commercial standards. The environmental management system used by our company has been certified in accordance with ISO 14001 in several locations in which we operate, the environmental management standard that was developed to help organizations manage the environmental impacts of their processes, products and services.

International Environmental Regulations

The principal international convention governing marine pollution prevention and response is MARPOL, which contains requirements designed to prevent and minimize both accidental and operational pollution by oil, sewage, garbage and air emissions and the provision of facilities at ports and terminals for the reception of sewage and sets forth specific requirements related to vessel operations, equipment, recordkeeping and reporting that are designed to prevent and minimize pollution. Certain jurisdictions have not adopted all MARPOL annexes but have established various national, regional or local laws and regulations that apply to these areas.

Furthermore, Annex VI of MARPOL addresses air emissions, including emissions of sulfur oxides (SOx), nitrogen oxides (NOx), particulate matter and greenhouse gases (GHG) emissions, and requires the use of low sulfur fuels worldwide in both auxiliary and main propulsion diesel engines on vessels. The IMO Organization designates the waters off North America as an Emission Control Area, meaning that vessels operating in the U.S. must use fuel with a sulfur content no greater than 0.1%. Directives have been issued designed to reduce the emission of SOx and NOx. These can impact both the fuel and the engines that may be used onboard vessels. For further discussion of regulatory risks related to climate change see “Environmental, Social and Governance” discussion below and “Risk Factors” in Item 1A of this Annual Report on Form 10-K (Form 10-K).

In 2023, IMO adopted its 2023 Strategy on Reduction of GHG Emissions from Ships (IMO Strategy) that would require international shipping to reduce total greenhouse gas emissions on a well-to-wake basis to net zero by or around 2050. In addition, the framework introduces checkpoints in 2030 and 2040 that seek reductions in the absolute greenhouse gas emissions from international shipping by at least 20% and 70%, respectively, compared to 2008. The IMO Strategy includes a range of measures planned for implementation in 2027, including fuel standards and market-based measures that could result in changes to itineraries or increased compliance related costs for which the impact is uncertain and may individually and collectively have a material impact on our profitability.

Additionally, the EU has adopted a broad range of substantial environmental measures aimed at improving the quality of the environment. To support the implementation and enforcement of European environmental legislation, the EU has adopted directives on environmental liability and enforcement and a recommendation providing for minimum criteria for environmental inspections, including the EU's Corporate Sustainability Reporting Directive (CSRD).

In addition, the European Commission's (EC) has implemented regulations aimed at reducing GHG emissions from maritime shipping through a Monitoring, Reporting and Verification regulation, which involves collecting emissions data from certain vessels, including effective January 1, 2025, OSVs over 400 gross tons to monitor and report GHG emissions on all voyages to, from and between European Union ports.

From time to time, we are also involved in various legal proceedings that relate to other environmental matters. The amount of ultimate liability, if any, with respect to these proceedings is not expected to have a material adverse effect on our financial

position, results of operations, or cash flows. We are proactive in establishing policies and operating procedures for safeguarding the environment against any hazardous materials aboard our vessels and at shore-based locations.

The Oil Pollution Act of 1990 also requires owners and operators of vessels over 300 gross tons to provide the USCG with evidence of financial responsibility to cover the cost of cleaning up oil spills from those vessels. Several foreign jurisdictions also require us to present satisfactory evidence of financial responsibility. We generally satisfy these requirements through appropriate insurance coverage, as discussed below in “Risk Management.”

Moreover, environmental laws and regulations can affect the resale value or significantly reduce the useful lives of our vessels, require a reduction in carrying capacity, ship modifications or operational changes or restrictions (and related increased operating costs) or retirement of service, lead to decreased availability or higher cost of insurance coverage for environmental matters or result in the denial of access to, or detention in, certain jurisdictional waters or ports. Whenever possible, hazardous materials are maintained or transferred in confined areas to ensure containment if accidents were to occur. In addition, we have established operating policies intended to increase awareness of actions that may harm the environment, including being committed to responsible ship recycling in accordance with the 2009 Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships and the EU Ship Recycling Regulation.

U.S. Federal and State Environmental Regulations

Our operations in the US are subject to a wide range of federal, state and local governmental regulatory agencies, including the USCG, the U.S. Environmental Protection Agency (EPA), the U.S. Department of Transportation’s Office of Pipeline Safety, and the U.S. Bureau of Safety and Environmental Enforcement.

At this time, little uniformity exists among the regulations issued by these agencies, which increases our compliance costs and risk of non-compliance. Existing U.S. environmental laws and regulations to which we are subject include, but are not limited to:

- the Clean Air Act, which restricts the emission of air pollutants from many sources and imposes various preconstruction, operational, monitoring and reporting requirements, and that the EPA has relied upon as the authority for adopting climate change regulatory initiatives relating to greenhouse gas emissions;
- the Clean Water Act, which regulates discharges of pollutants from facilities to state and federal waters and establishes the extent to which waterways are subject to federal jurisdiction and rulemaking as protected waters of the U.S.;
- the Oil Pollution Act of 1990, which subjects owners and operators of vessels, onshore facilities, and pipelines, as well as lessees or permittees of areas in which offshore facilities are located, to liability for removal costs and damages arising from an oil spill in waters of the U.S.;
- the Comprehensive Environmental Response, Compensation and Liability Act of 1980, which imposes liability on generators, transporters, and arrangers of hazardous substances at sites where hazardous substance releases have occurred or are threatening to occur; and
- U.S. Department of the Interior regulations, which govern oil and gas operations on federal lands and waters and impose obligations for establishing financial assurances for decommissioning activities, liabilities for pollution cleanup costs resulting from operations, and potential liabilities for pollution damages.

In addition to governmental regulation, many offshore oil and gas producers have developed strict due diligence processes for selecting their suppliers out of concerns for the environmental impact of their operations. Our failure to maintain any of our vessels to the standards required by the industry could put us in breach of the applicable charter agreement and lead to termination of such agreement. Should we not be able to successfully clear such risk assessment processes initially or on an ongoing basis, the future and ongoing employment of our vessels could be adversely affected.

Maritime Regulations – Health

As described above, certain of the international jurisdictions in which we operate have ratified the MLC, which establishes minimum requirements for working conditions of seafarers, including conditions of employment, hours of work and rest, grievance and complaints procedures, accommodations, recreational facilities, food and catering, health protection, medical care, welfare and social security protection. Although the U.S. is not a party to the MLC, U.S. flagged vessels operating internationally must comply with the MLC when calling on a port in a country that is a party to the MLC.

In the U.S., we are subject to the Occupational Safety and Health Act (OSHA) and other similar laws and regulations, which establish workplace standards for the protection of the health and safety of employees, including the implementation of hazard communications programs designed to inform employees about hazardous substances in the workplace, potential harmful effects of these substances, and appropriate control measures.

Maritime Regulations – Labor

The International Labour Organization's Maritime Labour Convention, 2006 (MLC) mandates globally, among other things, seafarer living and working conditions (accommodations, wages, conditions of employment, health and other benefits) aboard ships that are engaged in commercial activities. Since its initial entry into force on August 20, 2013, 90 countries have ratified the MLC. The International Labor Organization develops and oversees international labor standards and includes a broad range of requirements, such as the definition of a seafarer, minimum age of seafarers, medical certificates, recruitment practices, training, repatriation, food, recreational facilities, health and welfare, hours of work and rest, accommodations, payment of wages and entitlements.

The STCW, as amended, establishes additional minimum standards relating to training, including security training, certification and watchkeeping for our seafarers.

Other Governmental Regulations

We are subject to various U.S. federal, state and local statutes and regulations governing the ownership, operation and maintenance of vessels. Our U.S. flagged vessels are subject to the jurisdiction of the U.S. Coast Guard (USCG), the U.S. Customs and Border Protection, and the U.S. Maritime Administration.

Our vessel operations in the U.S. Gulf are considered coastwise trade. U.S. law requires that vessels engaged in the U.S. coastwise trade must be built in the U.S. and registered under U.S. flag. In addition, once a U.S. built vessel is registered under a non-U.S. flag, it cannot thereafter engage in U.S. coastwise trade. Therefore, our non-U.S. flagged vessels must operate outside of the U.S. coastwise trade zone. Of the total 211 vessels that we owned at December 31, 2024, 203 vessels were registered under flags other than the U.S. and eight were registered under the U.S. flag.

Under the citizenship provisions of the Jones Act, we would not be permitted to engage in the U.S. coastwise trade if more than 25% of our outstanding shares of common stock are owned by non-U.S. Citizens (as defined by the Jones Act). For a company engaged in the U.S. coastwise trade to be deemed a U.S. citizen: (i) it must be organized under the laws of the U.S. or of a state, territory or possession thereof; (ii) each of the chief executive officer and the chairman of the board of directors of such corporation must be a U.S. citizen; (iii) no more than a minority of the number of directors of such corporation necessary to constitute a quorum for the transaction of business can be non-U.S. Citizens; and (iv) at least 75% of the interest in such corporation must be owned by U.S. citizens. We have a dual stock certificate system to protect against non-U.S. Citizens owning more than 25% of our common stock. In addition, our certificate of incorporation (as amended) provides us with certain remedies with respect to any transfer or purported transfer of shares of our common stock that would result in the ownership by non-U.S. Citizens of more than 24% of our common stock. Based on the latest information available to us, we believe less than 24% of our outstanding common stock was owned by non-U.S. Citizens as of December 31, 2024.

Risk Management

The operation of any marine vessel involves an inherent risk of marine losses (including physical damage to the vessel) attributable to adverse sea and weather conditions, mechanical failure and collisions. In addition, the nature of our operations exposes us to the potential risks of damage to and loss of drilling rigs and production facilities, hostile activities attributable to war, sabotage, piracy and terrorism, as well as business interruption due to political action or inaction, including nationalization of assets by foreign governments. Any such event may lead to a reduction in revenues, increased costs or reputational harm. Our vessels are generally insured for their estimated market value against damage or loss, including war, acts of terrorism and pollution risks, but we do not directly or fully insure for business interruption. We also carry workers' compensation, maritime employer's liability, director and officer liability, cybersecurity, general liability (including third party pollution) and other insurance customary in the industry. All insurance policies we have purchased are subject to specific conditions, limitations and exclusions, including retention amounts for which we are responsible for payment.

The continued threat of terrorist activity and other acts of war or hostility have significantly increased the risk of political, economic and social instability in some of the geographic areas in which we operate. Further acts of terrorism may be directed against the U.S. or U.S. citizens domestically or abroad, and such acts of terrorism could be directed against properties and personnel of U.S. headquartered companies such as ours.

The resulting economic, political and social uncertainties, including the potential for future terrorist acts and war, could cause the premiums charged for our insurance coverage to increase. We currently maintain war risk coverage on our entire fleet.

We seek to secure appropriate insurance coverage at competitive rates. We carefully monitor claims and actively participate in claims estimates and adjustments. We believe that our insurance coverage is adequate. To date, we have not experienced an insured loss in excess of our policy limits; however, we cannot provide any assurance that our liability coverage will be adequate to cover claims that may arise. While we believe we should be able to maintain adequate insurance at rates considered commercially acceptable, we cannot guarantee that such insurance will continue to be available at commercially acceptable rates given the markets in which we operate. For further discussion of our risks see “Risk Factors” in Item 1A of this Form 10-K.

Sustainability

We believe sustainability in the energy industry requires a balanced and diversified approach in both traditional energy sources and lower-emission solutions throughout the energy transition. We also believe our oil and gas customers are dedicated to strengthening energy security and the supply of reliable energy while also decreasing greenhouse gas emissions. These beliefs drive our sustainability strategy and commitment to being a sustainable, resilient and responsible company with environmental, social, and governance (ESG) principles as a cornerstone of our corporate mission.

Our sustainability commitments include our formal participation in the UN Global Compact (UNGC) and our commitment to the UNGC's Ten Principles including human rights, labor, environment, and anti-corruption, as well as the UNGC's Sustainable Development Goals.

In March 2024, we published our latest sustainability report (Sustainability Report) for the year ended December 31, 2023, which can be found on our website at www.tdw.com and includes disclosures in accordance with the Taskforce on Climate-Related Financial Disclosures (TCFD), the 2021 Global Reporting Initiative (GRI) reporting standards, and the 2018 Sustainability Accounting Standards Board (SASB) for Marine Transportation. Information contained on or connected to our website is not incorporated by reference into this Form 10-K and should not be considered part of this Form 10-K or any other filing we make with the SEC.

Environmental Responsibility

We strive to deliver services in a manner that minimizes the impact of our business on the environment. We continuously monitor our operations and seek innovative ways to enhance our ability to meet our objectives. We maintain a global Environmental Management System (EMS) standard, aligned to ISO 14001, that we use for our vessels and offices. The EMS provides a framework to consistently manage our worldwide operations in an environmentally responsible manner and monitor our performance. Within this framework, we regularly assess the environmental impact of operations, including the monitoring of fuel consumption, operational discharges and waste.

We are dedicated to proactively disclosing our environmental impact, including our progress toward reducing our carbon footprint and our initiatives to support more environmentally friendly energy sources, on an annual basis in our Sustainability Report. We believe that throughout the energy transition and for years beyond, oil and gas will continue to be an important source of energy, and our long-term success depends on our ability to effectively navigate and participate in the energy transition while also supporting the oil and gas industry.

Social

Employees and Labor Relations

As of December 31, 2024, we had a global workforce of approximately 7,700 individuals worldwide with most of our workforce operating internationally in more than 30 countries. This diversity of global perspectives makes our Company stronger, more resilient and more responsive to our global customers. We respect the labor rights of all individuals in our workforce, including the right to collective bargaining. Although we are not a party to any union contract in the U.S., we are subject to union agreements covering local nationals in several foreign regions, most heavily in Australia and the North Sea with our United Kingdom (U.K.) and Norwegian mariners.

Culture and Human Capital Management

Our employees and our culture are critical to our long-term success. Our senior leadership team believes in and promotes Tidewater's culture through our "7 Cs":

- Capability
- Collaboration
- Commitment
- Communication
- Compassion
- Compliance
- Courage

We strive to create an environment where our colleagues feel respected, valued, and can contribute to their fullest potential. As a global company with operations on every continent except Antarctica, we leverage technology to promote online collaborative workspaces to bring our colleagues together across multiple time zones and geographies and to create a global sense of community.

We also recognize and embrace the concept that the variety of gender, race, ethnicity, age, sexual orientation, gender identity, ability, cultural background, religion, and veteran status in our team members maximizes the performance, growth and sustainability of our business. We strive to cultivate a culture and vision that supports and enhances our ability to recruit, develop and retain talent at every level and in every operating theater. We are an equal opportunity employer, and comply with applicable employment, labor and immigration requirements in countries where we operate.

Compensation, Benefits and Development

We strive to pay for performance and support our employees' wellbeing, as well as the wellbeing of their families, by offering flexible and competitive benefits tailored by location to meet the specific needs of our staff. We assess our total compensation and benefits programs through benchmarking with industry peers and local markets. We strive to ensure that our compensation programs are fair and equitable for all employees. Healthcare plans and life insurance are offered in most locations along with various leaves of absence options for certain quality-of-life needs, including family care. In addition to standard health and welfare benefits, we offer wellness incentives and initiatives that encourages employees to receive an annual wellness checkup. We also continue to assess and provide programs that support our employees' work arrangements such as flexible schedules, hybrid work, remote work, and other options.

We empower and financially support our employees to follow their passion for personal knowledge, job related skills, development, and the domain expertise needed for professional and personal growth. We focus on continuous improvement, including investing in tools and programs to develop our workforce. We provide various offshore training formats designed to encompass all learning styles through on-the-job, e-learning, customer-specific training, certifications, and other licensing programs.

In addition, the Company facilitates many training courses that cover a range of topics that enhance specific skill sets, increase productivity, and educate employees about safety. Training classes include environmental, health, and safety classes, compliance, and leadership related courses. Compliance topics include anti-corruption and human rights training, cybersecurity awareness, business ethics, compliance, and promoting a respectful culture.

Health & Safety

We maintain a health and safety culture grounded on the premise of eliminating workplace incidents, risks and hazards. We are committed to protecting and ensuring the safety of our employees, customers and any person associated with our business or operations. Our principal operations occur in offshore waters where the workplace environment presents many safety challenges, and our management, to the most senior level, is fully committed to creating and maintaining a safe and healthy working environment, ensuring safety at sea and the prevention of human injury and loss of life. We have adopted and implemented various health and safety policies and programs, which have been developed for the onshore and offshore management of vessels in compliance with all applicable rules and regulations, including applicable international and flag state legislation.

In addition, our leaders communicate frequently with company personnel to promote safety and instill safe work habits using company media directed at, and regular training of, both our seamen and shore-based personnel. Our Health, Safety, Environment and Security (HSE) organization is involved in numerous proactive efforts to prevent accidents and injuries from occurring, and reviews, with our senior leaders all incidents that occur, focusing on lessons that can be learned from such incidents and opportunities to incorporate such lessons into our on-going safety-related training. We believe all employees, regardless of rank or position, including any contractor or other third-party person employed, are empowered to utilize Stop Work Obligation anytime they feel safety may be compromised, without any repercussions.

We use and disclose on our website and in our annual Sustainability Report leading safety indicators, such as near-miss events and HSE training activities, and lagging safety indicators, such as Total Recordable Case Frequency and Lost Time Incident Frequency, to monitor the performance of our health and safety programs.

Governance

Our Board believes the primary purpose of corporate governance is to maximize stockholder value in a manner consistent with legal requirements while operating with the highest standards of integrity. The Board has adopted and adheres to corporate governance practices, which the Board and management believe promote this purpose and represent best practices. The Board periodically reviews these governance practices, applicable law, the rules and listing standards of the New York Stock Exchange (NYSE) and SEC regulations, as well as best practices suggested by recognized governance authorities.

Our Audit Committee oversees our ethics program and enterprise risk management process, such as our cybersecurity, data privacy, ethics and compliance reporting. Our Compensation & Human Capital Committee oversees our human capital management efforts, such as our employee compensation and benefits policies and programs. Our Nominating & Corporate Governance Committee oversees our corporate governance matters, such as stockholder relations, and our compliance and regulatory programs. Our Safety & Sustainability Committee oversees our safety policies, procedures, metrics and incidents as well as our sustainability strategy.

For further discussion of environmental and other sustainability risks and considerations see “Risk Factors” in Item 1A and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Item 7 of this Form 10-K.

Reporting Segments

We manage our business through five segments including the Americas, Asia Pacific, Middle East, Europe/Mediterranean, and West Africa.

Corporate Information

Tidewater was founded in 1956 and is incorporated under the laws of the State of Delaware. Our worldwide headquarters and principal executive offices are located at 842 West Sam Houston Parkway North, Suite 400, Houston, Texas 77024.

Available Information

Tidewater maintains a website at www.tdw.com. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy statements and Forms 3, 4 and 5 filed on behalf of directors and executive officers, and any amendments to each of those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (Exchange Act), are made available free of charge through our website as soon as reasonably practicable after each is electronically filed with, or furnished to, the SEC. Alternatively, the SEC maintains a website (www.sec.gov) that contains our reports, proxy and information statements, and our other SEC filings. Copies of our reports are also available, without charge, from Tidewater Investor Relations, 842 West Sam Houston Parkway North, Suite 400, Houston, Texas 77024.

In addition, you can access via our website Tidewater’s governing formation documents, Corporate Governance Guidelines, Code of Ethics and Business Conduct, charters of the standing committees of the Board, as well as other governing policies. Unless expressly noted, the information appearing on our website or any other website is not incorporated by reference into this Form 10-K and should not be considered part of this Form 10-K or any other filing Tidewater makes with the SEC.

FORWARD-LOOKING STATEMENTS

Certain of the statements included in this Form 10-K constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, which includes any statements that are not historical facts. Such statements often contain words such as “expect,” “believe,” “think,” “anticipate,” “predict,” “plan,” “assume,” “estimate,” “forecast,” “goal,” “target,” “projections,” “intend,” “should,” “will,” “shall” and other similar words. Forward-looking statements are made based on management’s current expectations and beliefs concerning future developments and their potential effects upon Tidewater Inc. and its subsidiaries. There can be no assurance that future developments affecting Tidewater Inc. and its subsidiaries will be those anticipated by management. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements, including, among others: fluctuations in worldwide energy demand and oil and gas prices; industry overcapacity; limited capital resources available to replenish our asset base as needed, including through acquisitions or vessel construction, and to fund our capital expenditure needs; uncertainty of global financial market conditions and potential constraints in accessing capital or credit if and when needed with favorable terms, if at all; changes in decisions and capital spending by customers in the energy industry and the industry expectations for offshore exploration, field development and production; consolidation of our customer base; loss of a major customer; changing customer demands for vessel specifications, which may make some of our older vessels technologically obsolete for certain customer projects or in certain markets; rapid technological changes; delays and other problems associated with vessel maintenance; the continued availability of qualified personnel and our ability to attract and retain them; the operating risks normally incident to our lines of business, including the potential impact of liquidated counterparties; our ability to comply with covenants in our indentures and other debt instruments; acts of terrorism and piracy; the impact of regional or global public health crises or pandemics; the impact of potential information technology, cybersecurity or data security breaches; uncertainty around the use and impacts of artificial intelligence (AI) applications; integration of acquired businesses and entry into new lines of business; disagreements with our joint venture partners; natural disasters or significant weather conditions; unsettled political conditions, war, civil unrest and governmental actions, such as expropriation or enforcement of customs or other laws that are not well developed or consistently enforced; the risks associated with our international operations, including local content, local currency or similar requirements especially in higher political risk countries where we operate; interest rate and foreign currency fluctuations; labor changes proposed by international conventions; increased regulatory burdens and oversight; changes in laws governing the taxation of foreign source income; retention of skilled workers; our participation in industry wide, multi-employer, defined pension plans; enforcement of laws related to the environment, labor and foreign corrupt practices; increased global concern, regulation and scrutiny regarding climate change; increased stockholder activism; the potential liability for remedial actions or assessments under existing or future environmental regulations or litigation; the effects of asserted and unasserted claims and the extent of available insurance coverage; the resolution of pending legal proceedings; and other risks and uncertainties detailed in this Form 10-K and other filings we make with the SEC. If one or more of these or other risks or uncertainties materialize (or the consequences of any such development changes), or should our underlying assumptions prove incorrect, actual results or outcomes may vary materially from those reflected in our forward-looking statements. Forward-looking and other statements in this Form 10-K regarding our environmental, social and other sustainability plans, goals or activities are not an indication that these statements are necessarily material to investors or required to be disclosed in our filings with the SEC. In addition, historical, current, and forward-looking environmental, social and sustainability-related statements may be based on standards still developing, internal controls and processes that we continue to evolve, and assumptions subject to change in the future. Statements in this Form 10-K are made as of the date of this filing, and Tidewater disclaims any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise. See “Risk Factors” included elsewhere in this Form 10-K for a discussion of certain risks relating to our business and investment in our securities.

In certain places in this Form 10-K, we may refer to reports published by third parties that purport to describe trends or developments in energy production and drilling and exploration activity and we specifically disclaim any responsibility for the accuracy and completeness of such information and have undertaken no steps to update or independently verify such information.

ITEM 1A. RISK FACTORS

The following discussion of risk factors contains forward-looking statements. These risk factors may be important to understanding other statements in this Form 10-K. The following information should be read in conjunction with Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the Consolidated Financial Statements and related notes in Part II, Item 8, “Financial Statements and Supplementary Data” of this Form 10-K.

Our business, financial condition and operating results can be affected by several factors, whether currently known or unknown, including but not limited to those described below. Any of these factors could, directly or indirectly, cause our actual financial condition and operating results to vary materially from those anticipated, projected or assumed in the forward-looking statements. Any of these factors, in whole or in part, could materially and adversely affect our business, prospects, financial condition, results of operations, cash flows and stock price. These could also be affected by additional factors that apply to all companies generally which are not specifically mentioned below.

Summary of Risk Factors

Below is a summary of some of the principal risks and uncertainties that could materially adversely affect our business, financial condition, results of operations and future prospects. You should read this summary together with the more detailed description of each risk factor contained below.

Risks Relating to Our Business and Industry

- Demand for our services is substantially dependent on the level of capital spending by our customers. Downturns in the oil and gas industry have often resulted in lower expenditures by our customers and reduced demand for our services, which in the past has, and in the future may have, material adverse effects on our financial condition, results of operations and cash flows.
- Factors associated with environmental, social and governance matters, including evolving and expanding regulations, varied and expansive scope of standards, rating criteria, our sustainability disclosures, and the perception and expectations of the public and our stakeholders could adversely affect our business, reputation, results of operations and financial position.
- At certain locations where we operate, an increased potential for seasonal weather events exists that could lead to limits or restrictions on our ability to operate, damage to our assets and equipment, liabilities or claims, operational delays for recovery and repair, impacts on customer and vendor contracts, regulatory fines and penalties, and uninsured losses, which could adversely affect our business.
- Failure to effectively and timely address the energy transition could adversely affect our business, results of operations and cash flows.
- As we implement our business strategy, we face risks associated with identifying acquisition targets, integrating any acquisitions or mergers and growing the business from the acquisition.
- We derive a significant amount of revenue from a relatively small number of customers.
- We may not be able to collect amounts owed to us by our customers.
- Our customer base has undergone consolidation and additional consolidation is possible.
- The high level of competition in the offshore marine service industry could negatively impact pricing for our services.
- The rise in production of oil and gas resources could increase supply without a commensurate growth in demand which could negatively impact oil and gas prices.
- Maintaining our current fleet and acquiring vessels required for additional future growth requires significant capital.
- We may not be able to renew or replace expiring contracts for our vessels.
- Early termination of contracts on our vessels could have an adverse effect on our operations and our backlog may not be converted to actual operating results for any future period.
- We may record impairment charges or other losses related to our vessels.
- We may not be able to sell vessels because we may be unable to locate buyers with access to financing or to complete any sales on acceptable terms or within a reasonable timeframe.
- An increase in vessel supply without a corresponding increase in the working offshore rig count could lead to a decline in the charter day rates we can charge and negatively impact our revenue.
- Our insurance coverage and contractual indemnity protections may not be sufficient to protect us under all circumstances or against all risks.

Risks Relating to Our International and Foreign Operations

- We operate in various regions throughout the world and are exposed to many risks inherent in doing business outside the U.S., including risks associated with foreign corrupt practices laws, acts of piracy, war, terrorist attacks and international hostilities.
- Disruptions or disagreements with our foreign joint venture partners could lead to an unwinding of the joint venture.
- Our international operations expose us to currency devaluation, exchange and conversion risk.

Risks Relating to Our Human Capital

- Failure to attract and retain qualified personnel could impede our operations.
- We may be subject to additional unionization efforts, new collective bargaining agreements or work stoppages.
- Our participation in industry-wide, multi-employer defined benefit pension plans expose us to potential future losses.
- Certain of our employees are covered by federal laws that may subject us to job-related claims in addition to those provided by state laws.

Risks Relating to Our Indebtedness

- We may not be able to generate sufficient cash flow to meet our debt service and other obligations.
- Restrictive covenants in our debt agreements may restrict our ability to raise capital, make distributions on our stock or pursue our other business strategies, which may have significant consequences for our operations and future prospects.
- We may not be able to obtain debt or equity financing if and when needed with favorable terms, if at all.

Risks Relating to Governmental Regulation

- With our extensive international operations, we are subject to certain compliance risks under the Foreign Corrupt Practices Act, the United Kingdom Bribery Act or similar worldwide anti-bribery laws.
- Changes to applicable laws or regulations, including any developing laws and regulations, may increase our compliance costs and operational risk.
- Changes and developments in U.S. and international tax laws and policies could adversely affect our financial results.
- Changes in environmental regulations and evolving environmental expectations may reduce demand for hydrocarbons, increase our compliance costs, harm our reputation and adversely affect our financial results.

Risks Relating to Information Technology and Cybersecurity

- Cybersecurity attacks on any of our vessels, facilities, or those of third parties, may result in potential liability or reputational damage or otherwise adversely affect our business.
- Artificial Intelligence presents risks and challenges that can impact our business.

Risks Relating to Our Securities

- Our common stock is subject to restrictions on foreign ownership and possible required divestiture by non-U.S. Citizen stockholders.
- The market price of our securities is subject to volatility.
- We do not currently pay cash dividends, so realizing a return on your investment depends on selling your common stock for a price greater than what you paid.
- Our ability to raise capital in the future may be limited, which could make us unable to fund our capital requirements.
- Certain provisions and limitations on foreign ownership in our organizational documents could delay or prevent a change of control.

- The issuance of stock-based awards may dilute our common stock.
- A limited trading market may exist for our New Creditor Warrants and GLF Creditor Warrants, making it difficult to trade or obtain quotations for these warrants.
- We may not be able to maintain a listing of our common stock on the NYSE.
- Activist stockholders could divert the attention of our management team and/or negatively affect our business.

General Risks Factors

- Uncertain economic conditions may lead our customers to postpone capital spending or jeopardize our customers' or other counterparties' ability to perform their obligations.
- Severe weather events, including extreme weather conditions associated with climate change, have in the past and may in the future adversely affect our operations and financial results.

Risk Factors

Risks Relating to Our Business and Industry

Demand for our services is substantially dependent on the level of capital spending by our customers. Downturns in the oil and gas industry have often resulted in lower expenditures by our customers and reduced demand for our services, which in the past has, and in the future may have, material adverse effects on our financial condition, results of operations and cash flows.

Demand for our services depends substantially on the capital spending of our customers for offshore exploration, development and production of oil and gas reserves. These expenditures are generally dependent on our customers' views of future demand for oil and gas and future oil and gas prices, as well as our customers' ability to access capital. In addition, the transition of the global energy sector from primarily a fossil fuel-based system to include more renewable energy sources could impact the allocation of our customers' capital expenditures to offshore oil and gas projects.

Fundamentally, the oil and gas industry is a commodity business impacted by changes in prices, which in turn depend on local, regional, and global events or conditions that affect supply and demand for oil and gas products. Actual or anticipated declines in oil and gas prices have often in the past resulted in lower capital expenditures, project modifications, delays or cancellations by our customers, which has historically led to lower demand for our services, delays in payment of, or nonpayment of, amounts that are owed to us. These effects have had, and in the future may have, material adverse effects on our financial condition, results of operations and cash flows.

Historically, oil and gas prices have experienced significant volatility and can be affected by a variety of factors, including:

- domestic and foreign supply of and demand for hydrocarbons, which are affected by general worldwide economic and business conditions;
- the cost of exploring for, developing, producing and delivering oil and gas;
- the level of oil and gas exploration and production activity;
- the level of excess production capacity;
- the level of oil and gas inventories;
- the price and quantity of imports of foreign oil and gas, including the ability or willingness of the Organization of Petroleum Exporting Countries (OPEC) and the expanded alliance known as OPEC+ to set, maintain or change production levels for oil;
- political and economic uncertainty and geopolitical unrest;
- the expected rates of decline in offshore production from existing and prospective wells and the discovery rates of new offshore oil and gas reserves;
- governmental laws, policies, regulations and subsidies, including initiatives to promote renewable energy sources;
- public pressure on, and legislative and regulatory interest within, federal, state and local governments to stop, significantly limit or regulate oil or gas production;
- extreme weather conditions, natural disasters, and global or regional public health crises, such as pandemics and epidemics, and other catastrophic events;
- incidents resulting from operating hazards inherent in offshore drilling, such as oil spills;
- political, military and economic instability and social unrest in or near oil and gas producing nations, including the impact of armed hostilities involving one or more oil and gas producing nations or nations near such oil and gas production;
- advances in exploration, development and production technologies or in technologies affecting energy consumption;
- the price and availability of, and public sentiment regarding, alternative fuel and energy sources;
- speculation as to the future price of oil and gas and the speculative trading of oil and gas futures contracts;
- uncertainty in capital and commodities markets; and
- domestic and foreign tax policies, including those regarding tariffs and duties.

The oil and gas industry has historically experienced periodic downturns, resulting in diminished demand for our services and downward pressure on the charter rates and prices that we are able to charge. Sustained market uncertainty can also result in lower demand for our services. Moreover, higher commodity prices will not necessarily translate into increased demand for offshore support services or sustained higher pricing for offshore support vessel services, in part because customer demand is often driven by capital expenditure programs focused on future commodity price expectations and not solely on current prices, along with customer opportunities to invest in onshore conventional and unconventional oil and gas production.

Many of our customers' capital expenditure programs are lower than expected given current commodity prices and supply and demand dynamics. The amounts previously allocated to capital expenditures have been re-allocated to several competing priorities, including returning capital to stockholders and investing in alternative energy sources. A significant industry downturn, sustained market uncertainty, or increased availability of economical alternative energy sources could reduce demand for our services, which could adversely affect our business, financial condition, results of operations, and cash flows.

Factors associated with environmental, social and governance matters, including evolving and expanding regulations, varied and expansive scope of standards, rating criteria, our sustainability disclosures, and the perception and expectations of the public and our stakeholders could adversely affect our business, reputation, results of operations and financial position.

Companies across all industries are facing increasing focus from certain regulators, investors, and other stakeholders related to environmental, social, and governance matters. We communicate our sustainability performance, initiatives, goals and other matters in our annual Sustainability Report. Any sustainability-related initiatives could be difficult to achieve and costly to implement, and we may be unable to economically develop or deploy technologies to achieve our goals, if at all. In addition, we could be criticized for the timing, scope or nature of these initiatives or goals, or for any revisions to them. The standards for tracking and reporting on climate-related and other sustainability matters are relatively new, have not been harmonized and continue to evolve. Further, historical, current and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve and definitions, assumptions, data sources and estimates or measurements that are subject to change in the future, including through rulemaking or guidance. There are multiple proposed or recently adopted changes to various GHG reporting regulations and protocols, including from the GHG Protocol, the European Union (EU) Corporate Sustainability Reporting Directive and the standards of the International Sustainability Standards Board. As the nature, scope and complexity of sustainability reporting, calculation methodologies, voluntary reporting standards and disclosure requirements expand and change, we will likely incur additional costs to control, assess, report and assure our sustainability performance. We could also be penalized or criticized for the accuracy, adequacy, or completeness of such disclosures. Our actual or perceived failure to report accurately or achieve our sustainability-related initiatives or goals could negatively impact our reputation, result in ESG-focused investors not purchasing and holding our stock, or otherwise materially harm our business.

There also have been efforts in the investment community, including investment advisers, financial institutions and certain sovereign wealth, pension and endowment funds, as well as political actors and other stakeholders, promoting divestment of fossil fuel equities, reducing access to capital markets and pressuring lenders to limit funding or increase the cost of lending to companies in the fossil fuel industry. Additionally, institutional lenders who provide financing to oil and gas companies have become more attentive to sustainable lending practices, and some of them may substantially reduce, or elect not to provide, funding for oil and gas companies. Customers also may evaluate our sustainability practices or require that we adopt certain sustainability policies as a condition of awarding contracts. Such environmental initiatives aimed at limiting climate change and reducing air emissions or use of natural resources generally could adversely affect our business activities, operations and ability to access capital, cause the market value of our securities to decrease or our cost of capital to increase, and adversely affect our reputation. At the same time, stakeholders and regulators have increasingly expressed or pursued divergent and evolving views, legislation and investment expectations with respect to sustainability, including the enactment or proposal of “anti-ESG” legislation or policies. We may also face negative impacts from consumers who do not support climate-related initiatives or concerns.

Finally, increasing attention to climate change risks has resulted in an increased possibility of government investigations or claims and additional private litigation against companies in the oil and gas industry. Further, the increasing attention on climate change and other sustainability matters has resulted in governmental investigations, and public and private litigation, which could increase our costs or otherwise adversely affect our business or results of operations. For example, the Paris Climate Accord, the Kyoto Protocol, the European Union Emission Trading System, the United Kingdom’s Carbon Reduction Commitment, the International Maritime Organization’s MARPOL Annex VI amendments, and, in the U.S., the Regional Greenhouse Gas Initiative, the Western Regional Climate Action Initiative, and other various state programs, may require, or could result in future legislation and regulatory measures that require significant equipment and fleet modifications, operational changes, taxes, or purchase of emission credits to reduce emission of greenhouse gases from our operations, which may result in substantial capital expenditures and compliance, operating, maintenance and remediation costs. In addition, government and private parties have increasingly filed lawsuits or initiated regulatory action alleging misrepresentation regarding climate change, sustainability and other related matters and practices or a failure or lack of diligence to meet sustainability or climate-related goals. Such legislation and lawsuits present a high degree of uncertainty regarding the extent to which energy companies face an increased risk of liability stemming from climate change or sustainability disclosures and practices.

At certain locations where we operate, an increased potential for seasonal weather events exists that could lead to limits or restrictions on our ability to operate, damage to our assets and equipment, liabilities or claims, operational delays for recovery and repair, impacts on customer and vendor contracts, regulatory fines and penalties, and uninsured losses, which could adversely affect our business.

Certain areas of the world where we operate, such as the US Gulf, the Caribbean, the North Sea, and Asia Pacific, experience significant weather events, typically on a seasonal basis, manifesting as an unnamed wind event or of a magnitude that places it in a category of tropical cyclone, hurricane, typhoon, or extratropical cyclone. While such weather events are tracked, the actual course, speed, and/or severity of any one event could ultimately be unexpected and lead to an unanticipated encounter and/or impact, exposing our assets and personnel to extreme wind and sea conditions that could result in limits or restrictions on our ability to operate, injuries or loss of life, damage to or a loss of our assets and equipment, liabilities or claims, operational delays for recovery and repair, impacts on customer and vendor contracts, regulatory fines and penalties, and/or uninsured losses, which could adversely affect our business and financial performance. Moreover, a potential result of climate change is more frequent or more severe weather events. To the extent such weather events become more frequent or more severe, the risks associated with severe weather events could intensify.

Failure to effectively and timely address the energy transition could adversely affect our business, results of operations and cash flows.

Our long-term success depends on our ability to effectively navigate the energy transition, which will require adapting our vessels and technology portfolio to potentially changing government requirements and customer preferences, as well as engaging with our customers to develop solutions to support their oil and gas operations through this transition. If the energy transition landscape progresses faster or differently than anticipated, demand for our services could be adversely affected. Furthermore, if we fail or are perceived to not effectively implement an energy transition strategy, or if investors or financial institutions shift funding away from companies in fossil fuel-related industries, our results of operations, liquidity and access to capital or the market for our securities could be adversely impacted.

As we implement our business strategy, we face risks associated with identifying acquisition targets, integrating any acquisitions or mergers and growing the business from the acquisition, including our ability to finance any such acquisitions.

Mergers and acquisitions have historically been and continue to be a key element of our business strategy. The success of this strategy is dependent upon our ability to identify appropriate acquisition targets, negotiate transactions on favorable terms, finance transactions, complete transactions, and successfully integrate them into our existing business. Subject to the terms of our indebtedness, we may finance future acquisitions with cash from operations, additional indebtedness, and/or by issuing additional equity or debt securities. In addition, we could face financial risks associated with incurring additional indebtedness such as reducing our liquidity, limiting our access to financing markets, and increasing the amount of service on our debt. Such additional debt service requirements may impose a significant burden on our results of operations and financial condition, and any equity issuance could have a dilutive impact on our stockholders. See “Risks Related to Our Indebtedness” below. We cannot be certain that we will be able to successfully consolidate the operations and assets of any acquired business with our own business. Acquisitions may not perform as expected.

These types of significant transactions may present other material risks and uncertainties, including distraction of management from current operations, insufficient revenue to offset liabilities assumed, potential loss of significant revenue and income streams, unexpected expenses, inadequate return of capital, regulatory or compliance issues, triggering of certain covenants in our debt instruments and other unidentified issues not discovered in due diligence. In addition, valuations supporting our acquisitions and strategic investments could change rapidly with changes in the global economic climate. There can be no assurance that we will realize the anticipated synergies or cost savings related to acquisitions, including, but not limited to, revenue growth and operational efficiencies, within our estimated timeframe or at all. We may not be able to successfully integrate and streamline overlapping functions from future acquisitions, and integration may be more costly to accomplish than we expect. Moreover, our management may not be able to effectively manage a substantially larger business or successfully operate a new line of business. Failure to manage these acquisition and business integration risks could materially and adversely affect our business, results of operations and financial condition.

We derive a significant amount of revenue from a relatively small number of customers.

Our top ten largest customers account for a significant percentage of our total revenues. While it is normal for our customer base to change over time as our time charter contracts expire and are replaced, our results of operations, financial condition and cash flows could be materially adversely affected if one or more of these customers were to (i) interrupt or curtail their

activities generally or with us, (ii) terminate their contracts with us, (iii) fail to renew existing contracts with us, or (iv) refuse to award us new contracts.

We may not be able to collect amounts owed to us by our customers.

We typically grant our customers credit on a short-term basis and do not typically collateralize receivables due from customers. In addition, a few of our international customers are state-controlled and, as a result, our receivables may be subject to local political priorities out of our control. We estimate uncollectible accounts based primarily on our judgment using historical losses, current economic conditions and individual evaluations of each customer as evidence supporting the receivables valuations stated on our financial statements. However, our estimates may not be accurate and receivables due from customers reflected in our financial statements may not be paid in a timely manner or collectible. The inability or unwillingness of our customers to fulfill their contractual commitments to us may have a material adverse effect on our current and future business, financial position, results of operations, and cash flows.

Our customer base has undergone consolidation and additional consolidation is possible.

Consolidation is common in the oil and gas industry and likely to continue in the future. Consolidation reduces the number of potential customers that may need our services, and may negatively affect exploration, development and production activity as consolidated companies focus, at least initially, on increasing efficiency and reducing costs and may delay or abandon exploration activity with less promise. Such activity could adversely affect demand for our offshore services.

The high level of competition in the offshore marine service industry could negatively impact pricing for our services.

We operate in a highly competitive industry, which could depress charter and utilization rates and adversely affect our financial performance. We compete for business with our competitors based on price; reputation for quality service; quality, suitability and technical capabilities of our vessels; availability of vessels; safety and efficiency; cost of mobilizing vessels between markets; and national flag preference.

In addition, competition in international markets may be adversely affected by regulations requiring, among other things, local construction, flagging, ownership or control of vessels, the awarding of contracts to local contractors, the employment of local citizens and/or the purchase of supplies from local vendors.

The rise in production of oil and gas resources could increase supply without a commensurate growth in demand which could negatively impact oil and gas prices.

The rise in production of oil and gas resources in North America, and the commissioning of several new large Liquefied Natural Gas (LNG) export facilities around the world have in the past and could in the future result in over-supplied oil and gas market. Production has increased as drilling efficiencies have improved, lowering the costs of extraction.

Prolonged increases in the worldwide supply of oil and gas without a commensurate growth in demand for oil and gas may depress oil and gas prices. A prolonged period of low oil and gas prices would likely have a negative impact on development plans of exploration and production companies, which in turn, may result in a decrease in demand for our offshore support vessel services.

Maintaining our current fleet size and configuration and acquiring vessels required for additional future growth requires significant capital.

Expenditures required for the repair, certification and maintenance of a vessel, some of which may be unplanned, typically increase with vessel age and because of inflationary pressures, particularly in an active market. Additionally, stacked vessels are not maintained with the same diligence as our marketed fleet. Depending on the length of time the vessels are stacked, we may incur additional costs to return these vessels to active service.

These costs are difficult to estimate and may be substantial. These expenditures may increase to a level at which they are not economically justifiable and, therefore, to maintain our current fleet size we may seek to construct or acquire additional vessels. Also, customers may prefer modern vessels over older vessels, especially in weaker markets. The cost of repairing and/or upgrading existing vessels or adding a new vessel to our fleet can be substantial. Moreover, while our vessels are undergoing repair, upgrade or maintenance, they may not earn a day rate. Lastly, new laws and regulations related to climate change and the increased scrutiny of greenhouse gas emissions may require us to undertake upgrades or overhauls to our vessels and their power generation systems to ensure compliance, or to contract to build new vessels that conform to these specifications, which would require significant additional capital expenditures.

While we expect our cash on hand, cash flow from operations and borrowings under new debt facilities to be adequate to fund our future potential purchases of additional vessels, our ability to pay these amounts is dependent upon the success of our operations. We can give no assurance that we will have sufficient capital resources to build or acquire the vessels required to expand or to maintain our current fleet size and vessel configuration.

We may not be able to renew or replace expiring contracts for our vessels.

Our ability to renew or replace expiring contracts or obtain new contracts, and the terms of any such contracts, will depend on various factors, including market conditions and the specific needs of our customers. Given the highly competitive and historically cyclical nature of our industry, we may not be able to renew or replace the contracts or we may be required to renew or replace expiring contracts or obtain new contracts at rates that are below, and potentially substantially below, existing day rates, or that have terms that are less favorable to us than the terms of our existing contracts, or we may be unable to secure contracts for these vessels. This could have a material adverse effect on our financial condition, results of operations and cash flows.

Early termination of contracts on our vessels could have an adverse effect on our operations and our backlog may not be converted to actual operating results for any future period.

Most of the long-term contracts for our vessels and many of our contracts with governmental entities and national oil companies contain early termination options in favor of the customer, in some cases permitting termination for any reason. Although some of these contracts have early termination remedies in our favor or other provisions designed to discourage early termination, we cannot assure you that our customers would not choose to exercise their termination rights despite such remedies or the threat of litigation with us.

Moreover, many of the contracts for our vessels have a term of one year or less and can be terminated with 90 days or less notice. Unless such vessels can be placed under contract with other customers, any termination could temporarily disrupt our business or otherwise adversely affect our financial condition and results of operations. We might not be able to replace such business or replace it on economically equivalent terms. In those circumstances, the amount of backlog could be reduced and the conversion of backlog into revenue could be impaired.

Additionally, depressed commodity prices, adverse changes in credit markets, economic downturns, changes in strategy or other factors beyond our control cause our customers to seek to renegotiate the terms of our existing contracts, terminate our contracts without justification or repudiate or otherwise fail to perform their obligations under our contracts. In any case, an early termination of a contract may result in one or more of our vessels being idle for an extended period. Each of these results could have a material adverse effect on our financial condition, results of operations and cash flows.

We may record impairment charges or other losses related to our vessels.

We review the vessels in our active fleet for impairment whenever events occur or changes in circumstances indicate that the carrying value of an asset group may not be recoverable. We have realized impairment charges with respect to our long-lived assets over the past several years. If offshore oil and gas industry conditions deteriorate, we could be subject to additional long-lived asset impairments in future periods.

An impairment loss on our property and equipment exists when the estimated undiscounted cash flows expected to result from the use of the asset and its eventual disposition are less than its carrying amount. Any impairment loss recognized represents the excess of the asset's carrying value over the estimated fair value. As part of this analysis, we make assumptions and estimates regarding future market conditions. To the extent actual results do not meet our estimated assumptions, we may take an impairment loss in the future. Additionally, there can be no assurance that we will not have to take additional impairment charges in the future with depressed market conditions.

We may not be able to sell vessels because we may be unable to locate buyers with access to financing or to complete any sales on acceptable terms or within a reasonable timeframe.

From time to time, we may seek to sell some of our vessels for various reasons. Sufficient demand and market activity may not exist to sell our vessels, and we may not be able to identify buyers with access to financing or to complete any such sales. Even if we can locate appropriate buyers for our vessels, any sales may occur on significantly less favorable terms than the terms that might be available in a more liquid market or at other times in the business cycle.

An increase in vessel supply without a corresponding increase in the working offshore rig count could lead to a decline in the charter day rates we can charge and negatively impact our revenue.

Excess offshore support vessel capacity usually exerts downward pressure on charter day rates. Excess capacity can occur when newly constructed vessels enter the worldwide offshore support vessel market and when vessels migrate between markets. An increase in vessel capacity without a corresponding increase in the working offshore rig count could lead to a decline in the charter day rates we can charge and adversely affect our business, results of operations and financial condition. In addition, the provisions of U.S. shipping laws restricting engagement of U.S. coastwise trade to vessels controlled by U.S. citizens may from time to time be circumvented by foreign competitors that seek to engage in trade reserved for vessels controlled by U.S. citizens and otherwise qualifying for coastwise trade. A repeal, suspension or significant modification of U.S. shipping laws, or the administrative erosion of their benefits, permitting vessels that are either foreign-flagged, foreign-built, foreign-owned, foreign-controlled or foreign-operated to engage in the U.S. coastwise trade, could also result in excess vessel capacity and increased competition, especially for our vessels that operate in North America.

Our insurance coverage and contractual indemnity protections may not be sufficient to protect us under all circumstances or against all risks.

Our operations are subject to the hazards inherent in the offshore oilfield business. These include blowouts, explosions, fires, collisions, capsizings, sinkings, groundings and severe weather conditions. Some of these events could be the result of (or exacerbated by) mechanical failure or navigation or operational errors.

These hazards could result in personal injury and loss of life, severe damage to or destruction of property and equipment (including to the property and equipment of third parties), pollution or environmental damage and suspension of operations, increased costs and loss of business. Damages arising from such occurrences may result in lawsuits alleging large claims, and we may incur substantial liabilities or losses as a result of these hazards.

Although we carry what we consider to be prudent levels of liability insurance to address these hazards and generally our vessels are insured for their estimated market value against damage or loss, including war, terrorism acts and pollution risks, our insurance programs are subject to deductibles and certain exclusions, and our coverage may not be sufficient to protect us under all circumstances or against all risks. Further, while we believe we should be able to maintain adequate insurance in the future at rates considered commercially acceptable, we cannot guarantee that such insurance will continue to be available at commercially acceptable rates. We also seek to include in our contracts indemnity obligations that require customers or suppliers to hold us harmless from some of these risks. Our contracts, however, are individually negotiated, and the levels of indemnity and allocation of liabilities may vary depending on market conditions, particular customer requirements and other factors existing at the time a contract is negotiated. Additionally, the enforceability of indemnification provisions in our contracts may be limited or prohibited by applicable law or may not be enforced by courts having jurisdiction. The occurrence of a significant event not fully insured or indemnified against or the failure of a customer or supplier to meet its indemnification obligations to us could have a material adverse effect on our results of operations and financial condition and cash flows.

Risks Relating to Our International and Foreign Operations

We operate in various regions throughout the world and are exposed to many risks inherent in doing business outside the U.S., including risks associated with foreign corrupt practices laws, acts of piracy, war, terrorist attacks and international hostilities.

We have substantial operations in Brazil, Mexico, Guyana, the North Sea (including U.K. and Norway), Southeast Asia, Australia, Saudi Arabia, Egypt, Angola and throughout the west coast of Africa, which generate a large portion of our revenue. Our customary risks of operating internationally include, but are not limited to, political, military, social and economic instability within the host country; possible vessel seizures or expropriation of assets and other governmental actions by the host country, including trade or economic sanctions and enforcement of customs, immigration or other laws that are not well developed or consistently enforced; foreign government regulations that favor or require the awarding of contracts to local competitors; risks associated with failing to comply with the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Modern Slavery Act, the U.K. Bribery Act, the E.U. General Data Protection Regulation (GDPR), export laws and other similar laws applicable to our operations in international markets; an inability to recruit, retain or obtain work visas for workers of international operations; deprivation of contract rights; difficulties or delays in collecting customer and other accounts receivable; changing taxation policies; fluctuations in currency exchange rates; foreign currency revaluations and devaluations; restrictions on converting foreign currencies into U.S. dollars; expatriating customer and other payments made in jurisdictions outside of the U.S.; civil unrest, acts of terrorism, war or other armed conflict (further described below); and import/export quotas and restrictions or other trade barriers, most of which are beyond our control.

We are also subject to risks relating to war, sabotage, piracy, kidnappings and terrorism or any similar risk that may put our personnel at risk and adversely affect our operations in unpredictable ways, including changes in the insurance markets as a result of war, sabotage, piracy or kidnappings, disruptions of fuel supplies and markets, particularly oil, and the possibility that infrastructure facilities, including pipelines, production facilities, refineries, electric generation, transmission and distribution facilities, offshore rigs and vessels, and communications infrastructures, could be direct targets of, or indirect casualties of, an act of war, piracy, sabotage or terrorism. War or risk of war or any such attack, such as the current conflict in Ukraine, and the international response to such events may also have an adverse effect on the economy, which could adversely affect activity in offshore oil and gas exploration, development and production and the demand for our services. Insurance coverage can be difficult to obtain in areas of pirate, terrorist or other hostile attacks resulting in increased costs that could continue to increase. We periodically evaluate the need to maintain this insurance coverage as it applies to our fleet. Instability in the financial markets as a result of war, sabotage, piracy, and terrorism, as well as the international response to such events such as trade and investment sanctions, could also adversely affect our ability to raise capital and could also adversely affect the oil, gas and power industries and restrict their future growth. The increase in the level of these criminal or terrorist acts, war and international hostilities over the last several years has been well-publicized. As a marine services company that operates in offshore, coastal or tidal waters in challenging areas, we are particularly vulnerable to these kinds of unlawful activities.

Although we take what we consider to be prudent measures to protect our personnel and assets in markets that present these risks, including solicitation of advice from third-party experts, we have confronted these kinds of incidents in the past, and there can be no assurance we will not be subjected to them in the future.

Disruptions or disagreements with our foreign joint venture partners, could lead to an unwinding of the joint venture.

We operate in several foreign areas through joint ventures with local companies, in some cases due to local laws requiring local company ownership. While the joint venture partner may provide local knowledge and experience, these joint ventures often limit our ability to control the assets and operations devoted to the joint venture, and occasions may arise when we do not agree with the business objectives of our joint venture partner, or other factors may arise that make continuing the relationship unwise or untenable. Any disagreement with our partner or discontinuation of the joint venture could disrupt the joint venture operations or put the joint venture assets at risk. If we are unable to resolve issues with a joint venture partner, we may decide to terminate the joint venture and either locate a different partner and continue to work in the area or seek opportunities for our assets in another market.

The unwinding of an existing joint venture could be challenging, and the loss of revenue related to the termination or unwinding of a joint venture and costs related to the sourcing of a new partner or the mobilization of assets to another market could adversely affect our financial condition, results of operations or cash flows.

Our international operations expose us to currency devaluation, exchange and conversion risk.

Our international operations are exposed to foreign currency exchange rate risks on all charter hire contracts denominated in foreign currencies. For some of our international contracts, a portion of the revenue and local expenses is incurred in local currencies, which subjects us to risk of changes in the exchange rates between the U.S. dollar and foreign currencies. In some instances, we receive payments in currencies that are not easily traded, difficult to convert into U.S. dollars or may be illiquid. We generally do not hedge against any foreign currency rate fluctuations associated with foreign currency contracts that arise in the normal course of business, which exposes us to the risk of exchange rate losses. Gains and losses from the revaluation of our monetary assets and liabilities denominated in currencies other than the U.S. dollar are included in our consolidated statements of operations. Foreign currency fluctuations may cause the U.S. dollar value of our non-U.S. results of operations and net assets to vary with exchange rate fluctuations. This could have a negative impact on our results of operations and financial position. In addition, fluctuations in currencies relative to currencies in which the earnings are generated may make it more difficult to perform period-to-period comparisons of our reported results of operations.

To minimize the financial impact of these items, we attempt to contract a significant majority of our services in U.S. dollars and, when feasible, we attempt to avoid maintaining large, non-U.S. dollar-denominated cash balances. In addition, we attempt to minimize the financial impact of these risks by matching the currency of our operating costs with the currency of revenue streams when considered appropriate. We actively monitor the currency exchange risks associated with our contracts not denominated in U.S. dollars.

Risks Related to Human Capital

Failure to attract and retain qualified personnel could impede our operations.

Our future success depends on our ability to recruit, train, retain and pay qualified personnel. We require highly-skilled personnel to operate our vessels and to provide our services. Competition for the personnel necessary for our business intensifies as offshore oil and gas exploration and production activity increases; technology evolves and customer demands change. In addition, our industry has lost a significant number of experienced professionals over the years due to its cyclical nature, which is attributable, among other reasons, to the volatility levels of oil and gas prices and a more generalized concern about the overall future prospects of the industry. As a result, in periods of high utilization, or in markets impacted by global and/or regional conflicts, such as the current conflicts in Europe and the Middle East, competition to find and retain qualified offshore employees becomes more challenging, particularly with respect to certain technical and engineering positions, including marine officers, which in turn increases our costs and may have other material adverse effects on our operations.

We cannot guarantee success in attracting and retaining qualified personnel to crew our vessels in the future. We have faced and may continue to face difficulties attracting, hiring and retaining highly-skilled personnel with appropriate qualifications and may not be able to fill open positions. To attract top talent, we have had to offer, and believe we will need to continue to offer, attractive compensation and benefits packages before we can validate the productivity of those employees. As we experience increased demand for our services, we may increase, and expect to continue to increase, our employee compensation levels in response to competition, as necessary. In addition, the pressures of inflation have increased our costs of labor over the past year or so and will likely continue to do so. Many of the companies with which we compete for personnel have greater financial and other resources than we do and may be able to absorb the increasing costs of labor more easily. If we fail to retain key personnel and hire, train and retain qualified employees, we may not be able to compete effectively and may have increased incident rates as well as regulatory and other compliance failures, which could have a material adverse effect on our business, financial position, results of operations and cash flows.

We may be subject to additional unionization efforts, new collective bargaining agreements or work stoppages.

In certain locations, we employ unionized workers subject to collective bargaining agreements that require periodic negotiation. These negotiations could result in higher personnel expenses, other increased costs, or increased operational restrictions. Disputes over the terms of these agreements or our potential inability to negotiate acceptable contracts with the unions that represent our employees under these agreements could result in strikes, work stoppages or other slowdowns by the affected workers. Further, efforts have been made from time to time to unionize other portions of our workforce, including our U.S. Gulf employees. Additional unionization efforts, new collective bargaining agreements or work stoppages could materially increase our costs and operating restrictions, disrupt our operations, reduce our revenues, adversely affect our business, financial condition and results of operations, or limit our flexibility.

Our participation in industry-wide, multi-employer, defined benefit pension plans expose us to potential future losses.

Certain of our subsidiaries are participating employers in two industry-wide, multi-employer defined benefit pension plans in the U.K. Among other risks associated with multi-employer plans, contributions and unfunded obligations of the multi-employer plan are shared by the plan participants. As a result, we may inherit unfunded obligations if other plan participants withdraw from the plan or cease to participate, and if we withdraw from participation in one or both plans, we may be required to pay the plan an amount based on our allocable share of the underfunded status of the plan. Depending on the results of future actuarial valuations, it is possible that the plans could experience further deficits that will require funding from us, which would negatively impact our financial position, results of operations and cash flows.

Certain of our employees are covered by federal laws that may subject us to job-related claims in addition to those provided by state laws.

Certain of our employees are covered by provisions of the Jones Act, the Death on the High Seas Act and general maritime law. These laws preempt state workers' compensation laws and permit these employees and their representatives to pursue actions against employers for job-related incidents in federal courts based on tort theories. Because we are not generally protected by the damage limits imposed by state workers' compensation statutes for these types of claims, we may have greater exposure for any claims made by these employees.

Risks Related to Our Indebtedness

We may not be able to generate sufficient cash flow to meet our debt service and other obligations.

Our ability to service our debts and to fund our operations depends on our ability to maintain sufficient cash flows. Our ability to generate cash in the future, to a large extent, is subject to conditions in the oil and gas industry, including commodity prices, demand for our services and the prices we can charge for our services, general economic and financial conditions, competition in the markets in which we operate, the impact of legislative and regulatory actions on how we conduct our business and other factors, all of which are beyond our control.

Lower levels of offshore exploration and development activity and spending by our customers globally directly and significantly have impacted, and may continue to impact, our financial performance, financial condition and financial outlook.

Restrictive covenants in our debt agreements may restrict our ability to raise capital, make distributions on our stock or pursue our other business strategies, which may have significant consequences for our operations and future prospects.

The terms for our 8.50% Senior Secured Bonds due in 2026, the Senior Secured Term Loan, 10.375% Senior Unsecured Notes due July 2028 and the Super Senior Revolving Credit Facility Agreement due in 2026 (the Credit Facility Agreement) contain certain restrictive covenants.

These covenants could have important consequences for our strategy and operations, including:

- limiting our ability to incur indebtedness to provide funds for investments or capital expenditures, acquisitions, debt service requirements, general corporate purposes, dividends, and to make other distributions or repurchase or redeem our stock;
- restricting us from undertaking consolidations, mergers, sales, or other dispositions of all or substantially all our assets;
- requiring us to dedicate a substantial portion of our cash flow from operations to make required payments on indebtedness, thereby reducing the availability of cash flow for working capital, capital expenditures, such as investing in new vessels, and other general business activities;
- requiring that we pledge substantial collateral, including vessels, which may limit flexibility in operating our business and restrict our ability to sell assets;
- limiting management's flexibility in operating our business, including planning for, or reacting to, changes in our business and the industry in which we operate;
- diminishing our ability to withstand a downturn in our business or worsening of macroeconomic or industry conditions; and
- placing us at a competitive disadvantage against less leveraged competitors.

Our debt agreements impose certain financial covenants, including requirements to maintain minimum liquidity and consolidated equity amounts and an interest coverage ratio. If we fail to meet or comply with these financial covenants, it could result in a default under the debt agreements. If a default occurs and is continuing, the secured parties and the lenders under the debt agreements may elect to declare all borrowings thereunder outstanding, together with accrued interest and other fees, to be immediately due and payable. If we are unable to repay our indebtedness when due or declared due, the secured parties and the lenders under the debt agreements will also have the right to foreclose on the collateral pledged to them, including the vessels, to secure the indebtedness. If such indebtedness were to be accelerated, our assets may not be sufficient to repay in full our secured indebtedness. Please refer to Note (4) - "Debt" to our accompanying Consolidated Financial Statements for additional information on the debt agreements.

The restrictive covenants under our debt agreements, may limit our ability to take advantage of business opportunities. In addition, the restrictions contained in our debt agreements, including a substantial make whole premium applicable to a voluntary prepayment of obligations, may also limit our ability to plan for or react to market conditions, meet capital needs or otherwise restrict our activities or business plans and adversely affect our ability to finance our operations, refinance, enter into acquisitions, execute our business strategy, make capital expenditures, effectively compete with companies that are not similarly restricted or engage in other business activities that would be in our interest. In the future, we may also incur additional debt obligations that might subject us to additional and different restrictive covenants that could further affect our financial and operational flexibility. We cannot assure you that we will be granted waivers or amendments to these agreements if requested to obtain financial or operational flexibility or if for any reason we are unable to comply with these agreements, or that we will be able to refinance our debt on acceptable terms or at all.

We may not be able to obtain debt or equity financing if and when needed with favorable terms, if at all.

Our business and operations may consume cash more quickly than we anticipate, potentially impairing our ability to make capital expenditures to maintain our fleet and other assets. If our cash flows from operating activities are insufficient to fund capital expenditures, we would need to reduce our expenditures or increase our cash flows through debt or equity issuances, alternative financings or selling assets. If adequate funds are not available on acceptable terms, we may be unable to fund our capital requirements. Any limitations in our ability to finance future capital expenditures may limit our ability to respond to changes in customer preferences, technological change and other market conditions, which may diminish our competitive position in our industry.

In addition, if commodity prices decline or the outlook for investment in offshore exploration, development and production materially declines, our access to credit and debt markets may be limited or more costly if lenders look to reduce their loan exposure to the energy sector, impose increased lending standards, increase borrowing costs and collateral requirements or refuse to extend new credit or amend existing credit facilities in the energy and energy services sectors. These challenges may be exacerbated by regulatory pressures on financial institutions to respond quickly and decisively to credit risks in distressed industries, potentially limiting our financial flexibility and increasing the cost of capital.

If we issue additional equity securities, existing stockholders will experience dilution. Our Amended and Restated Certificate of Incorporation permits our Board to issue preferred stock, which could have rights and preferences senior to those of our common stock. Since future securities offerings depend on market conditions and other factors beyond our control, we cannot predict their timing, amount or nature. Thus, our security holders bear the risk of our future securities offerings reducing the market price of our common stock or other securities, diluting their interest or being subject to rights and preferences senior to their own.

Risks Relating to Governmental Regulation

With our extensive international operations, we are subject to certain compliance risks under the Foreign Corrupt Practices Act, the United Kingdom Bribery Act or similar worldwide anti-bribery laws.

Our global operations require us to comply with several complex U.S. and international laws and regulations, including those involving anti-bribery and, anti-corruption. The FCPA and similar anti-bribery laws in other jurisdictions, including the U.K. Bribery Act the United Nations Convention Against Corruption and the Brazil Clean Company Act, generally prohibit companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or keeping business or obtaining an improper business benefit. We have adopted proactive procedures to promote compliance with the FCPA and other anti-bribery legislation. Any failure to comply with the FCPA or other anti-bribery legislation could subject us to civil and criminal penalties or other fines or sanctions, including prohibition of our participating in or curtailment of business operations in those jurisdictions and the seizure of vessels or other assets, which could have a material adverse impact on our business, financial condition and results of operation. Moreover, we may be held liable for actions taken by local partners or agents in violation of applicable anti-bribery laws, even though these partners or agents may themselves not be subject to such laws. Operating in regions where governmental corruption is prevalent presents additional challenges, as strict compliance may conflict with local customs and business practices. Any determination that we have violated applicable anti-bribery laws in countries in which we do business could have a material adverse effect on our business and business reputation, as well as our results of operations, and cash flows.

Changes to applicable laws or regulations, including any developing laws and regulations, may increase our compliance costs and operational risk.

Our operations are subject to many complex and burdensome laws and regulations. Stringent federal, state, local and foreign laws and regulations relating to several aspects of our business, including anti-bribery and anti-corruption laws, import and export controls, environmental protection, worker health and safety, labor and employment, taxation, antitrust and fair competition, data privacy protections, securities regulations and other regulatory and legal requirements that significantly affect our operations. Many aspects of the marine industry are subject to extensive governmental regulation by the U.S. Coast Guard, the U.S. Customs and Border Protection, and their foreign equivalents; as well as to standards imposed by private industry organizations such as the American Bureau of Shipping, the Oil Companies International Marine Forum, and the International Marine Contractors Association. Compliance with these laws and regulations may involve significant costs or require changes in our business practices that could result in reduced revenue and profitability. Non-compliance could also result in significant fines, damages, and other criminal sanctions against us, our officers or our employees, prohibitions or additional requirements on the conduct of our business and damage our reputation.

Further, many of the countries in which we operate have laws, regulations and enforcement systems that are less well developed than the laws, regulations and enforcement systems of the U.S., and the requirements of these systems are not always readily discernible even to experienced and proactive participants. These countries' laws can be unclear, and the application and enforcement of these laws and regulations can be unpredictable and subject to frequent change or reinterpretation. Sometimes governments may apply such changes or reinterpretations with retroactive effect, and may impose associated taxes, fees, fines or penalties based on that reinterpretation or retroactive effect. While we endeavor to comply with applicable laws and regulations, our compliance efforts might not always be wholly successful, and failure to comply may result in administrative and civil penalties, criminal sanctions, imposition of remedial obligations or the suspension or termination of our operations. These laws and regulations may expose us to liability for the conduct of, or conditions caused by, others, including charterers or third-party agents. Changes in legal requirements or regulatory interpretations could significantly increase our compliance costs, adversely affecting our financial condition, results of operations or cash flows, especially if we are unable to pass these costs on to our customers.

Changes and developments in U.S. and international tax laws and policies could adversely affect our financial results.

We operate in the U.S. and globally through various subsidiaries that are subject to applicable tax laws, treaties or regulations within and between the jurisdictions in which we conduct our business, including laws or policies directed toward companies organized in jurisdictions with low tax rates, which may change and are subject to interpretation. We determine our income tax expense based on our interpretation of the applicable tax laws and regulations in effect in each jurisdiction for the period during which we operate and earn income. Trade discussions and arrangements between the U.S. and various of its trading partners are fluid, and existing and future trade agreements are, and are expected to continue to be, subject to a number of uncertainties, including the imposition of new tariffs or adjustments and changes to the products covered by existing tariffs. Any decision by the U.S. government to adopt actions such as border taxes on imports, an increase in customs duties or tariffs, or the renegotiation of U.S. trade agreements, or any other action that could have a negative impact on international trade, including corresponding actions taken by other countries in response to U.S. governmental actions, could cause an impact on the plans and operations of our customers. A material change in the tax laws, tax treaties, regulations or accounting principles, or interpretation thereof, in one or more countries in which we conduct business, or in which we are incorporated or a resident of, could result in a higher effective tax rate on our worldwide earnings, and such change could be significant to our financial results.

In addition, our overall effective tax rate could be adversely and suddenly affected by lower than anticipated earnings in countries with lower statutory rates and higher than anticipated earnings in countries with higher statutory rates, or by changes in the valuation of our deferred tax assets and liabilities. Moreover, our worldwide operations may change in the future such that the mix of our income and losses recognized in the various jurisdictions could change. Any such changes could reduce our ability to utilize tax benefits, such as foreign tax credits, and could result in an increase in our effective tax rate and tax expense.

Most of our revenues and net income are generated by our operations outside of the U.S. Our effective tax rate has historically averaged approximately 30% until recent years when the decline of the oil and gas market significantly impacted our operations and overall effective tax rate.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the Tax Act). We continue to monitor the impact of the Tax Act on our ongoing operations. The impact of the Tax Act on our financial position in future periods could be adversely impacted by, among other things, changes in interpretations of the Tax Act, any legislative action to address questions that arise because of the Tax Act, or any changes in accounting standards for income taxes or related interpretations in response to the Tax Act. Additionally, longstanding international tax norms that determine each country's jurisdiction to tax cross-border international trade are evolving as a result of the Base Erosion and Profit Shifting reporting requirements (BEPS) recommended by the G8, G20 and Organization for Economic Cooperation and Development (OECD). During 2023 and 2022, EU member states and several countries, reached an agreement to implement a 15% global minimum tax following the OECD's Pillar Two model rules. Several other tax jurisdictions in which we operate have indicated they will also adopt laws that align with these proposed guidelines. As these and other tax laws and related regulations change, our financial results could be materially impacted. Given the unpredictability of these possible changes and their potential interdependency, it is very difficult to assess whether the overall effect of such potential tax changes would be cumulatively positive or negative for our earnings and cash flow, but such changes could adversely impact our financial results.

In addition, our income tax returns are subject to review and examination by the U.S. Internal Revenue Service and other tax authorities where tax returns are filed. We routinely evaluate the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for taxes. We do not recognize the benefit of income tax positions we believe are more likely than not to be disallowed upon challenge by a tax authority. If any tax authority successfully challenges our operational structure or intercompany transfer pricing policies, or if the terms of certain income tax treaties were to be interpreted in a manner that is adverse to our structure, or if we lose a material tax dispute in any country, our effective tax rate on our worldwide earnings could increase, and our financial condition and results of operations could be materially and adversely affected.

Changes in environmental regulations and evolving environmental expectations may reduce demand for hydrocarbons, increase our compliance costs, harm our reputation and adversely affect our financial results.

Our operations, and those of our customers, are subject to federal, state, local and international laws and regulations that control the discharge of pollutants into the environment or otherwise relate to environmental protection. Some environmental laws may, in certain circumstances, impose strict liability for remediation of spills and the release of oil and hazardous substances, which could subject us to liability without regard to whether we were negligent or at fault.

Governments may also pass laws or regulations encouraging or mandating the use of alternative energy sources such as wind power and solar energy. These regulations could reduce demand for oil and gas and as a result, reduce demand for the services we provide our customers.

Compliance with new or changing environmental, emission controls or other climate-change related laws or regulations may require us to (i) alter our vessel operations or maintenance program, (ii) install new equipment, (iii) pay taxes or purchase allowances related to our greenhouse gas emissions, and/or (iv) administer and manage a greenhouse gas emissions program. Any of the foregoing would likely increase our operating costs and our capital spending, which may also impact our revenues due to vessel downtime.

We consider and integrate into our strategy, planning and risk management processes climate change-related issues and the impact of the energy transition. They may also be factored into the company's long-term supply, demand, and energy price forecasts. However, any of these climate-change related developments, requirements or initiatives could have a material adverse effect on our future business, financial position, results of operations and cash flows.

Risks Related to Information Technology and Cybersecurity

Cybersecurity attacks on any of our vessels, facilities, or those of third parties, may result in potential liability or reputational damage or otherwise adversely affect our business.

Many of our business and operational processes are heavily dependent on traditional and emerging technology systems, some of which are managed by us and some of which are managed by third-party service and equipment providers, to conduct day-to-day operations, improve safety and efficiency and lower costs. We use computerized systems to help run our financial and operations functions, including the processing of payment transactions, storing confidential records and conducting vessel operations, which may subject our business to increased risks. If any of our financial, operational, or other technology systems fail or have other significant shortcomings, our financial results could be adversely affected. Our financial results could also be adversely affected if an employee or other third party causes our operational systems to fail, either as a result of inadvertent error or by deliberately tampering with or manipulating our operational systems. In addition, dependence upon automated systems, including those on board our vessels, may further increase the risk of operational system flaws, and employee or other tampering or manipulation of those systems will result in losses that are difficult to detect.

Cyberattacks are expected to accelerate on a global basis in both frequency and magnitude as threat actors are becoming increasingly sophisticated in using techniques and tools (including the use of emerging technologies, such as AI, machine learning, generative AI and large language models) that circumvent controls, evade detection and even remove forensic evidence of the infiltration. These incidents may include, but are not limited to, installation of malicious software, installation of ransomware, phishing, credential attacks, unauthorized access to data and other advanced and sophisticated cybersecurity breaches and threats, including threats that increasingly target critical operations technologies and process control networks. There can be no assurance that our cybersecurity risk management program, processes, or systems we have designed to prevent or limit the effects of cyber incidents or attacks will be sufficient to prevent or detect material consequences arising from such incidents or attacks, or to avoid a material adverse impact on our systems after such incidents or attacks do occur. Even if we successfully defend our own digital technologies and services, we also rely on providers of third-party products, services, and networks, with whom we may share data and services, and who may be unable to effectively defend their digital technologies and services against attack.

Any cybersecurity attacks that affect our facilities or operations, our customers or any financial data could have a material adverse effect on our business. In addition, cyber-attacks on our customer and employee data may result in a financial loss, loss of proprietary information or customer and vendor data, and may negatively impact our reputation. We also have an increased number of employees relying on remote access to our information systems, which correspondingly increases our exposure to potential cybersecurity breaches. Any of these occurrences could disrupt our business, result in potential liability or reputational damage or otherwise have an adverse effect on our business, operations and financial results.

In addition, laws and regulations governing cybersecurity, data privacy and the unauthorized disclosure of confidential or protected information, including GDPR, legislation in certain U.S. states and the SEC rules regarding cybersecurity, pose increasingly complex compliance challenges and potentially elevate costs. Any failure to comply with these laws and regulations could result in reputational harm and significant compliance costs, penalties and legal liability.

We have experienced, and expect to continue to experience, cyber intrusions and attacks to our information systems and our operational technology. To our knowledge, none of these incidents or attacks have (i) resulted in a material cybersecurity intrusion or data breach, (ii) had a material financial impact or (iii) led to any governmental fines or penalties.

While we currently maintain cybersecurity insurance, such insurance may not be sufficient in type or amount to cover us against claims related to cybersecurity breaches or attacks, failures or other data security-related incidents, and we cannot be certain that cyber insurance will continue to be available to us on economically reasonable terms, or at all, or that an insurer will not deny coverage as to any future claim. Although we have experienced, and expect to continue to experience, cyber intrusions and attacks to our information systems and our operational technology; to our knowledge, none of these incidents or attacks have (i) resulted in a material cybersecurity intrusion or data breach, (ii) had a material financial impact or (iii) led to any governmental fines or penalties. A significant cyberattack or successful assertion of any large claims against us that exceed our available coverage or are denied coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could materially and adversely affect our financial condition, results of operations and cash flows.

Artificial Intelligence presents risks and challenges that can impact our business.

AI presents risks and challenges that could impact our business, including breaches of privacy or security incidents related to the use of AI. We are in the early stages of integrating AI tools into our systems, and we expect our third-party service providers as well as our competitors to also develop or use such tools. Over time, AI may become more important to our operations or to our future growth. We can provide no assurance that we will realize any desired or anticipated benefits, and we may face challenges properly implementing this technology. Additionally, we or our AI service providers may not meet existing or rapidly evolving regulatory or industry standards with respect to privacy and data protection, compliance, and transparency, among others, which could inhibit our or our service providers' ability to maintain an adequate level of functionality or service. The AI tools used by us or by our service providers could produce inaccurate or unexpected results or behaviors that could harm our business, customers or reputation. While AI systems may enhance productivity, they could also lead to the displacement of certain jobs or roles, which if true, could create social and organizational challenges. Our competitors or other third parties may incorporate AI in their business operations more quickly or more successfully than we do, which may negatively impact our ability to compete effectively. Additionally, the complex and rapidly evolving landscape around AI may expose us to claims, inquiries, demands and proceedings by private parties and global regulatory authorities and subject us to legal liability as well as reputational harm. New laws and regulations are being adopted in various jurisdictions globally, and existing laws and regulations may be interpreted in ways that would affect our business operations and the way in which we use AI. Any of these outcomes could impair our ability to compete effectively, damage our reputation, result in the loss of our or our customers' property or information and/or materially adversely affect our financial position, operating results or cash flows.

Risks Related to Our Securities

Our common stock is subject to restrictions on foreign ownership and possible required divestiture by non-U.S. Citizen stockholders.

Some of our operations are conducted in the U.S. coastwise trade and are governed by the U.S. federal law commonly known as the Jones Act. The Jones Act restricts waterborne transportation of goods and passengers between points in the U.S. to vessels owned and controlled by "U.S. Citizens" as defined thereunder. We could lose the privilege of owning and operating vessels in the Jones Act trade if non-U.S. Citizens were to own or control, in the aggregate, more than 25% of our common stock. Such loss could have a material adverse effect on our results of operations.

Our Amended and Restated Certificate of Incorporation and Second Amended and Restated By-Laws authorize our Board to establish rules, policies and procedures, including procedures with respect to the transfer of shares, to ensure compliance with the Jones Act. To provide a reasonable margin for compliance with the Jones Act, our Board has determined that, all non-U.S. Citizens in the aggregate may own up to 24% of the outstanding shares of common stock and any individual non-U.S. Citizen may own up to 4.9% of the outstanding shares of common stock.

If our ownership by non-U.S. Citizens reaches the 24% threshold, we will be unable to issue or allow the transfer of any shares of our common stock to non-U.S. Citizens. Any purported transfer of our common stock in violation of these ownership provisions will be null and void, and thus an ineffective transfer of such common stock, including any voting, dividend or other rights associated therewith. The existence and enforcement of these requirements could have an adverse impact on the liquidity or market value of our equity securities if U.S. Citizens were unable to transfer our shares to non-U.S. Citizens. Furthermore, under certain circumstances, this ownership requirement could discourage, delay or prevent a change of control or potentially complicate any acquisition with assets or ownership held outside the U.S.

The market price of our securities is subject to volatility.

The market price of our common stock has experienced and could continue to experience significant volatility. These fluctuations and the level of trading that develops with our common stock may be affected by, numerous factors beyond our control such as, actual or anticipated variations in our operating results and cash flow, business conditions in our markets and the general state of the securities markets and the market for energy-related stocks, as well as general economic and market conditions and other factors that may affect our future results, including those described in this Form 10-K.

We do not currently pay cash dividends, so realizing a return on your investment depends on selling your common stock for a price greater than what you paid.

We currently do not pay cash dividends on our common stock. However, we do from time to time, as approved by our Board, repurchase outstanding common shares in the open market. Any future determination to pay cash dividends, implement additional stock repurchase plans or make other distributions on our common stock will be at the sole discretion of our Board, subject to any restrictions in our debt agreements. If we elect to implement such distribution or repurchase plans in the future, we may reduce or discontinue such plans entirely thereafter at any time. The Board may take into account general and economic conditions, our financial condition and operating results, our available cash and current and anticipated cash needs, capital requirements, agreements governing any existing and future indebtedness we or our subsidiaries may incur and other contractual, legal, tax and regulatory restrictions and implications on the payment of dividends, repurchases of common stock or other distributions by us to our stockholders, and such other factors as the Board may deem relevant. As a result, you may not receive a return on investment in our common stock unless you sell our common stock for a price greater than you paid for it.

Our ability to raise capital in the future may be limited, which could make us unable to fund our capital requirements.

Our business and operations may consume cash more quickly than we anticipate potentially impairing our ability to make capital expenditures to maintain our fleet and other assets in suitable operating condition. If our cash flows from operating activities are not sufficient to fund capital expenditures, we would be required to further reduce these expenditures or to fund capital expenditures through debt or equity issuances or through alternative financing plans or selling assets.

If adequate funds are not available on acceptable terms, we may be unable to fund our capital requirements. Our ability to raise debt or equity capital or to refinance or restructure existing debt arrangements will depend on the condition of the capital markets, our financial condition and cash flow generating capacity at such time, among other things.

Any limitations in our ability to finance future capital expenditures may limit our ability to respond to changes in customer preferences, technological change and other market conditions, which may diminish our competitive position within our sector.

If we issue additional equity securities, existing stockholders will experience dilution. Our Amended and Restated Certificate of Incorporation permits our Board to issue preferred stock, which could have rights and preferences senior to those of our common stock. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Thus, our security holders bear the risk of our future securities offerings reducing the market price of our common stock or other securities, diluting their interest or being subject to rights and preferences senior to their own.

Certain provisions and limitations on foreign ownership in our organizational documents could delay or prevent a change of control.

Certain provisions of our Amended and Restated Certificate of Incorporation and our Second Amended and Restated By-Laws and Delaware law could delay, defer or prevent a merger, acquisition, tender offer, takeover attempt or other change of control transaction that our stockholders may deem advantageous, including those attempts that might result in a premium over the market price for the shares held by our stockholders or negatively affect the trading price of our common stock and other securities. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and to cause us to take other corporate actions you desire. These provisions provide for, among other things:

- the ability of our Board to issue, and determine the rights, powers and preferences of, one or more series of preferred stock;
- advance notice for nominations of directors by stockholders and for stockholders to present matters for consideration at our annual meetings;
- limitations on convening special stockholder meetings;
- the prohibition on stockholders to act by written consent;
- supermajority vote of stockholders to amend certain provisions of the certificate of incorporation;
- limitations on expanding the size of the Board;
- the availability for issuance of additional shares of common stock; and
- restrictions on the ability of any natural person or entity that does not satisfy the citizenship requirements of the U.S. maritime laws to own, in the aggregate, more than 24% of the outstanding shares of our common stock.

In addition, the Delaware General Corporation Law imposes restrictions on mergers and other business combinations between us and any holder of 15% or more of our outstanding common stock.

The issuance of stock-based awards may dilute our stockholders.

Shares of our common stock have been reserved for issuance under our 2021 Stock Incentive Plan as equity-based awards to employees, directors and certain other persons. The exercise or vesting of equity awards, including any options, restricted stock units or other stock-based awards that we may grant in the future, and the exercise of warrants and the subsequent sale of shares of common stock issued thereby, could have an adverse effect on the market for our common stock, including the price that an investor could obtain for their shares. Investors may experience dilution in the value of their investment upon the exercise of any outstanding warrants or the exercise or vesting of any equity awards granted under our stock incentive plans.

Please refer to Note (10) - “Stock-Based Compensation and Incentive Plans” and Note (11) - “Stockholders’ Equity” in the accompanying Consolidated Financial Statements for additional discussion of our outstanding warrants and stock-based awards.

A limited trading market may exist for our New Creditor Warrants and GLF Creditor Warrants making it difficult to trade or obtain quotations for the warrants.

While there are unsolicited quotes for our New Creditor Warrants on the OTC Pink Market, there is no market maker for this security on the OTC Pink Market, and there can be no assurance that an active trading market will develop. While the GLF Creditor Warrants trade on the OTC QX market, there has been and may continue to be limited trading volume. The lack of an active market may impair your ability to sell or reduce the fair market value of your New Creditor Warrants or GLF Creditor Warrants at the time you wish to sell them or at a price that you consider reasonable.

We may not be able to maintain a listing of our common stock on the NYSE.

We must meet certain financial and liquidity criteria to maintain the listing of our common stock on the NYSE. If we fail to meet any of the applicable listing standards, our common stock may be delisted. The delisting of our common stock may materially impair our stockholders’ ability to buy and sell our common stock and could have an adverse effect on the market price of, and the efficiency of, the trading market for these securities. The delisting of our common stock could significantly impair our ability to raise capital.

Activist stockholders could divert the attention of our management team and/or negatively affect our business.

Activist stockholders could advocate for changes to our corporate governance, operational practices and strategic direction, which could have an adverse effect on our reputation, business and future operations. In recent years, publicly traded companies have been increasingly subject to demands from activist stockholders advocating for changes to corporate governance practices, such as executive compensation practices, sustainability issues, or for certain corporate actions or reorganizations. There can be no assurances that activist stockholders will not publicly advocate for us to make certain corporate governance changes or engage in certain corporate actions. Responding to challenges from activist stockholders, such as proxy contests, media campaigns or other activities, could be costly and time consuming and could have an adverse effect on our reputation and divert the attention and resources of management and our Board, which could have an adverse effect on our business and operational results. Additionally, stockholder activism could create uncertainty about future strategic direction, resulting in loss of future business opportunities, which could adversely affect our business, future operations, profitability and our ability to attract and retain qualified personnel.

General Risk Factors

Uncertain economic conditions may lead our customers to postpone capital spending or jeopardize our customers' or other counterparties' ability to perform their obligations.

Uncertainty about future global economic market conditions makes it challenging to forecast operating results and to make decisions about future investments. The success of our business is both directly and indirectly dependent upon conditions in the global financial and credit markets that are outside of our control and difficult to predict. Uncertain economic conditions may lead our customers to postpone capital spending in response to tighter credit markets and reductions in our customers' income or asset values. Similarly, when lenders and institutional investors reduce, and in some cases, cease to provide funding to corporate and other industrial borrowers, the liquidity and financial condition of the company and our customers can be adversely impacted.

These factors may also adversely affect our liquidity and financial condition. Factors such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation), trade barriers and economic sanctions or other restrictions imposed by the U.S. or other countries, commodity prices, currency exchange rates and controls, and national and international political circumstances (including wars, terrorist acts, security operations, and seaborne refugee issues) can have a material negative effect on our business, revenues and profitability. Additionally, continued uncertain industry conditions could jeopardize the ability of certain of our counterparties, including our customers, insurers and financial institutions, to perform their obligations.

Although we assess the creditworthiness of our counterparties, a prolonged period of difficult industry conditions could lead to changes in a counterparty's liquidity and increase our exposure to credit risk and bad debts. In addition, we may offer extended payment terms to our customers in order to secure contracts. These circumstances may lead to more frequent collection issues. Our financial results and liquidity could be adversely affected.

Severe weather events, including extreme weather conditions associated with climate change, have in the past and may in the future adversely affect our operations and financial results.

Our business has been, and in the future will be, affected by severe weather events in areas where we operate, which could materially affect our operations and financial results. Extreme weather conditions such as hurricanes and flooding, have in the past resulted in, and may in the future result in, the evacuation of personnel, stoppage of services and activity disruptions of our vessels, in our supply chain, or at our customer's offshore sites, or result in disruptions of our customers' operations. Particularly severe weather events affecting platforms or structures may result in a suspension of activities. In addition, acute or chronic physical impacts of climate change, such as sea level rise, coastal storm surge, inland flooding from intense rainfall, and hurricane-strength winds may damage our vessels or facilities. Any such extreme weather events may result in increased operating costs or decreases in revenue.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Cybersecurity Risk Management & Strategy

Our business requires the use of information technology (IT) and operational technology (OT) resources, including those to carry out our day-to-day operational activities both onshore and offshore, to maintain our business records and to proactively monitor internal and external cybersecurity threats. To respond to cybersecurity risks and threats, we have developed a cybersecurity risk management program designed to identify, assess, manage and respond to cybersecurity incidents while also preserving the confidentiality, integrity and continued availability of our information and assets. The underlying controls of our cyber risk management program are based on recognized best practices and standards for cybersecurity and information technology, including the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) and the International Organization for Standardization (ISO) 27001 Information Security Management System Requirements.

We have a Security Operations Center operating in multiple regions that provides daily monitoring of our global cybersecurity environment and coordinates real-time investigation and remediation of alerts. Identifying and assessing cybersecurity risks related to our business, operations, privacy and compliance issues are identified and addressed through a multi-faceted approach including third party assessments, internal IT audits, IT/OT security, governance, risk and compliance reviews. To deter, detect and respond to cybersecurity incidents, we conduct proactive privacy and cybersecurity reviews of systems and applications, audit applicable data policies, perform penetration testing using external third-party tools and consultants, and conduct tabletop exercises to simulate responses to cybersecurity incidents. We also conduct and require our workforce to complete ongoing cybersecurity awareness education and training. Our team of cybersecurity professionals then collaborate with technical and business stakeholders across our business units to further analyze the risk to the company, and form detection, mitigation and remediation strategies.

We have implemented incident response and breach management processes, including (i) preparation for a cybersecurity incident, (ii) detection and analysis of a security incident; (iii) containment, remediation and recovery from an incident; and (iv) post-incident analysis. Such cybersecurity incident responses are overseen by leaders from our IT, compliance and legal teams as further described under “Cybersecurity Governance” below, and elevated to other senior leaders, third party providers and the Audit Committee of the Board as appropriate and in accordance with our response plan and procedures.

We engage third party security experts for assessments, penetration tests and program enhancements, including vulnerability assessments, security framework maturity assessments and identification of areas for continued focus and improvement. We use the findings of these exercises to improve our practices, procedures, and technologies. We engage third party security experts to support our cybersecurity threat and incident response management and maintain cybersecurity risk insurance coverage.

Our risk management program also assesses third party risks, and we perform third-party risk management to identify and mitigate risks from third parties such as vendors, suppliers, and other business partners associated with our use of third-party service providers. Cybersecurity risks are evaluated when determining the selection and oversight of applicable third-party service providers and potential fourth-party risks when handling and/or processing our employee, business or customer data.

We have not experienced a material cybersecurity incident and although we are subject to ongoing and evolving cybersecurity threats, we are not aware of any material risks from cybersecurity threats that have materially affected the Company. For more information on our cybersecurity risks, see “Risk Factors – Risks Relating to Information Technology and Cybersecurity – Cybersecurity attacks on any of our facilities, or those of third parties, may result in potential liability or reputational damage or otherwise adversely affect our business.”

Cybersecurity Governance

The Audit Committee of our Board oversees our cybersecurity risk management program and meets on a quarterly basis with our Chief Information Officer (CIO) to review our cybersecurity programs and risks, including (as applicable) assessments and program maturity; evolving cyber risks; status on addressing and/or mitigating cyber risks; any recent cybersecurity or data privacy incidents at the Company and across the industry; and status on any key cybersecurity initiatives. These

cybersecurity risks and programs are further reviewed and considered by the Board in connection with the company's overarching enterprise risk program.

Our cybersecurity team is led by our Director of IT Infrastructure, who has over 20 years of experience and obtained various professional security certifications and advanced training in the field of cybersecurity and technology and reports to our CIO. Our CISO is responsible for managing and supervising our cyber risk management program and informing the CIO and senior management regarding the prevention, detection, mitigation, and remediation of cybersecurity incidents.

The CISO and CIO are informed about and monitor these cybersecurity programs and incidents through their oversight of, and participation in, the cybersecurity risk management and strategy processes described above, including management of and notices from our Security Operations Centers and the supervision of our incident response plan and processes.

ITEM 2. PROPERTIES

Our worldwide headquarters and principal executive offices are located at 842 West Sam Houston Parkway North, Suite 400, Houston, Texas 77024, and our telephone number is 713-470-5300. Our U.S. marine operations are based in Amelia, Louisiana and Houston, Texas. We conduct our international operations through facilities and offices located in over 30 countries. Our principal international offices and/or warehouse facilities, most of which are leased, are in Brazil; Mexico; Trinidad; Scotland; Egypt; Angola; Namibia; Cameroon; Singapore; Kingdom of Saudi Arabia; Dubai, United Arab Emirates; Australia; and Norway. Our operations generally do not require highly specialized facilities, and suitable facilities are generally available on a leased basis as required.

Vessels

At December 31, 2024, we owned 211 vessels. See “Item 1. Business - Vessel Classifications” for additional information.

ITEM 3. LEGAL PROCEEDINGS

See the relevant portions of “Note (12) - Commitments and Contingencies”, in the accompanying Consolidated Financial Statements for information with respect to this Item 3. Legal Proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES

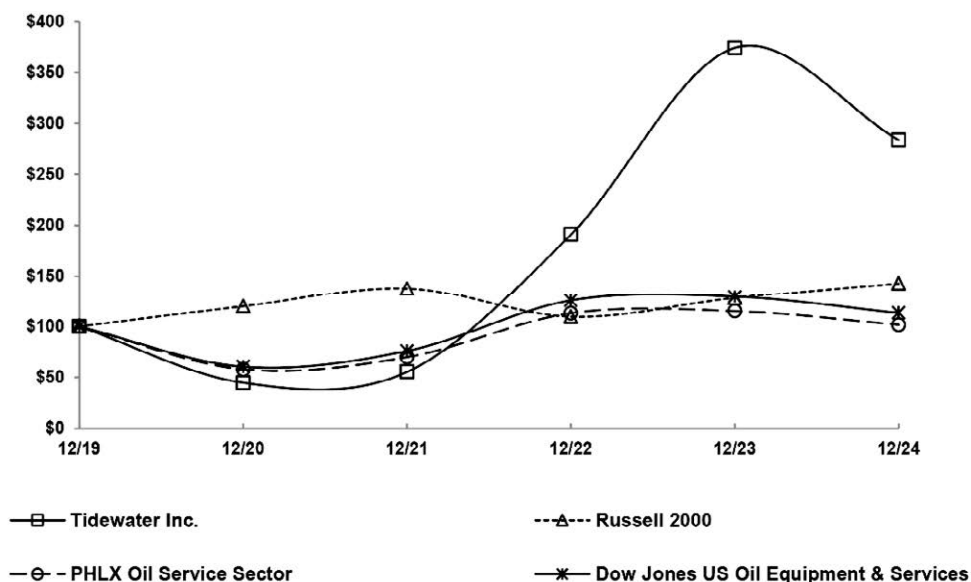
As of February 14, 2025, we had 307 stockholders of record. The principal market for Tidewater’s common stock is the New York Stock Exchange (NYSE), where it is traded under the symbol “TDW.”

Performance Graph

The following graph and table compare the cumulative total return on Tidewater's common stock to the cumulative total returns of the Russell 2000 Stock Index, the PHLX Oil Service Sector Index, and the Dow Jones U.S. Oil Equipment & Services Index. The analysis assumes the investment of \$100 on December 31, 2019 in Tidewater common stock, and in each of the Russell 2000, the PHLX Oil Service Sector and the US Oil Equipment & Services, as well as the reinvestment of dividends into additional shares of the same class of equity securities at the frequency with which dividends are paid on such securities during the applicable fiscal year.

Investors are cautioned against drawing conclusions from the data contained in the graph, as past results are not necessarily indicative of future performance. The following graph and related information shall not be deemed "soliciting material" or to be "filed" with the SEC, nor shall such information be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that we specifically incorporate it by reference into such filing.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
Among Tidewater Inc., the Russell 2000 Index,
the PHLX Oil Service Sector Index and the Dow Jones US Oil Equipment & Services Index



*\$100 invested on 12/31/19 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

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Indexed returns

Company name/Index	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023	December 31, 2024
Tidewater Inc.	100	45	56	191	374	284
Russell 2000.....	100	120	138	110	128	143
PHLX Oil Service sector...	100	58	70	113	115	102
Dow Jones U.S. Oil Equipment & Services ...	100	61	76	126	129	113

Share Repurchases

On November 5, 2023, our Board of Directors (Board) approved a \$35.0 million share repurchase program, pursuant to which we repurchased and retired 590,499 shares for approximately \$35.0 million, excluding commissions and a 1% excise tax, during the fourth quarter of 2023. On February 29, 2024, our Board approved a new \$48.6 million share repurchase program, subsequently approving the increase of such program by \$18.1 million on May 2, 2024, \$13.9 million on August 6, 2024, and \$10.1 million on November 7, 2024. The following table sets forth the value of the common stock repurchased, along with number of shares repurchased, and average price paid per share for the three months ended December 31, 2024.

Period	Total Number of Shares Repurchased (1)	Average Price Paid Per Share (2)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Maximum Dollar Value of Shares that May Yet Be Purchased Under Plans or Programs (1)(2) (in thousands)
October 1, 2024 - October 31, 2024.....	17,610	71.72	17,610	32,734
November 1, 2024 - November 30, 2024.....	149,085	53.66	149,085	34,820
December 1, 2024 - December 31, 2024.....	697,409	49.93	697,409	—
Total	864,104		864,104	

- (1) During 2024, our Board of Directors approved share repurchase programs for an aggregate of \$90.7 million. All shares repurchased were subsequently retired.
- (2) All share repurchases were made from operating cashflow and were repurchased in the open market by our agents that complied with Rule 10b-18 of the Exchange Act.

See Note 10 – Stock Based Compensations and Incentive Plans in the Consolidated Financial Statements in Item 8 of this Form 10K for disclosure of the shares of common stock reserved for issuance under our stock compensation plans.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition, and Results of Operations (MD&A) should be read in conjunction with the accompanying Consolidated Financial Statements included in Item 8 of this Form 10-K. The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. Our future results of operations could differ materially from our historical results or those anticipated in our forward-looking statements as a result of certain factors, including those set forth under "Risk Factors" in Item 1A and elsewhere in this Form 10-K. With respect to this section, the cautionary language applicable to such forward-looking statements described under "Forward-Looking Statements" found before Item 1 of this Form 10-K is incorporated by reference into this Item 7.

EXECUTIVE SUMMARY AND CURRENT BUSINESS OUTLOOK

Tidewater

We are one of the most experienced international operators in the offshore energy industry with a history spanning over 65 years. Our vessels and associated vessel services provide support for all phases of offshore oil and gas exploration, field development and production as well as windfarm development and maintenance. These services include towing of, and anchor handling for, mobile offshore drilling units; transporting supplies and personnel necessary to sustain drilling, workover and production activities; offshore construction and seismic and subsea support; geotechnical survey support for windfarm construction, and a variety of other specialized services such as pipe and cable laying. In addition, we have one of the broadest geographic operating footprints in the offshore vessel industry. Our global operating footprint allows us to react quickly to changing local market conditions and to be responsive to the changing requirements of the many customers with which we believe we have strong relationships.

On April 22, 2022, we completed the acquisition of Swire Pacific Offshore Holdings Ltd. (SPO) and its 50 offshore support vessels operating primarily in West Africa, Southeast Asia and the Middle East. As consideration for the acquisition, we paid \$42.0 million in cash and issued 8,100,000 warrants, each exercisable at \$0.001 per share for one share of our common stock (SPO Acquisition Warrants). In addition, we paid \$19.6 million at closing and received an \$8.8 million post-closing working capital refund related to pre-closing working capital adjustments, for a total consideration of \$215.5 million.

During the second half of 2022, we completed two common stock public offerings to facilitate the redemption of the SPO Acquisition Warrants, including an offering for 4,048,000 shares at \$17.85 per share completed on August 12, 2022, and an offering for 3,987,914 shares at \$30.25 per share completed on November 10, 2022 (Offerings). The Offerings resulted in net proceeds (after expenses) of approximately \$187.8 million that we used to redeem 8,035,914 SPO Acquisition Warrants, which we subsequently cancelled.

On March 7, 2023, we entered into an Agreement for the Sale and Purchase of Vessels, Charter Parties and Other Assets, which was amended on June 30, 2023 (the Acquisition Agreement), with certain subsidiaries of Solstad Offshore ASA, a Norwegian public limited company (collectively, the Sellers), pursuant to which we agreed to acquire from the Sellers (the Solstad Acquisition): (i) 37 platform supply vessels owned by the Sellers (the Solstad Vessels); and (ii) the charter parties governing certain of the Solstad Vessels. At closing, these vessels operated primarily in the North Sea, Australia and Brazil. On July 5, 2023, we completed the Solstad Acquisition for an aggregate cash purchase price of approximately \$594.2 million, consisting of the \$577.0 million base purchase price plus an initial \$3.0 million purchase price adjustment; \$3.2 million for working capital items comprised of fuel and lubricants; and \$11.0 million in estimated transaction costs, consisting primarily of advisory and legal fees. The purchase price was funded through a combination of cash on hand and net proceeds from both the Senior Secured Term Loan and the 10.375% Senior Unsecured Notes due July 2028.

Prior to August 1, 2023, we had outstanding Series A Warrants, with an exercise price of \$57.06 and Series B Warrants, with an exercise price of \$62.28, both with an expiration date of July 31, 2023. During July 2023, an aggregate of approximately 2.0 million Series A Warrants and Series B Warrants were exercised, and we issued 1.9 million shares of common stock in exchange for \$111.5 million in cash proceeds. All remaining unexercised Series A Warrants and Series B Warrants, approximately 3.1 million in the aggregate, expired according to their terms on July 31, 2023.

At December 31, 2024, we owned 211 vessels with an average age of 12.6 years available to serve the global offshore energy industry.

MD&A Objective and Principal Factors That Drive Our Results, Cash Flows and Liquidity

Our MD&A is designed to provide information about our financial condition and results of operations from management's perspective.

Our revenues, net earnings and cash flows from operations are largely dependent upon the activity level of our offshore marine vessel fleet. As is the case with the numerous other vessel operators in our industry, our business activity is largely dependent on the level of exploration, field development and production activity of our customers. Our customers' business activity, in turn, is dependent on current and expected oil and gas prices, which fluctuate depending on expected future levels of supply and demand for oil and gas, and on estimates of the cost to find, develop and produce oil and gas reserves. Our objective throughout the MD&A is to discuss how these factors affected our historical results and, where applicable, how we expect these factors to impact our future results and future liquidity.

Our revenues in all segments are driven primarily by our active fleet size, active vessel utilization and day rates. Because a sizeable portion of our operating and depreciation costs do not change proportionally with changes in revenue, our operating profit is largely dependent on revenue levels.

Operating costs consist primarily of crew costs, repair and maintenance costs, insurance costs, fuel, lube oil and supplies costs and other vessel operating costs. Fleet size, fleet composition, geographic areas of operation, supply and demand for marine personnel, and local labor requirements are the major factors impacting overall crew costs in all segments. In addition, our newer, more technologically sophisticated vessels generally require a greater number of specially trained, more highly compensated fleet personnel than our older, smaller and less sophisticated vessels. Crew costs may increase if competition for skilled personnel intensifies.

Costs related to the recertification of vessels are deferred and amortized over 30 months on a straight-line basis. Maintenance costs incurred at the time of the recertification drydocking not related to the recertification of the vessel are expensed as incurred. Costs related to vessel improvements that either extend the vessel's useful life or increase the vessel's functionality are capitalized and depreciated.

Insurance costs are dependent on a variety of factors, including our safety record and pricing in the insurance markets, and can fluctuate over time. Our vessels are generally insured for up to their estimated fair market value in order to cover damage or loss. We also purchase coverage for potential liabilities stemming from third-party losses and cybersecurity breaches with limits that we believe are reasonable for our business and operations, but do not generally purchase business interruption insurance or similar coverage. During the past three years, we have not incurred any material costs, fines or penalties due to a direct or third-party vendor cybersecurity breach. Insurance limits are reviewed annually, and third-party coverage is purchased based on the expected scope of ongoing operations and the cost of third-party coverage.

Fuel and lube costs can fluctuate in any given period depending on the number and distance of vessel mobilizations, the number of active vessels off charter, drydockings, and changes in fuel prices. We also incur vessel operating costs aggregated as "other" vessel operating costs. These costs consist of brokers' commissions, training costs, satellite communication fees, agent fees, port fees and other miscellaneous costs. Brokers' commissions are incurred primarily in our non-U.S. operations where brokers sometimes assist in obtaining work. Brokers generally are paid a percentage of day rates and, accordingly, commissions paid to brokers generally fluctuate in accordance with vessel revenue.

We discuss our liquidity in terms of cash flow that we generate from our operations. Our primary sources of capital have been our cash on hand, internally generated funds including operating cash flow, vessel sales and long-term debt financing. From time to time, we also issue stock or stock-based financial instruments either in the open market or as currency in acquisitions. This ability is impacted by existing market conditions.

Industry Conditions and Outlook

Our business is exposed to numerous macro factors that influence our outlook and expectations. Our outlook and expectations described herein are based solely on the market as we see it today, and therefore, subject to various changing conditions that impact the oil and gas industry.

We expect the supply-demand balance in the global offshore oil and gas markets to continue to be favorable for offshore activities by the major oil and gas producers. Factors driving this outlook include demand for hydrocarbons continuing to grow internationally, the Organization of the Petroleum Exporting Countries Plus (OPEC+) remaining proactive in maintaining adequate and stable oil prices, combined with a diminishing global supply of vessels to support the offshore energy industry. In addition, the outlook for deepwater offshore projects is strong with such activities expected to replace U.S. shale oil as the primary source of non-OPEC+ oil supply growth. Energy prices are expected to remain volatile due to ongoing geopolitical conflicts, global inflationary trends, recent issues within OPEC+ regarding market share and pricing expectations, and associated actions from central banks as well as uncertainties surrounding the growth rates expected in key world economies.

Our business is directly impacted by the level of activity in worldwide offshore oil and gas exploration, development and production, which in turn is influenced by trends in oil and gas prices and the condition of the energy markets and, in particular, the willingness of energy companies to spend on offshore operational activities and capital projects.

Oil and gas prices are affected by a host of geopolitical and economic forces, including the fundamental principles of supply and demand. Offshore oil and gas exploration and development activities often require higher oil or gas prices to justify the higher expenditure levels of offshore activities compared to conventional onshore activities. Prices are subject to significant uncertainty and, as a result, are extremely volatile. Over the past several years, oil and gas commodity pricing has been affected by (i) a global pandemic, which included lock downs by major oil consuming nations; (ii) an ongoing war in eastern Europe between Russia and Ukraine, which includes sanctions on Russian oil production; (iii) an Israeli/Palestinian conflict that has resulted in disruption of shipping in the Middle East; (iv) Organization of the Petroleum Exporting Countries Plus (OPEC+) production quotas, market share expectations and pricing considerations; (v) resource growth in non-OPEC+ nations; (vi) capital allocation and discipline within the major oil and gas companies thereby limiting funds previously available for resource development; (vii) economies of major consuming nations; and (viii) increased activism related to the perceived responsibility of the oil and gas sector for climate change. These factors, as well as numerous other regional conflicts in producing regions, have at various times caused or exacerbated significant swings in oil and gas pricing, which in turn has affected the capital budgets of oil and gas companies. Despite the volatility in spot oil prices seen in recent years, our customers tend to consider less volatile medium and long-term prices in making offshore investment decisions. We expect positive upstream investment momentum in both the international and domestic markets. We believe these markets are driven by resilient long-cycle offshore developments, production capacity expansions and increased resource exploitation activities.

We are one of the world's largest operators of offshore support vessels and we have operations in most of the world's offshore oil and gas basins. We have also pursued opportunities in the sustainability arena, including the support of offshore wind energy generation, and continue to invest in our fleet to improve performance, increase efficiencies and reduce our emissions and environmental impact.

We have experienced a sustained period of growth in offshore exploration and production in the past two years which has been accompanied by much higher levels of activity and higher day rates for our vessels. However, some customers have recently paused or delayed additional activity on some drilling projects, for a number of reasons, including logistical and supply chain bottlenecks, further evaluation of exploration results and longer than anticipated finalization of strategies for further development on successful projects in current and new regions. This has caused some temporary delays in certain projects and some realignment of future projects resulting in unanticipated idle time for some of our vessels. Although our business is impacted by a number of macro factors, including those factors discussed herein, which influence our outlook and expectations given the current volatile conditions in our industry, our day rates and vessel utilization remain strong, and the industry outlook continues to stay positive. We are of the opinion that the underlying fundamentals, particularly energy source supply and demand, will support a multi-year increase in offshore upstream development spending. We believe there will be sufficient opportunities for us to operate our vessels in this sector for many years to come.

Segments

Each reporting segment is overseen by a managing director, who is a senior company executive ultimately reporting to our Chief Executive Officer, the chief operating decision maker. Discrete financial information is available for each of the segments, and our Chief Executive Officer uses the results of each of the operating segments for resource allocation and performance evaluation.

Results of Operations

We manage and measure our business performance primarily based on five distinct geographic operating segments: Americas, Asia Pacific, Middle East, Europe/Mediterranean and West Africa. Each of our five operating segments is led by senior management, the results are reviewed and resources are allocated by our Chief Executive Officer, the chief operating decision maker. Discrete financial information is available for each of the segments, and our Chief Executive Officer uses the results of each of the operating segments for resource allocation and performance evaluation.

Vessel utilization is determined primarily by market conditions and to a lesser extent by drydocking requirements. Vessel day rates are determined by the demand created largely through the level of offshore exploration, field development and production spending by energy companies relative to the supply of offshore support vessels. Specifications of available equipment and the scope of service provided may also influence vessel day rates. Vessel utilization rates are calculated by dividing the number of days a vessel works during a reporting period by the number of days the vessel is available to work in the reporting period. As such, stacked vessels depress utilization rates because stacked vessels are considered available to work and are included in the calculation of utilization rates. Average day rates are calculated by dividing the revenue a vessel earns during a reporting period by the number of days the vessel worked in the reporting period.

Total vessel utilization is calculated on all vessels in service (which includes stacked vessels, vessels held for sale and vessels in drydock). Active utilization is calculated on active vessels (which excludes vessels held for sale and stacked vessels). Average day rates are calculated based on total vessel days worked. Vessel operating costs per active days is calculated based on total available days less stacked days. Total vessels in service also includes three vessels not owned by us, that are under bareboat charter agreements. These vessels are included in all of our vessel statistics but are not included in the owned vessel count.

This section of this Form 10-K generally discusses 2024, 2023 and 2022 items and year-to-year comparisons between 2024 and 2023 and between 2023 and 2022.

The results of operations tables included below for the total company and the individual segments disclose financial results supplemented with vessel utilization and average day rates.

Years Ended December 31, 2024 and 2023

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2024	2023		
Total revenue.....	\$ 1,345,835	\$ 1,009,985	\$ 335,850	33%
Costs and expenses:				
Vessel operating costs:				
Crew costs	416,276	329,473	(86,803)	(26)%
Repair and maintenance.....	98,376	78,716	(19,660)	(25)%
Insurance.....	11,027	9,297	(1,730)	(19)%
Fuel, lube and supplies	65,371	60,548	(4,823)	(8)%
Other.....	102,057	78,481	(23,576)	(30)%
Total vessel operating costs	693,107	556,515	(136,592)	(25)%
Costs of other operating revenues.....	3,555	4,342	787	18%
General and administrative	110,817	95,283	(15,534)	(16)%
Depreciation and amortization.....	242,770	180,331	(62,439)	(35)%
Gain on asset dispositions, net.....	(15,762)	(8,701)	7,061	81%
Total costs and expenses	1,034,487	827,770	(206,717)	(25)%
Other income (expense):				
Foreign exchange loss.....	(15,276)	(1,370)	(13,906)	(1015)%
Equity in net earnings of unconsolidated companies.....	—	39	(39)	(100)%
Interest income and other, net.....	6,383	6,517	(134)	(2)%
Interest and other debt costs, net.....	(72,967)	(48,472)	(24,495)	(51)%
Total other expense	(81,860)	(43,286)	(38,574)	(89)%
Income before income taxes.....	229,488	138,929	90,559	65%
Income tax expense	50,216	43,308	(6,908)	(16)%
Net income	\$ 179,272	\$ 95,621	\$ 83,651	87%

Select operating statistics:

Utilization	79.0%	79.1%	(0.1)%	
Active utilization	79.2%	81.2%	(2.0)%	
Average vessel day rates.....	\$ 21,273	\$ 16,802	\$ 4,471	26.6%
Vessel operating cost per active day	\$ 8,760	\$ 7,615	\$ (1,145)	(15.0)%
Average total vessels	217	205	12	
Average stacked vessels.....	(1)	(5)	4	
Average active vessels	216	200	16	

Revenue:

- o Revenue benefitted from higher average day rates and the full year effect of the Solstad Acquisition, which added 37 vessels to our fleet on July 5, 2023.
- o The Solstad vessels added \$269.3 million to revenue in 2024 and \$115.1 million in 2023, contributing \$154.2 million to the revenue variance.
- o Slight decrease in active utilization due to higher idle time between contracts and increased drydock days.

Vessel operating costs:

- o Increase primarily due to the additional active vessels in our fleet from the Solstad Acquisition, coupled with higher overall crew costs and higher repair costs associated with slightly higher repair days. In addition, there was higher other operating costs associated with increased brokerage commissions due to higher revenues; higher contract fines and penalties due to extended delayed drydocks; higher training costs; and increased amortization of mobilization costs.

General and administrative:

- o Increase primarily due to higher salaries and benefits due to additions in corporate and segment personnel and higher professional fees. This increase was partially offset by lower bad debt and transaction costs.

Depreciation and amortization:

- o Increase primarily due to depreciation and amortization of drydock costs related to the additional vessels acquired in the Solstad Acquisition.

Gain on asset dispositions, net:

- o During 2024, we sold or recycled six vessels and other assets. During 2023, we sold or recycled 15 vessels and other assets. We recognized significantly higher gains per vessel sold in 2024 due to a more favorable market for vessel sales.

Interest expense:

- o Increase primarily due to the addition of \$575.0 million in long term debt, bearing interest of approximately 10.0%, to fund the Solstad vessel acquisition effective July 5, 2023.

Interest income and other, net:

- o Interest income and other consists primarily of interest received on invested balances.
- o During 2023, we recorded a \$1.1 million charge resulting from a reduction in certain indemnification assets related to assumed tax liabilities acquired from SPO that were adjusted to reflect the expiration of the statute of limitations. This charge was offset by a corresponding decrease in income tax expense which resulted in no impact on net income.
- o During 2023, we recognized a \$2.3 million settlement gain from our pension plan as we significantly reduced the number of plan participants and related pension liabilities.

Foreign exchange losses:

- o In 2024 and 2023, we experienced foreign currency exchange losses. The 2024 losses were significant due to a strengthening of the U.S. Dollar against the Mexican Peso, Norwegian Kroner, Brazilian Real, Australian Dollar and certain African currencies.

Income tax expense:

- o We are subject to taxes on our income in many jurisdictions worldwide and our actual tax expense can vary disproportionately to overall net income due to the mix of profits and losses in these foreign tax jurisdictions. Our tax expense for 2024 and 2023 is mainly attributable to taxes on our operations in foreign countries.

Americas Segment Operations.

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2024	2023		
Vessel revenues:.....	\$ 261,929	\$ 237,205	\$ 24,724	10%
Vessel operating costs:				
Crew costs	87,545	86,328	(1,217)	(1)%
Repair and maintenance.....	20,677	17,295	(3,382)	(20)%
Insurance.....	2,034	1,891	(143)	(8)%
Fuel, lube and supplies	13,635	13,175	(460)	(3)%
Other.....	24,391	19,232	(5,159)	(27)%
Total vessel operating costs	148,282	137,921	(10,361)	(8)%
General and administrative expense	14,046	15,105	1,059	7%
Depreciation and amortization.....	44,822	41,215	(3,607)	(9)%
Vessel operating profit	\$ 54,779	\$ 42,964	\$ 11,815	27%
<u>Select operating statistics:</u>				
Utilization	76.3%	82.0%	(5.7)%	
Active utilization	76.9%	84.4%	(7.5)%	
Average vessel day rates.....	\$ 27,128	\$ 22,174	\$ 4,954	22.3%
Vessel operating cost per active day	\$ 11,846	\$ 10,916	\$ (930)	(8.5)%
Average total vessels	34	36	(2)	
Average stacked vessels.....	—	(1)	1	
Average active vessels	34	35	(1)	

Vessel revenue:

- o Primary driver for revenue increase was the increase in average day rates which was partially offset by lower utilization largely resulting from substantially higher drydock days.
- o Solstad Acquisition added four vessels in 2024 and six vessels during the last six months in 2023 and contributed \$19.2 million to the revenue variance.
- o Active vessels decreased primarily due to vessel transfers to other segments.

Vessel operating costs:

- o Increase primarily due to higher repairs from substantially higher routine repairs performed while the vessels are in drydock. Crew costs increased due to the addition of Solstad Acquisition vessels. Certain contract fines and penalties related to delayed drydocks increased other operating costs.

General and administrative expense:

- o Decrease primarily due to higher bad debt expense in 2023.

Depreciation and amortization expense:

- o Increase primarily due to higher drydock activity which offset the lower depreciation resulting from a lower vessel count.

Asia Pacific Segment Operations.

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2024	2023		
Vessel revenues	\$ 210,328	\$ 122,235	\$ 88,093	72%
Vessel operating costs:				
Crew costs	88,968	41,940	(47,028)	(112)%
Repair and maintenance	13,999	9,212	(4,787)	(52)%
Insurance	1,197	794	(403)	(51)%
Fuel, lube and supplies	8,834	5,251	(3,583)	(68)%
Other	10,311	7,751	(2,560)	(33)%
Total vessel operating costs	123,309	64,948	(58,361)	(90)%
General and administrative expense	8,544	8,147	(397)	(5)%
Depreciation and amortization	18,606	10,669	(7,937)	(74)%
Vessel operating profit	\$ 59,869	\$ 38,471	\$ 21,398	56%
<u>Select operating statistics:</u>				
Utilization	79.8%	82.3%	(2.5)%	
Active utilization	79.8%	83.0%	(3.2)%	
Average vessel day rates	\$ 34,646	\$ 24,968	\$ 9,678	38.8%
Vessel operating cost per active day	\$ 16,299	\$ 11,057	\$ (5,242)	(47.4)%
Average total vessels	21	16	5	
Average stacked vessels	—	—	—	
Average active vessels	21	16	5	

Vessel revenue:

- o Primary drivers for the revenue increase include an increase in average day rates; the full year effect of the Solstad Acquisition; and the larger proportion of vessels working in Australia where average day rates are higher.
- o Solstad Acquisition added four vessels in 2024 and during the last six months of 2023 and contributed \$18.7 million to the revenue variance.
- o Active utilization decreased due to higher drydock days and higher idle days between contracts.
- o Active vessels increased primarily due to the Solstad vessel acquisitions.

Vessel operating costs:

- o Increase primarily due to the additional active vessels and by the increased proportion of vessels working in Australia where crew costs are higher.

General and administrative expense:

- o Increase primarily due to higher personnel costs.

Depreciation and amortization expense:

- o Increase primarily due to additional vessels and higher drydock activity.

Middle East Segment Operations.

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2024	2023		
Vessel revenues	\$ 152,187	\$ 135,375	\$ 16,812	12%
Vessel operating costs:				
Crew costs	53,390	53,416	26	0%
Repair and maintenance	17,595	16,187	(1,408)	(9)%
Insurance	1,882	1,784	(98)	(5)%
Fuel, lube and supplies	10,019	12,092	2,073	17%
Other	24,076	17,127	(6,949)	(41)%
Total vessel operating costs	106,962	100,606	(6,356)	(6)%
General and administrative expense	11,320	9,254	(2,066)	(22)%
Depreciation and amortization	30,135	26,566	(3,569)	(13)%
Vessel operating loss	\$ 3,770	\$ (1,051)	\$ 4,821	459%
<u>Select operating statistics:</u>				
Utilization	83.7%	80.9%	2.8%	
Active utilization	83.7%	80.9%	2.8%	
Average vessel day rates	\$ 11,527	\$ 10,394	\$ 1,133	10.9%
Vessel operating cost per active day	\$ 6,783	\$ 6,253	\$ (530)	(8.5)%
Average total vessels	43	44	(1)	
Average stacked vessels	—	—	—	
Average active vessels	43	44	(1)	

Vessel revenue:

- o Primary drivers for revenue increase include increase in average day rates and higher active utilization largely due to substantially fewer mobilization days in 2024.

Vessel operating costs:

- o Increase primarily due to the accelerated amortization of deferred mobilization costs due to cancelled contracts; higher repair costs due to an increase in vessel repair days; and increased training costs.

General and administrative expense:

- o Increase primarily due to higher personnel costs.

Depreciation and amortization expense:

- o Increase primarily due to higher drydock activity and higher depreciation due to additional equipment on several vessels.

Europe/Mediterranean Segment Operations.

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2024	2023		
Vessel revenues	\$ 333,081	\$ 230,217	\$ 102,864	45%
Vessel operating costs:				
Crew costs	109,178	78,613	(30,565)	(39)%
Repair and maintenance.....	28,288	17,029	(11,259)	(66)%
Insurance.....	3,171	2,218	(953)	(43)%
Fuel, lube and supplies	14,650	11,697	(2,953)	(25)%
Other.....	18,864	13,758	(5,106)	(37)%
Total vessel operating costs	174,151	123,315	(50,836)	(41)%
General and administrative expense	12,726	10,063	(2,663)	(26)%
Depreciation and amortization.....	92,331	63,152	(29,179)	(46)%
Vessel operating profit	\$ 53,873	\$ 33,687	\$ 20,186	60%
Select operating statistics:				
Utilization	85.5%	87.4%	(1.9)%	
Active utilization	85.5%	87.4%	(1.9)%	
Average vessel day rates.....	\$ 20,855	\$ 18,514	\$ 2,341	12.6%
Vessel operating cost per active day	\$ 9,411	\$ 8,758	\$ (653)	(7.5)%
Average total vessels	51	38	13	
Average stacked vessels.....	—	—	—	
Average active vessels	51	38	13	

Vessel revenue:

- o Primary drivers for the revenue increase include increase in average day rates and an increase in active vessels in the area resulting primarily from the Solstad Acquisition.
- o Solstad Acquisition added 26 vessels in 2024 and 24 vessels during the last six months of 2023 and contributed \$86.4 million to the revenue variance.
- o Active utilization decreased due to higher drydock days and increased idle time between contracts.
- o Active vessels increased primarily due to the Solstad vessel acquisition.

Vessel operating costs:

- o Increase primarily due to the additional vessels in the segment.
- o Solstad Vessels added \$86.7 million and \$37.8 million to operating costs in 2024 and 2023, respectively.

General and administrative expense:

- o Increase primarily due to higher personnel costs as a result of the addition of onshore personnel from the Solstad Acquisition.

Depreciation and amortization expense:

- o Increase primarily due to the significant depreciation associated with the additional vessels acquired from Solstad plus higher amortization related to an increase in drydock activity.

West Africa Segment Operations.

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2024	2023		
Vessel revenues	\$ 380,112	\$ 273,961	\$ 106,151	39%
Vessel operating costs:				
Crew costs	77,195	69,176	(8,019)	(12)%
Repair and maintenance	17,817	18,993	1,176	6%
Insurance	2,743	2,610	(133)	(5)%
Fuel, lube and supplies	18,233	18,333	100	1%
Other	24,415	20,613	(3,802)	(18)%
Total vessel operating costs	140,403	129,725	(10,678)	(8)%
General and administrative expense	9,495	9,281	(214)	(2)%
Depreciation and amortization	53,782	36,508	(17,274)	(47)%
Vessel operating profit	\$ 176,432	\$ 98,447	\$ 77,985	79%
<u>Select operating statistics:</u>				
Utilization	72.2%	71.1%	1.1%	
Active utilization	72.6%	75.8%	(3.2)%	
Average vessel day rates	\$ 21,173	\$ 14,917	\$ 6,256	41.9%
Vessel operating cost per active day	\$ 5,664	\$ 5,302	\$ (362)	(6.8)%
Average total vessels	68	71	(3)	
Average stacked vessels	(1)	(4)	3	
Average active vessels	67	67	—	

Vessel revenue:

- o Primary driver for the revenue increase is the increase in average day rates.
- o Solstad Acquisition added three vessels in 2024 and 2023, respectively, and contributed \$29.3 million to the revenue increase.
- o Active utilization decreased due to higher idle time between contracts.

Vessel operating costs:

- o Increase primarily due to higher crew wages and a nonrecurring customs duty settlement in the second quarter of 2024.
- o Solstad Vessels added \$8.7 million and \$4.4 million to operating costs for 2024 and 2023, respectively.

General and administrative expense:

- o No significant variances.

Depreciation and amortization expense:

- o Increase primarily due to significantly increased drydock activity and higher depreciation.

Years Ended December 31, 2023 and 2022

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2023	2022		
Total revenue.....	\$ 1,009,985	\$ 647,684	\$ 362,301	56%
Costs and expenses:				
Vessel operating costs:				
Crew costs	329,473	242,364	(87,109)	(36)%
Repair and maintenance.....	78,716	51,256	(27,460)	(54)%
Insurance.....	9,297	6,765	(2,532)	(37)%
Fuel, lube and supplies	60,548	43,729	(16,819)	(38)%
Other.....	78,481	53,187	(25,294)	(48)%
Total vessel operating costs	556,515	397,301	(159,214)	(40)%
Costs of other operating revenues.....	4,342	2,130	(2,212)	(104)%
General and administrative	95,283	101,921	6,638	7%
Depreciation and amortization.....	180,331	119,160	(61,171)	(51)%
Gain on asset dispositions, net.....	(8,701)	(250)	8,451	3,380%
Long-lived asset impairments and other	—	714	714	100%
Total costs and expenses	827,770	620,976	(206,794)	(33)%
Other income (expense):				
Foreign exchange loss.....	(1,370)	(2,827)	1,457	52%
Equity in net earnings (losses) of unconsolidated companies..	39	(221)	260	118%
Interest income and other, net.....	6,517	5,397	1,120	21%
Loss on warrants	—	(14,175)	14,175	100%
Interest and other debt costs, net.....	(48,472)	(17,189)	(31,283)	(182)%
Total other expense	(43,286)	(29,015)	(14,271)	(49)%
Income (loss) before income taxes	138,929	(2,307)	141,236	6,122%
Income tax expense	43,308	19,886	(23,422)	(118)%
Net income (loss)	\$ 95,621	\$ (22,193)	\$ 117,814	531%

Select operating statistics:

Utilization	79.1%	75.4%	3.7%	
Active utilization	81.2%	82.8%	(1.6)%	
Average vessel day rates.....	\$ 16,802	\$ 12,754	\$ 4,048	31.7%
Vessel operating cost per active day	\$ 7,615	\$ 6,480	\$ (1,135)	(17.5)%
Average total vessels	205	182	23	
Average stacked vessels.....	(5)	(16)	11	
Average active vessels	200	166	34	

Revenue:

- o Revenue benefitted from the full year effect of the SPO Acquisition which added 50 vessels to our fleet on April 22, 2022, and the Solstad Acquisition, which added 37 vessels to our fleet on July 5, 2023.
- o The SPO vessels added \$276.8 million to revenue in 2023, compared to approximately \$150.0 million in 2022.
- o The Solstad vessels added \$115.1 million to revenue in 2023.
- o Revenue benefitted from significantly higher day rates in 2023 and the additional capacity from the SPO Acquisition and Solstad Acquisition.
- o Slight decrease in active utilization in 2023, primarily due to a heavy drydock schedule and the mobilization of vessels between segments.

Vessel operating costs:

- o Increase primarily due to the additional active vessels in our fleet from the SPO Acquisition and Solstad Acquisition, and higher mobilization costs as we moved several vessels between segments.

General and administrative:

- o Decrease primarily due to lower acquisition related transaction costs, offset partially by higher personnel costs related to the Solstad Acquisition and the full year impact of the SPO Acquisition.

Depreciation and amortization:

- o Increase primarily due to the depreciation of additional vessels acquired in the SPO Acquisition and Solstad Acquisition and the amortization of a higher level of drydock costs associated with an increased number of vessels.

Gain on asset dispositions, net:

- o During 2023, we sold or recycled 15 vessels and other assets, while during 2022, we sold or recycled 14 vessels and other assets. The increase reflects the mix of sales prices and remaining net book value of the individual assets sold.

Long-lived asset impairment and other expense:

- o Decrease due to recording in 2022:
 - a \$0.5 million reversal of previously recorded impairment charges for assets held for sale that were reclassified back to the active fleet; and
 - \$1.2 million in impairment for certain obsolete marine service parts and supplies inventory.

Interest expense:

- o Increase primarily due to the addition of \$575.0 million in long term debt, bearing interest of approximately 10.0%, to fund the Solstad vessel acquisition effective July 5, 2023.

Interest income and other, net:

- o During 2023, we recorded a \$1.1 million charge resulting from a reduction in certain indemnification assets related to assumed tax liabilities acquired from SPO that were adjusted to reflect the expiration of the statute of limitations. This charge was offset by a corresponding decrease in income tax expense which resulted in no impact on net income.
- o During 2023, we recognized a \$2.3 million settlement gain from our pension plan and significantly reduced the number of plan participants and related pension liabilities.
- o In 2023, interest income increased due to the investment of the \$111.5 million in cash received from the exercise of Series A and Series B Warrants in July 2023.
- o In 2022, we recorded:
 - a \$1.3 million bargain purchase gain on our acquisition of the remaining 51% of Sonatide, our joint venture in Angola of which we previously owned 49%; and
 - \$1.9 million in interest and other income related to a litigation settlement for one of our vessels.

Loss on warrants:

- o In 2022, we initially recognized the 8.1 million warrants issued in connection with the SPO Acquisition as a liability. We subsequently amended the SPO agreement to allow us to reclassify the warrants from liabilities to equity and recognized a loss to mark the warrant liability to market from the SPO closing date through the date of the SPO agreement amendment.

Foreign exchange losses:

- o In 2023 and 2022, our foreign exchange losses were primarily the result of the settlement and revaluation of various foreign currency balances due to a strengthening of the U.S. Dollar against the Norwegian Kroner, Brazilian Real, Angola Kwanza, British Pound and Euro.

Income tax expense:

- o We are subject to taxes on our income in many jurisdictions worldwide and our actual tax expense can vary disproportionately to overall net income due to the mix of profits and losses in these foreign tax jurisdictions. Our tax expense for 2023 and 2022 is mainly attributable to taxes on our operations in foreign countries.

Americas Segment Operations.

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2023	2022		
Vessel revenues	\$ 237,205	\$ 146,871	\$ 90,334	62%
Vessel operating costs:				
Crew costs	86,328	56,767	(29,561)	(52)%
Repair and maintenance	17,295	12,706	(4,589)	(36)%
Insurance	1,891	1,439	(452)	(31)%
Fuel, lube and supplies	13,175	9,655	(3,520)	(36)%
Other	19,232	13,442	(5,790)	(43)%
Total vessel operating costs	137,921	94,009	(43,912)	(47)%
General and administrative expense	15,105	10,926	(4,179)	(38)%
Depreciation and amortization	41,215	29,920	(11,295)	(38)%
Vessel operating profit (loss)	\$ 42,964	\$ 12,016	\$ 30,948	258%
<u>Select operating statistics:</u>				
Utilization	82.0%	70.5%	11.5%	
Active utilization	84.4%	80.8%	3.6%	
Average vessel day rates	\$ 22,174	\$ 16,880	\$ 5,294	31.4%
Vessel operating cost per active day	\$ 10,916	\$ 8,691	\$ (2,225)	(25.6)%
Average total vessels	36	34	2	
Average stacked vessels	(1)	(4)	3	
Average active vessels	35	30	5	

Vessel revenue:

- o Primary driver for revenue increase was the increase in average day rates, however, active utilization and additional vessels increased revenue as well.
- o SPO Acquisition added two vessels for the full year in 2023 and contributed \$15.4 million to revenue increase.
- o Solstad Acquisition added six vessels during the last six months in 2023 and contributed \$27.1 million to revenue increase.
- o Active vessels increased primarily due to increased demand and the SPO and Solstad vessel acquisitions.

Vessel operating costs:

- o Increase primarily due to the additional five active vessels.

General and administrative expense:

- o Increase primarily due to bad debt expense in 2023 and increased professional fees.

Depreciation and amortization expense:

- o Increase primarily due to additional vessels and higher drydock activity.

Asia Pacific Segment Operations.

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2023	2022		
Vessel revenues	\$ 122,235	\$ 64,231	\$ 58,004	90%
Vessel operating costs:				
Crew costs	41,940	29,433	(12,507)	(42)%
Repair and maintenance	9,212	3,077	(6,135)	(199)%
Insurance	794	516	(278)	(54)%
Fuel, lube and supplies	5,251	4,139	(1,112)	(27)%
Other	7,751	5,081	(2,670)	(53)%
Total vessel operating costs	64,948	42,246	(22,702)	(54)%
General and administrative expense	8,147	12,299	4,152	34%
Depreciation and amortization	10,669	5,960	(4,709)	(79)%
Vessel operating profit	\$ 38,471	\$ 3,726	\$ 34,745	933%
<u>Select operating statistics:</u>				
Utilization	82.3%	76.0%	6.3%	
Active utilization	83.0%	81.6%	1.4%	
Average vessel day rates	\$ 24,968	\$ 16,084	\$ 8,884	55.2%
Vessel operating cost per active day	\$ 11,057	\$ 8,582	\$ (2,475)	(28.8)%
Average total vessels	16	14	2	
Average stacked vessels	—	(1)	1	
Average active vessels	16	13	3	

Vessel revenue:

- o Primary drivers for the revenue increase include the increase in average day rates resulting from increased demand and the full year and six months effects of the SPO Acquisition and Solstad Acquisition, respectively.
- o SPO Acquisition added 13 vessels for the full year in 2023 and contributed \$45.7 to the revenue increase.
- o Solstad Acquisition added four vessels during the last six months of 2023 and contributed \$14.6 million to the revenue increase.
- o Active utilization increased due to vessel demand.

Vessel operating costs:

- o Increase primarily due to the additional active vessels and operating in a higher cost market.

General and administrative expense:

- o Decrease primarily due to lower acquisition related costs and lower personnel costs from synergies realized in the SPO Acquisition.

Depreciation and amortization expense:

- o Increase primarily due to additional vessels and higher drydock activity.

Middle East Segment Operations.

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2023	2022		
Vessel revenues	\$ 135,375	\$ 110,375	\$ 25,000	23%
Vessel operating costs:				
Crew costs	53,416	44,944	(8,472)	(19)%
Repair and maintenance	16,187	12,210	(3,977)	(33)%
Insurance	1,784	1,412	(372)	(26)%
Fuel, lube and supplies	12,092	10,531	(1,561)	(15)%
Other	17,127	9,015	(8,112)	(90)%
Total vessel operating costs	100,606	78,112	(22,494)	(29)%
General and administrative expense	9,254	9,120	(134)	(1)%
Depreciation and amortization	26,566	24,236	(2,330)	(10)%
Vessel operating loss	\$ (1,051)	\$ (1,093)	\$ 42	(4)%
<u>Select operating statistics:</u>				
Utilization	80.9%	82.6%	(1.7)%	
Active utilization	80.9%	82.7%	(1.8)%	
Average vessel day rates	\$ 10,394	\$ 9,293	\$ 1,101	11.8%
Vessel operating cost per active day	\$ 6,253	\$ 5,436	\$ (817)	(15.0)%
Average total vessels	44	39	5	
Average stacked vessels	—	—	—	
Average active vessels	44	39	5	

Vessel revenue:

- o Primary drivers for revenue increase include increase in average day rates resulting from increased demand and increase in active vessels related to the SPO Acquisition.
- o SPO Acquisition added eight vessels for the full year in 2023 and contributed \$3.9 million to the revenue increase.
- o Active vessels increased by five primarily due to SPO Acquisition and vessel mobilization into the area.

Vessel operating costs:

- o Increase primarily due to additional active vessels, higher mobilization costs and costs associated with leasing two vessels.

General and administrative expense:

- o No significant variances.

Depreciation and amortization expense:

- o Increase primarily due to additional vessels and higher drydock activity.

Europe/Mediterranean Segment Operations.

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2023	2022		
Vessel revenues	\$ 230,217	\$ 129,578	\$ 100,639	78%
Vessel operating costs:				
Crew costs	78,613	49,709	(28,904)	(58)%
Repair and maintenance.....	17,029	9,239	(7,790)	(84)%
Insurance.....	2,218	1,442	(776)	(54)%
Fuel, lube and supplies	11,697	6,026	(5,671)	(94)%
Other.....	13,758	8,426	(5,332)	(63)%
Total vessel operating costs	123,315	74,842	(48,473)	(65)%
General and administrative expense	10,063	8,158	(1,905)	(23)%
Depreciation and amortization.....	63,152	27,734	(35,418)	(128)%
Vessel operating profit (loss)	\$ 33,687	\$ 18,844	\$ 14,843	79%
Select operating statistics:				
Utilization	87.4%	85.8%	1.6%	
Active utilization	87.4%	90.6%	(3.2)%	
Average vessel day rates.....	\$ 18,514	\$ 15,267	\$ 3,247	21.3%
Vessel operating cost per active day	\$ 8,758	\$ 7,954	\$ (804)	(10.1)%
Average total vessels	38	27	11	
Average stacked vessels.....	—	(1)	1	
Average active vessels	38	26	12	

Vessel revenue:

- o Primary drivers for the revenue increase include increase in average day rates resulting from increased demand and the increase in active vessels in the area resulting mainly from the Solstad Acquisition.
- o Solstad Acquisition added 24 vessels which, during the last six months of 2023, contributed \$67.4 million to the revenue increase.
- o Active utilization decreased due to vessel mobilizations and higher drydock activity.

Vessel operating costs:

- o Increase primarily due to the additional active vessels largely from the Solstad Acquisition.

General and administrative expense:

- o Increase primarily due to higher personnel costs and professional fees as a result of the Solstad Acquisition.

Depreciation and amortization expense:

- o Increase primarily due to the significant depreciation associated with the additional vessels acquired from Solstad plus higher amortization related to an increase in drydock activity.

West Africa Segment Operations.

(In Thousands except for statistics)	Year Ended December 31,		Change	% Change
	2023	2022		
Vessel revenues	\$ 273,961	\$ 190,349	\$ 83,612	44%
Vessel operating costs:				
Crew costs	69,176	61,511	(7,665)	(12)%
Repair and maintenance	18,993	14,024	(4,969)	(35)%
Insurance	2,610	1,956	(654)	(33)%
Fuel, lube and supplies	18,333	13,378	(4,955)	(37)%
Other	20,613	17,223	(3,390)	(20)%
Total vessel operating costs	129,725	108,092	(21,633)	(20)%
General and administrative expense	9,281	10,611	1,330	13%
Depreciation and amortization	36,508	28,534	(7,974)	(28)%
Vessel operating profit (loss)	\$ 98,447	\$ 43,112	\$ 55,335	128%
<u>Select operating statistics:</u>				
Utilization	71.1%	69.5%	1.6%	
Active utilization	75.8%	80.9%	(5.1)%	
Average vessel day rates	\$ 14,917	\$ 11,048	\$ 3,869	35.0%
Vessel operating cost per active day	\$ 5,302	\$ 4,936	\$ (366)	(7.4)%
Average total vessels	71	68	3	
Average stacked vessels	(4)	(10)	6	
Average active vessels	67	58	9	

Vessel revenue:

- o Primary drivers for the revenue increase include increase in average day rates and the increase in active vessels related to the full year and six months effects of the SPO Acquisition and Solstad Acquisition, respectively.
- o SPO Acquisition added 22 vessels to the segment which for the full year of 2023 contributed \$60.3 million to the revenue increase.
- o Solstad Acquisition added three vessels and contributed \$6.0 million to the revenue increase.
- o Active utilization decreased due to vessel mobilizations, high drydock activity and high down for repair days.
- o Active vessels increased primarily due to mobilizations from other areas, and the SPO and Solstad vessel acquisitions.

Vessel operating costs:

- o Increase primarily due to the additional nine active vessels.

General and administrative expense:

- o Decrease primarily due to lower personnel costs.

Depreciation and amortization expense:

- o Increase primarily due to additional vessels and significantly increased drydock activity.

Stacked Vessels and Vessel Dispositions

We consider a vessel to be stacked if the vessel crew is furloughed or substantially reduced and limited maintenance is performed on the vessel. We reduce operating costs by stacking vessels when management does not foresee opportunities to profitably or strategically operate the vessels in the near future. Vessels are stacked when market conditions warrant and are not considered stacked when they return to active service, are sold or otherwise disposed. When economically practical marketing opportunities arise, the stacked vessels can be returned to active service by performing any necessary maintenance on the vessel and either rehiring or returning fleet personnel to operate the vessel. Although not currently fulfilling charters, stacked vessels are considered in service and included in the calculation of our overall utilization statistics.

We had one, two and 13 stacked vessels including vessels classified as assets held for sale in our fleet as of December 31, 2024, December 31, 2023 and December 31, 2022, respectively. During 2024, we sold six vessels from our active fleet. During 2023, we sold or recycled eight vessels that had been designated as held for sale and sold seven vessels from our active fleet. During 2022, we sold or recycled 12 vessels that had been designated as held for sale and sold two vessels from our active fleet. We also designated three vessels to assets held for sale and reactivated one vessel from assets held for sale into the active fleet in 2022.

We seek opportunities to sell and/or recycle our older vessels when market conditions warrant and opportunities arise. Most of our vessels are sold to buyers who do not compete with us in the offshore energy industry. The number of vessels disposed by segment were as follows:

	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022
Number of vessels disposed by segment:			
Americas	1	1	4
Asia Pacific	—	1	2
Middle East	—	1	1
Europe/Mediterranean	1	—	2
West Africa	4	12	5
Total	6	15	14

General and Administrative Expenses

Consolidated general and administrative expenses and the related percentage of each component to total revenues are as follows:

(In Thousands)	Year Ended December 31, 2024		Year Ended December 31, 2023		Year Ended December 31, 2022	
Personnel	\$ 67,156	5%	\$ 50,343	5%	\$ 48,907	8%
Office and property	17,480	1%	20,998	2%	22,689	4%
Professional services	19,264	1%	16,498	2%	21,964	3%
Other	6,201	1%	6,354	1%	6,336	1%
Restructuring charges (A)	716	0%	1,090	0%	2,025	0%
	<u>\$ 110,817</u>	<u>8%</u>	<u>\$ 95,283</u>	<u>10%</u>	<u>\$ 101,921</u>	<u>16%</u>

General and administrative expenses for all segments and corporate, including their respective percentage of total general and administrative expenses, were as follows:

(In Thousands)	Year Ended December 31, 2024		Year Ended December 31, 2023		Year Ended December 31, 2022	
Vessel operations:						
Continuing operations.....	\$ 55,492	50%	\$ 50,785	53%	\$ 49,274	48%
Restructuring charges (A).....	639	1%	1,065	1%	1,840	2%
Total vessel operations	56,131	51%	51,850	54%	51,114	50%
Corporate:						
Continuing operations.....	54,609	49%	43,408	46%	50,622	50%
Restructuring charges (A).....	77	0%	25	0%	185	0%
Total corporate	54,686	49%	43,433	46%	50,807	50%
Total	\$ 110,817	100%	\$ 95,283	100%	\$ 101,921	100%

(A) Restructuring charges for the years ended December 31, 2024, 2023 and 2022 include \$0.7 million, \$1.1 million and \$2.0 million, respectively, of severance and termination benefits.

General and administrative expenses for the year ended December 31, 2024 increased compared to the year ended December 31, 2023 primarily because of higher compensation costs and professional fees. General and administrative expenses for the year ended December 31, 2023 decreased compared to the year ended December 31, 2022 primarily due to lower office and property costs and one time transaction costs resulting from the SPO Acquisition.

Liquidity, Capital Resources and Other Matters

As of December 31, 2024, we had \$329.0 million in cash and cash equivalents, which includes restricted cash and amounts held by foreign subsidiaries, the majority of which is available to us without adverse tax consequences. Included in foreign subsidiary cash are balances held in U.S. dollars and foreign currencies that await repatriation due to various currency conversion and repatriation constraints, partner and tax related matters. We currently expect earnings by our foreign subsidiaries will be indefinitely reinvested in foreign jurisdictions to fund strategic initiatives (such as investment, expansion and acquisitions), fund working capital requirements and repay intercompany debt of our foreign subsidiaries in the normal course of business. Moreover, we do not currently intend to repatriate earnings of our foreign subsidiaries to the U.S. because cash generated from our domestic businesses and the repayment of intercompany liabilities from foreign subsidiaries are currently sufficient to fund the cash needs of our U.S. operations.

A key component of our growth strategy is expanding our business and fleets through acquisitions, joint ventures and other strategic transactions. We would expect to use net proceeds from any sale of our securities for general corporate purposes, including capital expenditures, share buybacks, acquisitions, repayment or refinancing of indebtedness, building new vessels or other investments, and other business opportunities. In furtherance of this strategy and as discussed elsewhere in this Annual Report on Form 10-K, on July 5, 2023, we closed the Solstad Acquisition pursuant to which we acquired 37 platform supply vessels for an aggregate adjusted cash purchase price of approximately \$594.2 million. The purchase price was funded through a combination of cash on hand and net proceeds from both the Senior Secured Term Loan and from the 10.375% Senior Unsecured Notes due 2028 (Senior Secured Notes).

Our objective in financing our business is to maintain and preserve adequate financial resources and sufficient levels of liquidity. In addition to our cash on hand, we also have a \$25.0 million revolving credit facility (RCF) that matures in 2026. No amounts have been drawn on this facility. As of December 31, 2024, we had \$647.9 million of debt on our consolidated balance sheet, \$65.4 million of which is due in the next twelve months. Working capital, which includes cash on hand, was \$367.0 million at December 31, 2024. During 2024, we generated \$179.3 million in net income and \$273.8 million in cash flow from operating activities, which includes our interest payments and drydock costs. We expect to generate sufficient operating income to meet the corresponding debt maturities during 2025.

The Senior Secured Notes, the Senior Secured Term Loan and the revolving credit facility contain a combination of the following three financial covenants: (i) a minimum free liquidity test (as defined) equal to the greater of \$20.0 million or 10% of net interest-bearing debt; (ii) a minimum equity ratio of 30%, in each case for us and our consolidated subsidiaries; and (iii) an interest coverage ratio of not less than 2:1. We are currently in compliance and anticipate maintaining ongoing compliance with these financial covenants.

We believe cash and cash equivalents, availability under our RCF and future net cash provided by operating activities, will provide us with sufficient liquidity to fund our obligations and meet our liquidity requirements.

We signed agreements for the construction of ten new vessels, consisting of two ocean going tugs and eight crew boats. Upon delivery of each vessel, we may enter into Facility Agreements to finance a portion of the construction and delivery costs. Four vessels have been delivered through December 31, 2024, and we entered into Facility Agreements for approximately EUR13.9 million (\$15.2 million) in financing. Each of the associated Facility Agreements bears interest at rates ranging from 2.7% to 6.3% and are payable in ten equal principal semi-annual installments, with the first installment commencing approximately six months following delivery of the vessel. Each Facility Agreement is secured by the respective vessel, guaranteed by Tidewater as parent guarantor and contain no financial covenants. During January and February of 2025, we took delivery of five Alucat crew boats and recorded debt of approximately EUR 9.4 million (\$9.7 million).

Please refer to Note (4) - “Debt” to the accompanying Consolidated Financial Statements for further details on our indebtedness.

Share Repurchases

On November 5, 2023, our Board of Directors (Board) approved a \$35.0 million share repurchase program, pursuant to which we repurchased and retired 590,499 shares for approximately \$35.0 million, excluding commissions and a 1% excise tax, during the fourth quarter of 2023. On February 29, 2024, our Board approved a new \$48.6 million share repurchase program, subsequently approving the increase of such program by \$18.1 million on May 2, 2024, \$13.9 million on August 6, 2024, and \$10.1 million on November 7, 2024. During the year ended December 31, 2024, we repurchased and retired 1,384,186 shares for approximately \$90.7 million, excluding commissions and a 1% excise tax. No shares were repurchased during the year ended December 31, 2022. Please refer to Item 5 of this Form 10-K - Market for Registrant’s Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities for additional information regarding repurchases of our common stock in the fourth quarter of 2024. Also refer to Note (11) - “Stockholders’ Equity” to the accompanying Consolidated Financial Statements.

Dividends

There were no dividends declared during the years ended December 31, 2024, 2023 and 2022. Please refer to Note (11) - “Stockholders’ Equity” to the accompanying Consolidated Financial Statements.

Operating Activities

Net cash provided by operating activities for any period will fluctuate according to the level of business activity for the applicable period. Net cash provided by operating activities is as follows:

<u>(In Thousands)</u>	Year Ended December 31, 2024	Year Ended December 31, 2023
Net income	\$ 179,272	\$ 95,621
Depreciation and amortization	156,166	128,777
Amortization of deferred drydocking and survey costs.....	86,604	51,554
Amortization of debt premiums and discounts.....	6,741	4,619
Amortization of below market contracts	(5,000)	(3,800)
Deferred income taxes provision (benefit)	(2,807)	92
Gain on asset dispositions, net	(15,762)	(8,701)
Gain on pension settlement	—	(2,313)
Stock based compensation expense.....	13,681	10,755
Deferred drydocking and survey costs	(133,258)	(97,378)
Changes in operating assets and liabilities, net of effects of business acquisition	(11,788)	(74,521)
Net cash provided by operating activities.....	<u>\$ 273,849</u>	<u>\$ 104,705</u>

Net cash provided by operating activities for the year ended December 31, 2024, of \$273.8 million reflects net income of \$179.3 million, non-cash depreciation and amortization of \$242.8 million and stock-based compensation expense of \$13.7 million. Changes in operating assets and liabilities used \$11.8 million in cash, reflecting additional investments in working capital due to an increase in business activity relating to the Solstad Acquisition. We paid \$133.3 million for regulatory drydocks in 2024.

Net cash provided by operating activities for the year ended December 31, 2023, of \$104.7 million reflects net income of \$95.6 million, non-cash depreciation and amortization of \$180.3 million and stock-based compensation expense of \$10.8 million. Changes in operating assets and liabilities used \$74.5 million in cash, reflecting additional investments in working capital as a result of the increase in business activity and the acquisition of 37 vessels from Solstad. We paid \$97.4 million for regulatory drydocks in 2023.

Investing Activities

Net cash used in investing activities is as follows:

<u>(In Thousands)</u>	Year Ended December 31, 2024	Year Ended December 31, 2023
Proceeds from asset dispositions	\$ 19,338	\$ 15,506
Proceeds from sale of notes	8,054	\$ —
Acquisitions, net of cash acquired	—	(594,191)
Additions to properties and equipment	(27,580)	(31,588)
Net cash used in investing activities	<u>\$ (188)</u>	<u>\$ (610,273)</u>

Net cash used in investing activities for the year ended December 31, 2024, was \$0.2 million, reflecting proceeds of \$19.3 million related to the disposal of six vessels and \$8.1 million related to the sale of a PEMEX note receivable. Additions to property and equipment were comprised of \$27.6 million, primarily for upgrades to our existing fleet and continued enhancements to our current enterprise software system.

Net cash used in investing activities for the year ended December 31, 2023, was \$610.3 million, reflecting proceeds of \$15.5 million related to the disposal of 15 vessels. Acquisitions included \$594.2 million for the purchase of 37 vessels from Solstad. Additions to property and equipment were comprised of \$31.6 million, primarily for the down payment on six Alucat crew boats, upgrades to our existing fleet and continued enhancements to our current enterprise software system.

Financing Activities

Net cash provided by (used in) financing activities is as follows:

<u>(In Thousands)</u>	Year Ended December 31, 2024	Year Ended December 31, 2023
Exercise of warrants	\$ 4	\$ 111,483
Issuance of long-term debt	—	575,000
Principal payments on long-term debt	(103,030)	(13,677)
Purchase of common stock	(90,742)	(35,025)
Acquisition of non-controlling interest in a majority owned subsidiary	—	(1,427)
Debt issuance costs	(213)	(14,758)
Tax on share-based awards	(28,614)	(6,040)
Net cash provided by (used in) financing activities	<u>\$ (222,595)</u>	<u>\$ 615,556</u>

Financing activities for the year ended December 31, 2024, used \$222.6 million of cash. We made \$103.0 million in principal payments on long-term debt while incurring \$0.2 million of debt issuance costs. In addition, we purchased 1,384,186 shares of our common stock for \$90.7 million and paid \$28.6 million in taxes on share-based awards.

Financing activities for the year ended December 31, 2023, provided \$615.6 million of cash. We issued \$575.0 million in long-term debt related to our Senior Unsecured Notes and our Senior Secured Term Loan while incurring \$14.8 million of debt issuance costs related to these debt instruments. We also received \$111.5 million in proceeds from the exercise of our Series A and B warrants. In addition, we purchased 590,499 shares of our common stock for \$35.0 million and paid \$6.0 million in taxes on share-based awards.

Legal Proceedings

We are named defendants or parties in certain lawsuits, claims or proceedings incidental to or arising in the ordinary course of business. Although the outcome of such lawsuits or other proceedings cannot be predicted with certainty and the amount of any liability that could arise with respect to such lawsuits or other proceedings cannot be predicted accurately, we do not expect these matters to have a material adverse effect on our financial position, operating results and cash flows. Please refer to Note (12) - "Commitments and Contingencies" to the accompanying Consolidated Financial Statements.

Application of Critical Accounting Policies and Estimates

The preparation of our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures and disclosures of any contingent assets and liabilities at the date of the financial statements. We evaluate the reasonableness of these estimates and assumptions continually based on a combination of historical experience and other assumptions and information that comes to our attention that may vary the outlook for the future. Estimates and assumptions about future events and their effects are subject to uncertainty, and accordingly, these estimates may change as new events occur, as more experience is acquired, as additional information is obtained and as the business environment in which we operate changes. As a result, actual results may differ from estimates under different assumptions.

The "Nature of Operations and Summary of Significant Accounting Policies", as described in Note (1) to the Consolidated Financial Statements, should be read in conjunction with this "Management's Discussion and Analysis of Financial Condition and Results of Operations". We have defined a critical accounting estimate as one that is important to the portrayal of our financial condition or results of operations and requires us to make difficult, subjective or complex judgments or estimates about matters that are uncertain. We believe the following critical accounting policies that affect our more significant judgments and estimates used in the preparation of our consolidated financial statements are described below. There are other items within our consolidated financial statements that require estimation and judgment, but they are not deemed critical as defined above.

Acquisitions

On July 5, 2023, we completed the Solstad Acquisition. We determined that, under the provisions of FASB Accounting Standard Codification (ASC) 805, substantially all of the fair value of the gross assets acquired is concentrated in similar identifiable assets and accordingly, the Solstad Acquisition is considered an asset acquisition. As a result, the assets acquired and liabilities assumed are measured at cost, which consists of the amount of cash paid and direct transaction costs. The cost of a group of assets acquired in an asset acquisition are allocated to the individual assets acquired or liabilities assumed based on their relative fair values and does not give rise to goodwill. These estimated fair values require the use of judgments and assumptions.

On April 22, 2022, we completed the SPO Acquisition. Assets acquired and liabilities assumed in the business combination were recorded at their estimated fair values as of the closing date under the acquisition method of accounting. The final fair value estimates were subject to adjustment during a measurement period subsequent to the closing date, primarily consisting of the final valuation for various working capital items, tax and other liabilities existing on the closing date. The estimated fair values of certain assets and liabilities including long-lived assets and contingencies require the use of judgment and assumptions.

See Note (2) Acquisitions in the Notes to the Consolidated Financial Statements included in Item 8 to this Form 10-K for more information on the Solstad and SPO Acquisitions.

Receivables and Allowance for Credit Losses

In the normal course of business, we extend credit to our customers on a short-term basis. Our principal customers are major oil and gas exploration, field development and production companies. We routinely review and evaluate our accounts receivable balances for collectability. The determination of the collectability of amounts due from our customers requires us to use estimates and make judgments regarding future events and trends, including monitoring our customers' payment history and current credit worthiness to determine that collectability is reasonably assured, as well as consideration of the overall business climate in which our customers operate. Expected credit losses are recorded on the initial recognition of our primary financial assets, which are trade accounts receivable and contract assets. We believe that our allowance for credit losses is adequate to cover potential bad debt losses under current conditions; however, uncertainties regarding changes in the financial condition of our customers, either adverse or positive, could impact the amount and timing of any additional provisions for credit losses that may be required.

Impairment of Long-Lived Assets

We review the vessels in our active fleet for impairment whenever events occur or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable. In such evaluation, the estimated future undiscounted cash flows generated by an asset group are compared with the carrying amount of the asset group to determine if a write-down may be required. With respect to vessels that are expected to remain in active service, we group together for impairment testing purposes vessels with similar operating and marketing characteristics. Stacked vessels expected to return to active service are evaluated for impairment as part of their assigned active asset group and not individually.

We estimate future cash flows based upon historical data adjusted for our best estimate of expected future market performance, which, in turn, is based on industry trends. The primary estimates and assumptions used in reviewing active vessel groups for impairment and estimating undiscounted cash flows include utilization rates, average day rates and average daily operating expenses. These estimates are based on recent actual trends in utilization, day rates and operating costs and reflect management's best estimate of expected market conditions during the period of future cash flows. These assumptions and estimates have changed considerably as market conditions have changed, and they are reasonably likely to continue to change as market conditions change in the future. Although we believe our assumptions and estimates are reasonable, deviations from the assumptions and estimates could produce materially different results. Management estimates may vary considerably from actual outcomes due to future adverse market conditions or poor operating results that could result in the inability to recover the current carrying value of an asset group, thereby possibly requiring an impairment charge in the future. As our fleet continues to age, management closely monitors the estimates and assumptions used in the impairment analysis in order to properly identify evolving trends and changes in market conditions that could impact the results of the impairment evaluation.

If an asset group fails the undiscounted cash flow test, we estimate the fair value of each asset group and compare such estimated fair value to the carrying value of each asset group in order to determine if impairment exists.

We record an impairment charge when the carrying value of an asset group exceeds its estimated fair value. We often dispose of our older vessels when market conditions warrant and opportunities arise. As a result, vessel dispositions vary from year to year, and gains (losses) on sales of assets fluctuate significantly from period to period. Most of our vessels are sold to buyers with whom we do not compete in the offshore energy industry. When circumstances warrant, we review our fleet and make decisions to remove assets that are not considered to be part of our long-term plans. In these circumstances, we will reclassify the identified vessels as held for sale and, if necessary, we will revalue these vessels to net realizable value. Management estimates the fair value of each vessel in an asset group by considering items such as the vessel's age, length of time stacked, likelihood of a return to active service and actual recent sales of similar vessels, among others. We consider the valuation approach for our vessels to be Level 3, as defined by ASC 820, Fair Value Measurements and Disclosures, fair value measurements due to the level of estimation involved in valuing vessels for impairment purposes or for consideration for sale or recycling. We estimate the net realizable value for assets held for sale using various methodologies including third party appraisals, sales comparisons, sales agreements and scrap yard tonnage prices. Estimates generally fall in ranges rather than exact numbers due to the nature of sales of offshore vessels and industry conditions. Our value ranges depend on our expectation of the ultimate disposition of the vessel.

We will in all circumstances attempt to achieve maximum value for our vessels, but also recognize that certain vessels are more likely to be recycled, especially given the time and effort required to achieve a sale and the costs incurred to maintain a vessel while searching for a buyer. We establish ranges that in many cases have scrap value as the low end of the range and an expected open market sale value at the top of the range. When there is no expectation within the range that is considered more likely than any other, we apply equal probability weighting to the low and high ends of the valuation range.

Income Taxes

The asset-liability method is used for determining our income tax provisions, under which current and deferred tax liabilities and assets are recorded in accordance with enacted tax laws and rates. Under this method, the amounts of deferred tax liabilities and assets at the end of each period are determined using the tax rate expected to be in effect when taxes are actually paid or recovered. In addition, we determine our effective tax rate by estimating our permanent differences resulting from differing treatment of items for tax and accounting purposes.

As a global company, we are subject to the jurisdiction of taxing authorities in the United States and by the respective tax agencies in the countries in which we operate internationally, as well as to tax agreements and treaties among these governments. Our operations in these different jurisdictions are taxed on various bases: actual income before taxes, deemed profits (which are generally determined using a percentage of revenue rather than profits) and withholding taxes based on revenue. Determination of taxable income in any tax jurisdiction requires the interpretation of the related tax laws and regulations and the use of estimates and assumptions regarding significant future events such as the amount, timing and character of deductions, permissible revenue recognition methods under the tax law and the sources and character of income and tax credits. Changes in tax laws, regulations, agreements and treaties, foreign currency exchange restrictions or our level of operations or profitability in each taxing jurisdiction could have an impact on the amount of income taxes that we provide during any given year. We are periodically audited by various taxing authorities in the United States and by the respective tax agencies in the countries in which we operate internationally. The tax audits generally include questions regarding the calculation of taxable income. Audit adjustments affecting permanent differences could have an impact on our effective tax rate.

The carrying value of our net deferred tax assets is based on our present belief that we will be unable to generate sufficient future taxable income in certain tax jurisdictions to utilize such deferred tax assets, based on current estimates and assumptions. If these estimates and related assumptions change in the future, we may be required to adjust valuation allowances against our deferred tax assets resulting in additional income tax expense or benefit in our consolidated statement of operations. Management evaluates the realizability of the deferred tax assets and assesses the need for changes to valuation allowances on a quarterly basis. While we have considered future taxable income and ongoing prudent and feasible tax planning strategies in assessing the present need for a valuation allowance, in the event we were to determine that we would be able to realize our deferred tax assets in the future in excess of our net recorded amount, an adjustment to the valuation allowance would increase income in the period such determination was made. Should we determine that we would not be able to realize all or part of our net deferred tax asset in the future, an adjustment to the deferred tax asset would be charged to income in the period such determination was made.

Deferred taxes are not provided on undistributed earnings of certain non-U.S. subsidiaries and business ventures because we consider those earnings to be permanently invested abroad.

We record uncertain tax positions on the basis of a two-step process in which (1) we determine whether it is more likely than not that the tax positions would be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that was more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The recognition and measurement of tax liabilities for uncertain tax positions in any tax jurisdiction requires the interpretation of the related tax laws and regulations as well as the use of estimates and assumptions regarding significant future events. Changes in tax laws, regulations, agreements and treaties, foreign currency exchange restrictions or our level of operations or profitability in each taxing jurisdiction could have an impact on the amount of income taxes during any given year.

New Accounting Pronouncements

For information regarding the effect of new accounting pronouncements, please refer to Note (1) - "Nature of Operations and Summary of Significant Accounting Policies" to the accompanying Consolidated Financial Statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk refers to the potential losses arising from changes in interest rates, foreign currency and exchange rates, equity prices and commodity prices including the correlation among these factors and their volatility. We are primarily exposed to interest rate risk and foreign currency exchange risk. We enter into derivative instruments only to the extent considered necessary to meet our risk management objectives and do not use derivative contracts for speculative purposes.

Interest Rate Risk and Indebtedness

Changes in interest rates may result in changes in the fair market value of our financial instruments, interest income and interest expense. Our financial instruments that are exposed to interest rate risk include our cash equivalents and Senior Secured Term Loan. Due to the short duration and conservative nature of the cash equivalent investment portfolio, we do not expect any material loss with respect to our investments. The book value for cash equivalents is considered to be representative of its fair value.

Senior Secured and Senior Unsecured Debt

Please refer to Note (4) - "Debt" to the accompanying Consolidated Financial Statements for a discussion on our outstanding debt.

The following table discloses how the estimated fair value of our outstanding debt, as of December 31, 2024, would change with a 100 basis-point increase or decrease in market interest rates.

<u>(In Millions)</u>	Outstanding Value	Estimated Fair Value	100 Basis Point Increase	100 Basis Point Decrease
8.50% Senior Secured Notes due November 2026...	\$175.0	\$180.8	\$179.5	\$185.7
10.375% Senior Unsecured Notes due July 2028.....	250.0	266.1	260.7	276.5
Senior Secured Term Loan.....	212.5	218.2	216.0	220.4

Foreign Exchange Risk

Our financial instruments that can be affected by foreign currency exchange rate fluctuations consist primarily of cash and cash equivalents, trade receivables, trade payables and debt denominated in currencies other than the U.S. dollar. We may enter into spot derivative financial instruments that settle within two business days. The fair value of spot derivatives approximates the carrying value due to the short-term nature of these instruments, and as a result, no gains or losses are recognized. We may also enter into forward derivative financial instruments as a hedge against foreign currency denominated assets and liabilities, currency commitments, or to lock in desired interest rates. The accounting for gains or losses on forward contracts is dependent on the nature of the risk being hedged and the effectiveness of the hedge. We had no derivative instruments as of December 31, 2024 and 2023.

Other

Due to our international operations, we are exposed to foreign currency exchange rate fluctuations and exchange rate risks on all charter hire contracts denominated in foreign currencies. For some of our international contracts, a portion of the revenue and local expenses are incurred in local currencies with the result that we are at risk of changes in the exchange rates between the U.S. dollar and foreign currencies. We generally do not hedge against any foreign currency rate fluctuations associated with foreign currency contracts that arise in the normal course of business, which exposes us to the risk of exchange rate losses. To minimize the financial impact of these items we attempt to contract a significant majority of our services in U.S. dollars. In addition, we attempt to minimize the financial impact of these risks by matching the currency of our operating costs with the currency of the revenue streams when considered appropriate. We continually monitor the currency exchange risks associated with all contracts not denominated in U.S. dollars. In 2024 and 2023, we expanded our operations in several regions with currency risk and more bureaucratic barriers to the repatriation of cash, notably several countries in West Africa. In addition, our operations in Egypt were affected by currency devaluation in 2024. We are working to mitigate this additional foreign currency risk with a focus on reducing working capital levels denominated in currencies other than the U.S. dollar.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

TIDEWATER INC.

Report on Form 10-K Items 8, 15(a), and 15(c)

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All other schedules are omitted as the required information is inapplicable or the information is presented in the financial statements or the related notes.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Tidewater Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Tidewater Inc. and its subsidiaries (the "Company") as of December 31, 2024 and 2023, and the related consolidated statements of operations, of comprehensive income (loss), of stockholders' equity and of cash flows for each of the three years in the period ended December 31, 2024, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for Income Taxes

As described in Notes 1 and 6 to the consolidated financial statements, the Company recorded income tax expense of \$50.2 million for the year ended December 31, 2024, and deferred tax assets of \$584.1 million, prior to a valuation allowance of \$533.0 million, deferred tax liabilities of \$50.5 million, and liabilities for uncertain tax positions of \$15.2 million as of December 31, 2024. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The recognition and measurement of tax liabilities for uncertain tax positions in any tax jurisdiction requires the interpretation of the related tax laws and regulations as well as the use of estimates and assumptions regarding significant future events. As disclosed by management, the Company is subject to the jurisdiction of taxing authorities in the United States and by the respective tax agencies in the countries in which they operate internationally, as well as to tax agreements and treaties among these governments. The Company is periodically audited by various taxing authorities in the United States and by the respective tax agencies in the countries in which they operate internationally. The tax audits generally include questions regarding the calculation of taxable income. Audit adjustments affecting permanent differences could have an impact on the Company's effective tax rate.

The principal considerations for our determination that performing procedures relating to the accounting for income taxes is a critical audit matter are (i) the significant judgment by management when determining the provision for income taxes; and (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating audit evidence relating to the provision for income taxes.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to income taxes, including management's controls over the review of the tax provision calculations and the identification and recognition of the liability for uncertain tax positions. These procedures also included, among others (i) testing the provision for income taxes, including the effective tax rate reconciliation and permanent and temporary differences; (ii) testing the completeness and accuracy of underlying data used in measuring and recognizing certain deferred tax assets and liabilities; (iii) evaluating the completeness of management's assessment of the identification of uncertain tax positions, possible outcomes of each uncertain tax position based on the application of relevant tax laws, and the amount of the potential benefit to be realized, including estimated interest and penalties; and (iv) evaluating the status and results of income tax audits with the relevant tax authorities.

/s/ PricewaterhouseCoopers LLP

Houston, Texas
February 27, 2025

We have served as the Company's auditor since 2021.

TIDEWATER INC.
CONSOLIDATED BALANCE SHEETS
(In Thousands, except share and par value data)

	December 31, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents.....	\$ 324,918	\$ 274,437
Restricted cash	2,032	1,241
Trade and other receivables, less allowance for credit losses of \$3,184 and \$15,914 as of December 31, 2024 and 2023, respectively	323,805	268,352
Marine operating supplies	34,319	31,933
Prepaid expenses and other current assets.....	13,588	15,172
Total current assets	698,662	591,135
Net properties and equipment.....	1,184,282	1,315,122
Deferred drydocking and survey costs	152,550	106,698
Indemnification assets	11,946	17,370
Other assets	27,464	32,449
Total assets.....	<u>\$ 2,074,904</u>	<u>\$ 2,062,774</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 71,385	\$ 44,931
Accrued expenses.....	129,894	125,590
Current portion of long-term debt	65,386	103,077
Other current liabilities	64,948	55,133
Total current liabilities.....	331,613	328,731
Long-term debt.....	571,710	631,361
Other liabilities.....	60,396	64,985
Commitments and contingencies		
Equity:		
Common stock of \$0.001 par value, 125,000,000 shares authorized. 51,461,472 and 52,259,303 shares issued and outstanding at December 31, 2024 and 2023, respectively	52	52
Additional paid-in capital.....	1,656,830	1,671,759
Accumulated deficit	(548,831)	(637,838)
Accumulated other comprehensive income.....	6,060	5,266
Total stockholders' equity	1,114,111	1,039,239
Noncontrolling interests.....	(2,926)	(1,542)
Total equity	1,111,185	1,037,697
Total liabilities and equity.....	<u>\$ 2,074,904</u>	<u>\$ 2,062,774</u>

See accompanying Notes to Consolidated Financial Statements.

TIDEWATER INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands, except per share data)

	Year Ended December 31,		
	2024	2023	2022
Revenues:			
Vessel revenues	\$ 1,337,637	\$ 998,993	\$ 641,404
Other operating revenues	8,198	10,992	6,280
Total revenue	1,345,835	1,009,985	647,684
Costs and expenses:			
Vessel operating costs	693,107	556,515	397,301
Costs of other operating revenues	3,555	4,342	2,130
General and administrative.....	110,817	95,283	101,921
Depreciation and amortization	242,770	180,331	119,160
Gain on asset dispositions, net	(15,762)	(8,701)	(250)
Long-lived asset impairments and other	—	—	714
Total costs and expenses.....	1,034,487	827,770	620,976
Operating income	311,348	182,215	26,708
Other income (expense):			
Foreign exchange loss	(15,276)	(1,370)	(2,827)
Equity in net earnings (losses) of unconsolidated companies	—	39	(221)
Interest income and other, net	6,383	6,517	5,397
Loss on warrants	—	—	(14,175)
Interest and other debt costs, net	(72,967)	(48,472)	(17,189)
Total other expense.....	(81,860)	(43,286)	(29,015)
Income (loss) before income taxes	229,488	138,929	(2,307)
Income tax expense	50,216	43,308	19,886
Net income (loss)	179,272	95,621	(22,193)
Less: Net losses attributable to noncontrolling interests	(1,384)	(1,564)	(444)
Net income (loss) attributable to Tidewater Inc.	\$ 180,656	\$ 97,185	\$ (21,749)
Basic income (loss) per common share	\$ 3.44	\$ 1.88	\$ (0.49)
Diluted income (loss) per common share	\$ 3.40	\$ 1.84	\$ (0.49)
Weighted average common shares outstanding.....	52,452	51,591	44,132
Dilutive effect of warrants, restricted stock units and stock options	619	1,346	—
Adjusted weighted average common shares.....	53,071	52,937	44,132

See accompanying Notes to Consolidated Financial Statements.

TIDEWATER INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In Thousands)

	Year Ended December 31,		
	2024	2023	2022
Net income (loss)	\$ 179,272	\$ 95,621	\$ (22,193)
Other comprehensive income (loss):			
Unrealized gain (loss) on note receivable	283	213	(496)
Change in supplemental executive retirement plan pension liability	318	(525)	4,561
Change in pension plan minimum liability	193	(2,998)	1,843
Total comprehensive income (loss).....	<u>\$ 180,066</u>	<u>\$ 92,311</u>	<u>\$ (16,285)</u>

See accompanying Notes to Consolidated Financial Statements.

TIDEWATER INC.
CONSOLIDATED STATEMENTS OF EQUITY

<u>(In Thousands)</u>	Common stock	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive income (loss)	Noncontrolling interest	Total
Balance at December 31, 2021	\$ 41	1,376,494	(677,900)	2,668	466	\$ 701,769
Total comprehensive income (loss).....	—	—	(21,749)	5,908	(444)	(16,285)
Issuance of common stock	10	192,881	—	—	—	192,891
SPO Acquisition Warrants	—	176,823	—	—	—	176,823
Repurchase of SPO Acquisition Warrants.....	—	(194,256)	—	—	—	(194,256)
Amortization of share-based awards	—	5,048	—	—	—	5,048
Balance at December 31, 2022	51	1,556,990	(699,649)	8,576	22	865,990
Total comprehensive income (loss).....	—	—	97,185	(3,310)	(1,564)	92,311
Exercise of warrants into common stock.....	2	111,481	—	—	—	111,483
Repurchase and retirement of common stock.....	(1)	—	(35,374)	—	—	(35,375)
Acquisition of non-controlling interest in a majority owned subsidiary.....	—	(1,427)	—	—	—	(1,427)
Amortization of share-based awards	—	4,715	—	—	—	4,715
Balance at December 31, 2023	52	1,671,759	(637,838)	5,266	(1,542)	1,037,697
Total comprehensive income (loss).....	—	—	180,656	794	(1,384)	180,066
Issuance of common stock	1	(1)	—	—	—	—
Exercise of warrants into common stock.....	—	4	—	—	—	4
Repurchase and retirement of common stock.....	(1)	—	(91,649)	—	—	(91,650)
Amortization of share-based awards	—	(14,932)	—	—	—	(14,932)
Balance at December 31, 2024	\$ 52	1,656,830	(548,831)	6,060	(2,926)	\$1,111,185

See accompanying Notes to Consolidated Financial Statements.

TIDEWATER INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands)

	Year Ended December 31,		
	2024	2023	2022
Operating activities:			
Net income (loss)	\$ 179,272	\$ 95,621	\$ (22,193)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation	156,166	128,777	83,522
Amortization of deferred drydocking and survey costs	86,604	51,554	35,638
Amortization of debt premiums and discounts	6,741	4,619	1,679
Amortization of below market contracts	(5,000)	(3,800)	—
Deferred income taxes provision (benefit)	(2,807)	92	36
Gain on asset dispositions, net.....	(15,762)	(8,701)	(250)
Gain on pension settlement	—	(2,313)	—
Gain on bargain purchase	—	—	(1,300)
Long-lived asset impairments and other.....	—	—	714
Loss on warrants.....	—	—	14,175
Stock-based compensation expense.....	13,681	10,755	7,372
Changes in operating assets and liabilities, net:			
Trade and other receivables.....	(55,453)	(109,756)	(4,129)
Due to/from affiliate, net.....	—	—	(20)
Marine operating supplies	(2,906)	1,984	(14,611)
Prepaid expenses and other current assets	1,584	5,813	(4,899)
Accounts payable	26,454	5,985	16,481
Accrued expenses.....	7,393	20,072	(1,340)
Other current liabilities.....	13,908	809	(555)
Other liabilities.....	(2,415)	(740)	(10,930)
Deferred drydocking and survey costs	(133,258)	(97,378)	(56,000)
Other, net.....	(353)	1,312	(3,164)
Net cash provided by operating activities.....	273,849	104,705	40,226
Cash flows from investing activities:			
Proceeds from asset dispositions.....	19,338	15,506	13,568
Proceeds from sale of notes.....	8,054	—	—
Acquisitions, net of cash acquired.....	—	(594,191)	(20,740)
Additions to properties and equipment	(27,580)	(31,588)	(16,637)
Net cash used in investing activities.....	(188)	(610,273)	(23,809)
Cash flows from financing activities:			
Exercise of warrants	4	111,483	—
Proceeds from issuance of shares.....	—	—	187,832
Repurchase of SPO acquisition warrants	—	—	(187,832)
Issuance of long-term debt	—	575,000	—
Principal payments on long-term debt.....	(103,030)	(13,677)	—
Purchase of common stock.....	(90,742)	(35,025)	—
Acquisition of non-controlling interest in a majority owned subsidiary.....	—	(1,427)	—
Debt issuance costs	(213)	(14,758)	(393)
Tax on share-based award	(28,614)	(6,040)	(2,323)
Net cash provided by (used in) financing activities.....	(222,595)	615,556	(2,716)
Net change in cash, cash equivalents and restricted cash	51,066	109,988	13,701
Cash, cash equivalents and restricted cash at beginning of period	277,965	167,977	154,276
Cash, cash equivalents and restricted cash at end of period	\$ 329,031	\$ 277,965	\$ 167,977

TIDEWATER INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands)

	Year Ended December 31,		
	2024	2023	2022
Supplemental disclosure of cash flow information:			
Cash paid during the year for:			
Interest, net of amounts capitalized.....	\$ 66,897	\$ 26,638	\$ 15,554
Income taxes	\$ 56,909	\$ 43,880	\$ 22,275
Supplemental disclosure of noncash investing activities:			
Acquisition of SPO	\$ —	\$ —	\$ 162,648
Purchase of four vessels.....	\$ —	\$ 14,265	\$ —
Supplemental disclosure of noncash financing activities:			
Warrants issued for SPO acquisition.....	\$ —	\$ —	\$ 162,648
Repurchase of SPO Acquisition Warrants	\$ —	\$ —	\$ 1,365
Debt incurred for the purchase of four vessels.....	\$ —	\$ 15,235	\$ —

Cash, cash equivalents and restricted cash at December 31, 2024 and 2023 includes \$2.1 million and \$2.3 million, respectively, in long-term restricted cash.

See accompanying Notes to Consolidated Financial Statements.

(1) NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

We provide offshore support vessels and marine support services to the global offshore energy industry through the operation of a diversified fleet of offshore marine service vessels. Our revenues, net earnings and cash flows from operations are dependent upon the activity level of the vessel fleet (utilization) and the price we charge for these services (day rate). The level of our business activity is driven by the amount of installed offshore oil and gas production facilities, the level of offshore drilling and exploration activity, and the general level of offshore construction projects such as pipeline and windfarm construction and support. Our customers' offshore activity, in turn, is dependent on crude oil and natural gas (oil and gas) prices, which fluctuate depending on the respective levels of supply and demand for oil and gas and the outlook for such levels.

In 2023, we acquired 37 platform supply vessels owned by Solstad Offshore ASA, a Norwegian public limited company, operating primarily in the North Sea, Australia and Brazil.

In 2022, we acquired Swire Pacific Offshore Holdings Ltd., a limited company organized under the laws of Bermuda (SPO), which owned 50 offshore support vessels operating primarily in West Africa, Southeast Asia and the Middle East.

Unless otherwise required by the context, the terms “we”, “us”, “our” and “company” as used herein refer to Tidewater Inc. and its consolidated subsidiaries and predecessors.

Basis of Presentation

The consolidated financial statements included herein, presented in accordance with United States generally accepted accounting principles and stated in U.S. dollars, have been prepared by the company, pursuant to the rules and regulations of the Securities and Exchange Commission.

Principles of Consolidation

The consolidated financial statements include the accounts of Tidewater Inc. and its subsidiaries. Intercompany balances and transactions are eliminated in consolidation.

Reporting Segments

Reporting business segments are defined as a component of an enterprise for which separate financial information is available and is evaluated by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Our segments are based on geographic markets: the Americas segment, which includes the U.S. Gulf of Mexico (U.S. Gulf), Trinidad, Mexico and Brazil; the Asia Pacific segment, which includes Southeast Asia and Australia; the Middle East segment, which includes Saudi Arabia, United Arab Emirates, India and East Africa; the Europe/Mediterranean segment, which includes the United Kingdom, Norway and Egypt; and the West Africa segment, which includes Angola and other coastal regions of West Africa. Please refer to Note (14) - “Segment Information, Geographical Data and Major Customers” for disclosure related to reporting segments.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the recorded amounts of revenues and expenses during the reporting period. The accompanying consolidated financial statements include estimates for allowance for credit losses, useful lives of property and equipment, estimated net realizable value of assets held for sale and marine operating supplies, income tax provisions, impairments, fair value of assets and liabilities related to acquired vessels, fair value of available-for-sale debt securities, fair value of stock-based compensation awards, commitments and contingencies and certain accrued liabilities. We evaluate our estimates and assumptions on an ongoing basis based on a combination of historical information and various other assumptions that are considered reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. These accounting policies involve judgment and uncertainties to such an extent that there is reasonable likelihood that materially different amounts could have been reported under different conditions or if different assumptions had been used and, as such, actual results may differ from these estimates.

Cash Equivalents

We consider all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Restricted Cash

We consider cash as restricted when there are contractual agreements that govern the use or withdrawal of the funds.

Marine Operating Supplies

Marine operating supplies, which consist primarily of operating parts and supplies for our vessels as well as fuel, are stated at the lower of weighted-average cost or net realizable value.

Properties and Equipment

Capitalization, Depreciation and Amortization

Properties and equipment acquired after fresh-start are stated at their acquisition cost. Depreciation is computed primarily on the straight-line basis beginning on acquisition date or on the date construction is completed, with salvage values of 7.5% for marine equipment, using estimated useful lives of 10 – 20 years for marine equipment and 3 – 10 years for other properties and equipment. Depreciation is provided for all vessels unless a vessel meets the criteria to be classified as held for sale. Estimated remaining useful lives are reviewed when there has been a change in circumstances that indicates the original estimated useful life may no longer be appropriate. Upon retirement or disposal of a fixed asset, the costs and related accumulated depreciation are removed from the respective accounts and any gains or losses are included in our consolidated statements of operations.

Maintenance and Repairs

Most of our vessels require certification inspections twice in every five-year period. These costs include drydocking and survey costs necessary to ensure compliance with applicable regulations and maintain certifications for vessels with classification societies. These certification costs are typically incurred while the vessel is in drydock and may be incurred concurrent with other vessel maintenance and improvement activities. Costs related to the certification of vessels are deferred and amortized over 30 months on a straight-line basis.

Maintenance costs incurred at the time of the recertification drydocking that are not related to the certification of the vessel are expensed as incurred.

Costs related to vessel improvements that either extend the vessel's useful life or increase the vessel's functionality are capitalized and depreciated. Vessel modifications that are performed for a specific customer contract are capitalized and amortized over the firm contract term. Major modifications to equipment that are not being performed for a specific customer contract are capitalized and amortized over the remaining life of the equipment.

Net Properties and Equipment

The following are summaries of net properties and equipment:

<u>(In Thousands)</u>	December 31, 2024	December 31, 2023
Properties and equipment:		
Vessels and related equipment.....	\$ 1,727,197	\$ 1,716,339
Other properties and equipment.....	28,969	32,447
	1,756,166	1,748,786
Less accumulated depreciation and amortization	571,884	433,664
Net properties and equipment.....	<u>\$ 1,184,282</u>	<u>\$ 1,315,122</u>

As of December 31, 2024, we owned 211 offshore support vessels, 210 of which were active and one of which was stacked. As of December 31, 2023, we owned 217 offshore support vessels, 215 of which were active and two of which were stacked. We consider a vessel to be stacked if the vessel crew is disembarked and limited maintenance is being performed. We reduce operating costs by stacking vessels when we do not foresee opportunities to profitably or strategically operate the vessels in the near future. Vessels are stacked when market conditions warrant and they are removed from stack when they are returned to active service, sold or otherwise disposed. We consider our current stacked vessels to be available for return to service. Stacked vessels are considered to be in service and are included in our utilization statistics. Please refer to Note (8) - "Assets Held for Sale, Asset Sales and Asset Impairments" for additional discussion of our assets held for sale including any reclassifications to or from the active fleet. Some of our vessels are pledged as security under our debt agreements. Refer to Note (4) - "Debt" for additional information regarding debt security.

To support our West Africa segment, we contracted to build two ocean-going tugs which were completed in 2023 and cost approximately \$6.0 million each. We also contracted to build eight Alucat crew boats, two of which were completed in 2023 and cost approximately \$4.0 million each. We expect five of the remaining six Alucat crew boats to be delivered in early 2025 and one to be delivered later in 2025. We paid \$2.9 million to start the construction on these vessels, which will cost approximately \$2.5 million each. During January and February of 2025, we took delivery of five Alucat crew boats and recorded debt of approximately EUR 9.4 million (\$9.7 million).

Impairment of Long-Lived Assets

We review the vessels in our active fleet for impairment whenever events occur or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable. In such evaluation, the estimated future undiscounted cash flows generated by an asset group are compared with the carrying amount of the asset group to determine if a write-down may be required. With respect to vessels that are expected to remain in active service, we group together for impairment testing purposes vessels with similar operating and marketing characteristics. Stacked vessels expected to return to active service are evaluated for impairment as part of their assigned active asset group.

We estimate future cash flows based upon historical data adjusted for our best estimate of expected future market performance, which, in turn, is based on industry trends. The primary estimates and assumptions used in reviewing active vessel groups for impairment and estimating undiscounted cash flows include utilization rates, average day rates and average daily operating expenses. These estimates are made based on recent actual trends in utilization, day rates and operating costs and reflect management's best estimate of expected market conditions during the period of future cash flows. These assumptions and estimates have changed considerably as market conditions have changed, and they are reasonably likely to continue to change as market conditions change in the future. Although we believe our assumptions and estimates are reasonable, deviations from the assumptions and estimates could produce materially different results. Management estimates may vary considerably from actual outcomes due to future adverse market conditions or poor operating results that could result in the inability to recover the current carrying value of an asset group, thereby possibly requiring an impairment charge in the future. As our fleet continues to age, management closely monitors the estimates and assumptions used in the impairment analysis in order to properly identify evolving trends and changes in market conditions that could impact the results of the impairment evaluation.

If an asset group fails the undiscounted cash flow test, we estimate the fair value (Level 3) of that asset group and compare such estimated fair value to the carrying value of that asset group in order to determine if impairment exists.

From time to time, we may designate assets or a group of assets for disposal under a plan for disposition. Cost and related accumulated depreciation associated with assets designated for disposal under such a plan are removed from the property and equipment accounts and reclassified to assets held for sale at estimated net realizable value. Any excess of previous net book value over estimated net realizable value is charged to impairment expense. Also, we may sell or recycle assets at various times for various reasons including obsolescence that are not subject to a plan for disposal. We record gains and losses on these sales as they occur.

We consider the valuation approach for our assets held for sale to be a Level 3 fair value measurement due to the level of estimation involved in valuing assets to be recycled or sold. We estimate the net realizable value of our assets held for sale using various methodologies including third party appraisals, sales comparisons, sales agreements and recycle yard tonnage prices. Estimates generally fall in ranges rather than exact numbers due to the nature of sales of offshore vessels and industry conditions. Our value ranges depend on our expectation of the ultimate disposition of the vessel. We will in all circumstances attempt to achieve maximum value for our vessels, but also recognize that certain vessels are more likely to be recycled, especially given the time and effort required to achieve a sale and the costs incurred to maintain a vessel while searching for a buyer. We establish ranges that in many cases have the recycling value as the low end of the range and an expected open market sale value at the top of the range.

When there is no expectation within the range that is considered more likely than any other, we apply equal probability weighting to the low and high ends of the valuation range. In addition, in conjunction with the reactivation of vessels from assets held for sale to the active fleet and the concurrent valuation of such vessels at fair value, we may recapture impairment previously charged to expense related to those vessels. We do not separate our asset impairment expense by segment because of the significant movement of our assets between segments.

Please refer to Note (8) - “Assets Held for Sale, Asset Sales and Asset Impairments” for a discussion of our evaluations of long-lived assets for impairment during the years ended December 31, 2024, 2023 and 2022.

Accrued Property and Liability Losses

Our insurance coverage is provided by third party insurers. We establish case-based reserves for estimates of reported losses on outstanding claims, estimates received from ceding reinsurers, and reserves based on past experience of unreported losses. Such losses principally relate to our vessel operations and are included as a component of vessel operating costs in the consolidated statements of earnings. The liability for such losses and the related reimbursement receivable from reinsurance companies are classified in the consolidated balance sheets into current and noncurrent amounts based upon estimates of when the liabilities will be settled and when the receivables will be collected.

Pension Benefits

We follow the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 715, Compensation – Retirement Benefits, and use a December 31 measurement date for determining net periodic benefit costs, benefit obligations and the fair value of plan assets. Net periodic pension costs and accumulated benefit obligations are determined using several assumptions including the discount rates used to measure future obligations and expenses, retirement ages, mortality rates, expected long-term return on plan assets, and other assumptions, all of which have a significant impact on the amounts reported.

Our pension cost consists of interest costs, expected returns on plan assets, and actuarial gains and losses. We consider various factors in developing pension assumptions, including an evaluation of relevant discount rates, expected long-term returns on plan assets, plan asset allocations, expected changes in retirement benefits, analyses of current market conditions and input from actuaries and other consultants.

For the long-term rate of return, we developed assumptions regarding the expected rate of return on plan assets based on historical experience and projected long-term investment returns, which consider the plan’s target asset allocation and long-term asset class return expectations. Assumptions for the discount rate reflect the theoretical rate at which liabilities could be settled in the bond market at December 31, 2024.

Income Taxes

Income taxes are accounted for in accordance with the provisions of ASC 740, Income Taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred taxes are not provided on undistributed earnings of certain non-U.S. subsidiaries and business ventures because we consider those earnings to be permanently invested abroad.

We record uncertain tax positions on the basis of a two-step process in which (1) we determine whether it is more likely than not that the tax positions would be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The recognition and measurement of tax liabilities for uncertain tax positions in any tax jurisdiction requires the interpretation of the related tax laws and regulations as well as the use of estimates and assumptions regarding significant future events. Changes in tax laws, regulations, agreements and treaties, foreign currency exchange restrictions or our level of operations or profitability in each taxing jurisdiction could have an impact on the amount of income taxes during any given year.

Revenue Recognition

Our primary source of revenue derives from time charter contracts of our vessels on a rate per day of service basis; therefore, vessel revenues are recognized on a daily basis throughout the contract period. The base rate of hire for a time charter contract is generally a fixed rate, provided, however, that some longer-term contracts at times include escalation clauses to recover specific additional costs.

Operating Costs

Vessel operating costs consist primarily of costs such as crew wages; repair and maintenance; insurance; fuel, lube oil and supplies; and other vessel expenses, which include costs such as brokers' commissions, training costs, agent fees, port fees, canal transit fees, temporary importation fees, vessel certification fees, and satellite communication fees. Repair and maintenance costs include both routine costs and major repairs carried out during drydockings, which occur during the economic useful life of the vessel. Vessel operating costs, excluding drydocking cost, are recognized as incurred.

Foreign Currency Translation

The U.S. dollar is the functional currency for all our existing international operations, as transactions in these operations are predominately denominated in U.S. dollars. Foreign currency exchange gains and losses from the revaluation of our foreign currency denominated monetary assets and liabilities are included in the consolidated statements of operations.

Earnings Per Share

We report both basic earnings (loss) per share and diluted earnings (loss) per share. The calculation of basic earnings (loss) per share is computed based on the weighted average number of shares of common stock outstanding. Diluted earnings (loss) per share is computed based on the weighted average number of shares of common stock plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method. Diluted earnings (loss) per share includes the dilutive effect of stock options and restricted stock grants (both time and performance based) awarded as part of our share-based compensation and incentive plans as well as our outstanding warrants. Per share amounts disclosed in these Notes to Consolidated Financial Statements, unless otherwise indicated, are on a diluted basis.

The components of basic and diluted earnings (loss) per share, are as follows:

(In Thousands, except per share data)

	Year Ended December 31,		
	2024	2023	2022
Net income (loss) available to common stockholders	\$ 180,656	\$ 97,185	\$ (21,749)
Weighted average outstanding shares of common stock, basic	52,452	51,591	44,132
Dilutive effect of options, warrants and stock awards	619	1,346	—
Weighted average common stock and equivalents	53,071	52,937	44,132
Income (loss) per share, basic	\$ 3.44	\$ 1.88	\$ (0.49)
Income (loss) per share, diluted	\$ 3.40	\$ 1.84	\$ (0.49)

Additional information:

Incremental "in-the-money" options, warrants, and restricted stock units outstanding at the end of the period	856	1,674	1,863
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Concentrations of Credit Risk and Allowance for Credit Losses

Our financial instruments that are exposed to concentrations of credit risk consist primarily of trade and other receivables from a variety of domestic, international and national energy companies. We manage our exposure to risk by performing ongoing credit evaluations of our customers' financial condition and may at times require prepayments or other forms of collateral.

We maintain an allowance for credit loss based on expected collectability and do not believe we are generally exposed to concentrations of credit risk that are likely to have a material adverse impact on our financial position, results of operations, or cash flows. Expected credit losses are recognized on the initial recognition of our trade accounts receivable. In each subsequent reporting period, even if a loss has not yet been incurred, credit losses are recognized based on the history of credit losses and current conditions, as well as reasonable and supportable forecasts affecting collectability. We developed an expected credit loss model applicable to our trade accounts receivable and contract assets that considers our historical performance and the economic environment, as well as the credit risk and its expected development for each group of customers that share similar risk characteristics. It is our practice to write off receivables when all legal options for collection have been exhausted.

Activity in the allowance for credit losses for the three years ended December 31, 2024 is as follows:

(In Thousands)

	Trade and Other Receivables
Balance at January 1, 2022.....	\$ 74,404
Current period provision for expected credit losses	414
Acquisition of Sonatide joint venture.....	(59,678)
Other.....	(1,080)
Balance at December 31, 2022.....	\$ 14,060
Current period provision for expected credit losses	3,305
Write offs	(1,484)
Recoveries	490
Other.....	(457)
Balance at December 31, 2023.....	\$ 15,914
Current period credit for expected credit losses	(1,430)
Write offs (A).....	(10,969)
Other.....	(331)
Balance at December 31, 2024.....	\$ 3,184

(A) Primarily the write off of the remaining balance due from our Nigerian joint venture.

Stock-Based Compensation

Stock-based compensation transactions are accounted for using a fair-value-based method. We use the Black-Scholes option-pricing model to determine the fair-value of stock-based option awards. The fair value of time based stock awards is the stock price on the grant date of the award. We use a Monte Carlo simulation model to determine the fair value of stock-based performance awards that contain market conditions.

Comprehensive Income (Loss)

We report total comprehensive income (loss) and its components. Accumulated other comprehensive income (loss) is comprised of any minimum pension liability for our U.S. Defined Benefits Pension Plans and an unrealized gain (loss) on a note receivable.

Fair Value Measurements

We follow the provisions of ASC 820, for financial assets and liabilities that are measured and reported at fair value on a recurring basis. ASC 820 establishes a hierarchy for inputs used in measuring fair value. Fair value is calculated based on assumptions that market participants would use in pricing assets and liabilities and not on assumptions specific to the entity. The statement requires that each asset and liability carried at fair value be classified into one of the following categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data

Level 3: Unobservable inputs that are not corroborated by market data

Our primary financial instruments consist of cash and cash equivalents, restricted cash, trade receivables and trade payables with book values that are considered to be representative of their respective fair values.

Our cash equivalents, which are securities with maturities less than three months, are held in commercial paper, money market funds or time deposit accounts with highly rated financial institutions. The carrying value for cash equivalents is considered to be representative of its fair value due to the short duration and conservative nature of the cash equivalent investment portfolio.

In the second quarter of 2022, we exchanged \$8.6 million in accounts receivable with PEMEX, the Mexican national oil company, for an equal face value amount of seven-year 8.75% PEMEX corporate bonds (PEMEX Bonds). In 2024, \$8.0 million of the PEMEX Bonds were sold at their approximate book value. The PEMEX Bonds are classified as “available for sale.” As of December 31, 2024 and 2023, we have recorded zero and \$(0.3) million, respectively, in mark-to-market gains (losses) related to the fair value (Level 2) of the PEMEX Bonds in other comprehensive income. The remaining PEMEX Bonds are valued at \$0.7 million in our consolidated balance sheet, which is both its amortized cost and approximate fair value, as of December 31, 2024.

In addition, we disclose the fair value of our long-term debt (Level 2) in Note (4).

Governmental Assistance

During 2024, we received the following governmental assistance:

- \$11.8 million in wage and sick cost refunds from the Norwegian government which was credited to our vessel operating costs in our Consolidated Statement of Operations.

During 2023, we received the following governmental assistance:

- \$6.1 million in wage and sick cost refunds from the Norwegian government which was credited to our vessel operating costs in our Consolidated Statement of Operations.

Recently Adopted Accounting Pronouncements

From time-to-time new accounting pronouncements are issued by the Financial Accounting Standards Board (FASB) that we adopt as of the specified effective date. Unless otherwise discussed, management believes that the impact of recently issued standards, which are not yet effective, will not have a material impact on our consolidated financial statements upon adoption.

In October 2021, the FASB issued ASU 2021-08, Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which amends Topic 805, Business Combinations to require an acquirer to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606, Revenue from Contracts with Customers. The guidance is effective for annual and interim periods beginning after December 15, 2022 with early adoption permitted. We adopted this standard on January 1, 2023 and it did not have any impact on our consolidated financial statements and related disclosures.

In September 2022, the FASB issued ASU 2022-04, Disclosures of Supplier Finance Program Obligations, which requires disclosures about supplier finance programs including the nature of the program, activity during the period, changes from period to period and potential magnitude. The guidance is effective for annual periods beginning after December 15, 2022, with early adoption permitted. We adopted this standard on January 1, 2023, and it did not have any impact on our consolidated financial statements and related disclosures.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting, which requires disclosure of incremental segment information on an annual and interim basis including significant segment expenses that are regularly provided to the chief operating decision maker (CODM) and an explanation of how the CODM uses the reported measures of segment profit or loss in assessing segment performance and deciding how to allocate resources. This guidance is effective for annual periods beginning after December 15, 2023 and interim periods beginning after December 15, 2024. We adopted this standard on December 31, 2024 and we have included the required disclosures in Note 14 for the three years ending December 31, 2024.

Recently Issued Accounting Standards Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, Income Taxes, which requires a greater disaggregation of information in the income tax rate reconciliation and income taxes paid by jurisdiction to improve the transparency of the income tax disclosures. This guidance is effective for annual periods beginning after December 15, 2024. We are currently evaluating the effect of the standard on our disclosures in our consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures to improve disclosures about certain types of expenses including purchases of inventory, employee compensation and depreciation, depletion and amortization included in commonly presented captions in the Consolidation Statements of Operations. This guidance is effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027. We are currently evaluating the effect of the standard on our disclosures in our consolidated financial statements.

(2) ACQUISITIONS

Acquisition of Solstad Vessels

On March 7, 2023, we entered into an Agreement for the Sale and Purchase of Vessels, Charter Parties and Other Assets, which was amended on June 30, 2023 (the Acquisition Agreement), with certain subsidiaries of Solstad Offshore ASA, a Norwegian public limited company (collectively, the Sellers), pursuant to which we agreed to acquire from the Sellers (the Solstad Acquisition): (i) 37 platform supply vessels owned by the Sellers (the Solstad Vessels); and (ii) the charter parties governing certain of the Solstad Vessels. On July 5, 2023, we completed the Solstad Acquisition for an aggregate cash purchase price of approximately \$594.2 million, consisting of the \$577.0 million base purchase price plus an initial \$3.0 million purchase price adjustment; \$3.2 million for working capital items comprised of fuel and lubricants; and \$11.0 million in estimated transaction costs, consisting primarily of advisory and legal fees. The purchase price was funded through a combination of cash on hand and net proceeds from both the Senior Secured Term Loan and the 10.375% Senior Unsecured Notes due July 2028. See “Note (4) Debt” for additional disclosure on these debt instruments.

We have determined that, under the provisions of FASB Accounting Standard Codification (ASC) 805, substantially all of the fair value of the gross assets acquired is concentrated in similar identifiable assets and accordingly, the Solstad Acquisition is considered an asset acquisition. As a result, the assets acquired and liabilities assumed are measured at cost, which consists of the amount of cash paid and direct transaction costs. The cost of a group of assets acquired in an asset acquisition are allocated to the individual assets acquired or liabilities assumed based on their relative fair values and does not give rise to goodwill.

As of July 5, 2023, the cost of the asset acquisition was allocated to the following individual assets acquired and liabilities assumed based on their relative fair values.

(In Thousands)

	Estimated Fair Value
Marine operating supplies	\$ 1,891
Net properties and equipment.....	601,000
Total assets	<u>602,891</u>
Other current liabilities (A)	8,600
Other liabilities (A)	1,400
Total liabilities.....	<u>10,000</u>
Net assets acquired	<u>\$ 592,891</u>
Costs and expenses.....	
Vessel operating costs (B).....	1,300
Purchase consideration	<u>\$ 594,191</u>

(A) Current and long-term liabilities related to certain existing charter contracts accompanying the acquired Solstad Vessels that are below current market rates. These liabilities will be ratably amortized into revenue over the life of the related contracts.

(B) The working capital adjustment included \$1.3 million for lubricants which are expensed by Tidewater.

Acquisition of Swire Pacific Offshore Holdings Ltd.

On April 22, 2022 (Closing Date), we acquired Swire Pacific Offshore Holdings Ltd., a limited company organized under the laws of Bermuda (SPO), which owns 50 offshore support vessels operating primarily in West Africa, Southeast Asia and the Middle East. On the Closing Date, we paid \$42.0 million in cash and issued 8,100,000 warrants, each of which was exercisable at \$0.001 per share for one share of our common stock (SPO Acquisition Warrants). In addition, we paid \$19.6 million at closing and received an \$8.8 million post-closing working capital refund related to pre-closing working capital adjustments, for a total consideration of \$215.5 million. Our consolidated statements of operations from the Closing Date through December 31, 2022, include SPO revenues and net earnings of \$149.7 million and \$14.8 million, respectively.

Assets acquired and liabilities assumed in the business combination were recorded at their estimated fair values as of the Closing Date under the acquisition method of accounting. The final fair value estimates below were subject to adjustment during the measurement period subsequent to the Closing Date, primarily consisting of the final valuation for various working capital items, tax and other liabilities existing on the Closing Date. During the third quarter of 2022, we agreed to a final working capital adjustment and received an \$8.8 million refund which was \$8.0 million higher than originally estimated in the provisional amounts we assigned to the SPO assets acquired and liabilities assumed. As a result, we adjusted the purchase price allocation accordingly. The estimated fair values of certain assets and liabilities including long-lived assets and contingencies require judgment and assumptions. We initially classified the SPO Acquisition Warrants issued in the acquisition as liabilities subject to mark-to-market fair value adjustment, however in connection with an amendment to the acquisition agreement, we reclassified the warrants as equity on June 24, 2022. See Note (11) for additional details regarding the initial accounting for the SPO Acquisition Warrants and the accounting subsequent to the amendment.

The following recorded fair value amounts for the assets acquired and liabilities assumed are final, with no material measurement period adjustments made during the year 2023:

(In Thousands)

Assets

Cash	\$	33,152
Trade and other receivables		64,621
Marine operating supplies		5,122
Assets held for sale		2,500
Prepaid expenses and other current assets		4,174
Net properties and equipment		174,415
Indemnification assets (A)		32,279
Other assets		1,153
Total assets		<u>317,416</u>

Liabilities

Accounts payable		1,594
Accrued expenses		54,924
Other current liabilities		28,511
Other liabilities		16,886
Total liabilities		<u>101,915</u>

Net assets acquired	\$	<u>215,501</u>
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(A) Consists primarily of tax liabilities existing at the Closing Date that are recorded in other current liabilities and other liabilities.

Business combination related costs were expensed as incurred in general and administrative expense and consist of various advisory, legal, accounting, valuation and other professional fees totaling \$0.1 million, \$3.0 million and \$18.8 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Property and equipment acquired in the business combination consisted primarily of offshore support vessels. We recorded property and equipment acquired at an estimated fair value of approximately \$174.4 million. The fair values of the offshore support vessels were estimated by applying both an income approach, using projected discounted cash flows, and a replacement cost approach. Assumptions utilized in the valuation included expected day rates, utilization, discount rate, tax rate, economic obsolescence factors, operating costs, useful lives, and cost saving synergies from the operation of the Company and Swire as a single fleet. We estimate that the remaining useful lives for the vessels acquired fall in the range of one to 16 years, based on an original estimated useful life of 20 years. No goodwill was recognized in connection with this business combination.

The unaudited supplemental pro forma results present consolidated information as if the business combination were completed on January 1, 2021. The pro forma results include, among others, (i) a reduction in depreciation expense for adjustments to property and equipment and (ii) the reversal of any income or expense related to assets retained by the seller and SPO's former parent, Banyan Overseas Limited, a limited company organized under the laws of Bermuda (Banyan). The pro forma results do not include any potential synergies or non-recurring charges that may result directly from the business combination.

(In Thousands)

	Year ended December 31, 2022
Revenues	\$ 714,783
Net loss.....	(22,899)

Sonatide (Angola)

Prior to 2022, we participated in a joint venture in Angola (Sonatide) where we owned 49% of the joint venture and our partner Sonangol Holdings, LDA (Sonangol) owned 51%. In January 2022, we acquired the 51% equity interest in Sonatide owned by Sonangol, pursuant to a Sale and Purchase Agreement between Sonangol and us for \$11.2 million in cash. This acquisition gave us complete control of our operations in Angola.

The acquisition date was January 3, 2022 (Sonatide Closing Date). However, we used a convenience date of January 1, 2022 for the acquisition and recorded activity from the beginning of the year. Revenues and net losses of Sonatide from the Sonatide Closing Date included in our consolidated statements of operations were \$2.3 million and \$0.8 million for the year ended December 31, 2022, respectively.

Assets acquired and liabilities assumed in the business combination have been recorded at their estimated fair values as of the Sonatide Closing Date under the acquisition method of accounting. No adjustments have been made to the initial fair values assigned and we have finalized the fair values of the assets acquired and liabilities assumed.

The amounts for assets acquired and liabilities assumed are based on estimates of their fair values as of the Sonatide Closing Date and were as follows:

(In Thousands)

Assets

Current assets.....	\$ 12,894
Net properties and equipment and other assets	2,907
Total assets	<u>15,801</u>

Liabilities

Current liabilities	283
Other liabilities	2,995
Total liabilities	<u>3,278</u>

Net assets acquired	<u>11,223</u>
Bargain purchase gain	<u>\$ 1,300</u>

The bargain purchase gain of \$1.3 million is included in our consolidated statement of operations for the year ended December 31, 2022 under the caption “Interest income and other, net.” Business combination related costs were expensed as incurred in general and administrative expense and consisted of various advisory, legal, accounting, valuation and other professional fees which were not material to our consolidated results of operations for the years ended December 31, 2024, 2023 and 2022.

(3) REVENUE RECOGNITION

Our primary source of revenue is derived from charter contracts for which we provide a vessel and crew on a rate per day of service basis. Services provided under respective charter contracts represent a single performance obligation satisfied over time and are comprised of a series of time increments; therefore, vessel revenues are recognized daily throughout the contract period. There are no material differences in the cost structure of our contracts because operating costs are generally the same without regard to the length of a contract. Customers are typically billed on a monthly basis for day rate services and payment terms are generally 30 to 60 days.

Occasionally, customers pay additional lump-sum fees to us in order to either mobilize a vessel to a new location prior to the start of a charter contract or demobilize the vessel at the end of a charter contract. Mobilizations are not a separate performance obligation; thus, we have determined that mobilization fees are a component of the vessel's charter contract. As such, we defer lump-sum mobilization fees as a liability and recognize such fees as revenue consistent with the pattern of revenue recognition primarily on a straight-line basis over the term of the vessel's respective charter. Lump-sum demobilization revenue expected to be received upon contract termination is deferred as an asset and recognized ratably as revenue only in circumstances where the receipt of the demobilization fee at the end of the contract can be estimated and there is a high degree of certainty that collection will occur.

Customers also occasionally reimburse us for modifications to vessels in order to meet contractual requirements. These vessel modifications are not considered a separate performance obligation of the vessel's charter; thus, we record a liability for lump-sum payments made by customers for vessel modification and recognize it as revenue consistent with the pattern of revenue recognition primarily on a straight-line basis over the term of the vessel's respective charter.

Total revenue is determined for each individual contract by estimating both fixed (mobilization, demobilization and vessel modifications) and variable (day rate services) consideration expected to be earned over the contract term.

Costs associated with customer-directed mobilizations and reimbursed modifications to vessels are considered costs of fulfilling a charter contract and are expected to be recovered. Mobilization costs such as crew, travel, fuel, port fees, temporary importation fees and other costs are deferred as an asset and amortized as other vessel operating expenses consistent with the pattern of revenue recognition primarily on a straight-line basis over the term of such vessel's charter. Costs incurred for modifications to vessels in order to meet contractual requirements are capitalized as a fixed asset and depreciated either over the term of the respective charter contract or over the remaining estimated useful life of the vessel in instances where the modification is a permanent upgrade to the vessel and enhances its usefulness.

Refer to Note (14) for revenue by segment and in total for the worldwide fleet.

Contract Balances

Trade accounts receivable are recognized when revenue is earned and collectible. Contract assets include pre-contract costs, primarily related to vessel mobilizations, which have been deferred and will be amortized as other vessel expenses consistent with the pattern of revenue recognition primarily on a straight-line basis over the term of such vessel's charter. Contract liabilities include payments received for mobilizations or reimbursable vessel modifications to be recognized consistent with the pattern of revenue recognition primarily on a straight-line basis over the term of such vessel's charter. At December 31, 2024, we had \$1.1 million and \$0.6 million of deferred mobilization costs included with prepaid expenses and other current assets and other assets, respectively, and we have \$9.4 million and \$2.1 million of deferred mobilization revenue related to unsatisfied performance obligations included within other current liabilities and other liabilities, which will be recognized during the next three years. At December 31, 2023, we had \$5.4 million and \$2.9 million of deferred mobilization costs included with prepaid expenses and other current assets and other assets, respectively, and we have \$5.0 million and \$1.8 million of deferred mobilization revenue related to unsatisfied performance obligations included within other current liabilities and other liabilities all of which will be recognized during the next three years.

During the year ended December 31, 2024, the amount of revenue recognized that was included in deferred mobilization revenue at the beginning of the period was \$3.8 million. The amount of revenue recognized in prior years was immaterial.

(4) DEBT

The following table summarizes debt outstanding based on stated maturities:

<u>(In Thousands)</u>	December 31, 2024	December 31, 2023
Senior bonds:		
Senior Secured Term Loan	\$ 212,500	\$ 312,500
10.375% Senior Unsecured Notes due July 2028	250,000	250,000
8.50% Senior Secured Bonds due November 2026	175,000	175,000
Vessel Facility Agreements	10,387	14,151
	647,887	751,651
Debt discount and issuance costs	(10,791)	(17,213)
Less: Current portion of long-term debt	(65,386)	(103,077)
Total long-term debt	<u>\$ 571,710</u>	<u>\$ 631,361</u>

Senior Secured Term Loan

Tidewater entered into a Credit Agreement, by and among Tidewater, as parent guarantor, TDW International Vessels (Unrestricted), LLC, a Delaware limited liability company and a wholly-owned subsidiary of the Company (TDW International), as borrower, certain other unrestricted subsidiaries of Tidewater, as other security parties, the lenders party thereto, DNB Bank ASA, New York Branch (DNB Bank), as facility agent and DNB Markets, Inc. (DNB Markets), as bookrunner and mandated lead arranger (Credit Agreement), which was fully drawn on July 5, 2023, in a single advance of \$325.0 million yielding net proceeds of approximately \$318.3 million, which were used to fund a portion of the purchase price for the Solstad Acquisition.

The Senior Secured Term Loan is composed of a \$100.0 million Tranche A loan and a \$225.0 million Tranche B loan, each maturing on July 5, 2026. \$50.0 million of the Tranche A loan was paid in July 2024, with the remaining \$50.0 million due at maturity. The Tranche B loan amortizes over the three-year term of the Senior Secured Term Loan, with quarterly payments ranging from \$12.5 million to \$25.0 million and a final payment of \$50.0 million due at maturity. The Tranche A loan bears interest at the Secured Overnight Financing Rate (SOFR) plus 5% initially, increasing to 8% over the term of the Term Loan. The Tranche B loan bears interest at SOFR plus 3.75%. The Tranche A loan and the Tranche B loan may each be prepaid without premium or penalty. The security for the Senior Secured Term Loan includes mortgages over the Solstad Vessels and associated assignments of insurances and assignments of earnings in respect of such vessels, a pledge of 100% of the equity interests in TDW International, a pledge of 66% of the equity interests in TDW International Unrestricted, Inc., an indirect wholly owned subsidiary of the Company, and negative pledges over certain vessels indirectly owned by TDW International Unrestricted, Inc. The obligations of the borrower are guaranteed by Tidewater, subject to a cap equal to 50% of the purchase price for the Solstad Acquisition.

The Credit Agreement contains three financial covenants: (i) a minimum free liquidity test equal to the greater of \$20.0 million or 10% of net interest-bearing debt, (ii) a minimum equity ratio of 30%, in each case for us and our consolidated subsidiaries and (iii) an interest coverage ratio of not less than 2:1. The Credit Agreement contains certain equity cure rights with respect to such financial covenants. The Credit Agreement also includes (i) customary vessel management and insurance covenants in the vessel mortgages, (ii) negative covenants, and (iii) certain customary events of default. We are currently in compliance with all of these financial covenants.

As of December 31, 2024 and 2023, the fair value of the Senior Secured Term Loan was \$218.2 million and \$313.7 million, respectively. This Level 3 fair value is determined using a discounted cash flow model.

10.375% Senior Unsecured Notes due July 2028

On July 3, 2023, Tidewater completed an offering of \$250.0 million aggregate principal amount of senior unsecured bonds in the Nordic bond market (Senior Unsecured Notes). The bonds were privately placed, at an issue price of 99%, outside the United States pursuant to Regulation S under the Securities Act of 1933, as amended. We used the net proceeds from the offering of approximately \$243.1 million to fund a portion of the purchase price of the Solstad Acquisition.

The Senior Unsecured Notes were issued pursuant to the Bond Terms, dated as of June 30, 2023 (Bond Terms), between the Nordic Trustee AS, as Bond Trustee and us. The Senior Unsecured Notes are listed on the Nordic ABM. The Senior Unsecured Notes are senior unsecured obligations and are not guaranteed by any of our subsidiaries.

The Senior Unsecured Notes mature on July 3, 2028. Interest on the Senior Unsecured Notes accrue at a rate of 10.375% per annum payable semi-annually in arrears in January and July of each year in cash, beginning January, 2024. Prepayment of the Senior Unsecured Notes prior to July, 2025 requires the payment of make-whole amounts, and prepayments after that date are subject to prepayment premiums that decline over time.

The Senior Unsecured Notes contain two financial covenants: (i) a minimum free liquidity test equal to the greater of \$20.0 million and 10% of net interest-bearing debt, and (ii) a minimum equity ratio of 30%. The Bond Terms also contain certain equity cure rights with respect to such financial covenants. Our ability to make certain distributions to our stockholders after November 16, 2023, is subject to certain limits and tests, including in some circumstances a minimum liquidity test and a maximum net leverage ratio. The Senior Unsecured Notes are also subject to negative covenants as set forth in the Bond Terms. The Bond Terms contain certain customary events of default, including, among other things: (i) default in the payment of any amount when due; (ii) default in the performance or breach of any other covenant in the Bond Terms, which default continues uncured for a period of 20 business days; and (iii) certain voluntary or involuntary events of bankruptcy, insolvency or reorganization. We are currently in compliance with all of the financial covenants.

As of December 31, 2024 and 2023, the fair value (Level 1) of the Senior Unsecured Notes due July 2028 was \$266.1 million and \$260.2 million, respectively. The fair value is obtained from public transaction activity on the Nordic ABM exchange (XOAM).

8.5% Senior Secured Bonds due November 2026 (the 2026 Notes)

On November 16, 2021, we completed an offering of \$175.0 million aggregate principal amount of the 2026 Notes. The bonds were privately placed at an issue price of 98.5%. We used the net proceeds from the offering (i) to redeem our 8% Senior Secured Notes due 2022, (ii) to discharge our Troms offshore debt and (iii) for general corporate purposes.

The 2026 Notes were issued pursuant to the Bond Terms, dated as of November 15, 2021 (Bond Terms), among us and Nordic Trustee AS, as Bond Trustee and Security Agent. Repayment of the 2026 Notes is guaranteed by our wholly-owned US subsidiaries named as guarantors therein (the Guarantors).

The 2026 Notes are secured by (i) a mortgage over each vessel owned by a Guarantor, the equipment that is a part of such vessel, and related rights to insurance on all of the foregoing, (ii) our intercompany claims of a Guarantor against a Restricted Group Company (defined as the Company, GulfMark Oceans, L.P. (GOLP), Tidewater Marine International, Inc. (TMII) and the Guarantors), (iii) bank accounts that contain vessel collateral proceeds or the periodic deposits to the debt service reserve account, (iv) collateral assignments of the rights of each Guarantor under certain long term charter contracts now existing or hereafter arising, and (v) all of the equity interests of the Guarantors and 66% of the equity interests of each of GOLP and TMII.

The 2026 Notes mature on November 16, 2026. Interest on the 2026 Notes accrue at a rate of 8.5% per annum payable semi-annually in arrears in May and November of each year, beginning May 2022. Each month, we deposit into a debt service reserve account, an amount equal to one-sixth its next interest payment obligation which is classified as restricted cash on the balance sheet at December 31, 2024 and 2023. We have pledged this bank account to secure payment of the 2026 Notes. Prepayment of the 2026 Notes prior to May 2024 requires the payment of make-whole amounts, and prepayments after that date are subject to prepayment premiums that decline over time.

The 2026 Notes contain two financial covenants: (i) a minimum free liquidity test (of Guarantor liquidity) equal to the greater of \$20.0 million or 10% of net interest-bearing debt, and (ii) a minimum equity ratio of 30%, in each case for us and our consolidated subsidiaries. The Bond Terms also contain certain equity cure rights with respect to such financial covenants. We are currently in compliance with these covenants. Our ability to make certain distributions to our stockholders was not allowed for the first two years and is currently subject to certain limits based on a percentage of net income and other tests, including in some circumstances a minimum liquidity test and a maximum net leverage ratio. The 2026 notes are also subject to (i) customary vessel management and insurance covenants in the vessel mortgages, and (ii) negative covenants as set forth in the Bond Terms and in the Guarantee Agreement between us, Nordic Trustee AS as Security Agent and the Guarantors. The Bond Terms also contains certain customary events of default.

As of December 31, 2024 and 2023, the fair value (Level 1) of the 2026 Notes was \$180.8 million and \$181.7 million, respectively. The fair value is obtained from public transaction activity on the XOAM.

Approximately \$1.2 million of the amount in restricted cash on the condensed consolidated balance sheet at December 31, 2024, represents the pro rata amount due for our next semiannual interest payment obligation on the 2026 Notes.

Credit Facility Agreement

On November 16, 2021, we entered into a Super Senior Revolving Credit Facility Agreement (the Credit Facility Agreement) with DNB Bank ASA, New York Branch, as Facility Agent, and Nordic Trustee AS, as Security Trustee. The Credit Facility Agreement takes precedence over all other debt, if and when drawn.

The Credit Facility Agreement matures on November 16, 2026 and provides \$25.0 million for general corporate purposes. All amounts owed under the Credit Facility Agreement are secured by the same collateral that secures the 2026 Notes, and such collateral is to be shared in accordance with the priorities established in the Intercreditor Agreement among the Facility Agent, the Company, certain subsidiaries thereof, Nordic Trustee AS and certain other parties. No amounts have been drawn on this credit facility.

Loans under the Credit Facility Agreement will bear interest, at our option, either at a rate based on the prime rate published in the Wall Street Journal, or at SOFR, plus 4% in either case.

The Credit Facility Agreement includes covenants and events of default that are substantially the same as those provided in the 2026 Notes, including covenants that limit liens, indebtedness, fundamental changes, dispositions, distributions, third party credit support, and transactions with affiliates. The Credit Facility Agreement also contains the same two financial covenants as are found in the 2026 Notes. The Credit Facility Agreement contains certain equity cure rights with respect to such financial covenants. The Credit Facility Agreement contains mandatory prepayment obligations if (i) the aggregate fair market value, determined by independent appraisal, of the vessel collateral is less than \$75.0 million, or (ii) aggregate nominal amount of the outstanding 2026 Notes is less than \$75.0 million.

Vessel Facility Agreements

We signed agreements for the construction of ten new vessels. Upon delivery of each vessel, we may enter into Facility Agreements to finance a portion of the construction and delivery costs. Four vessels have been delivered and we entered into Facility Agreements for approximately EUR13.9 million (\$15.2 million) in financing. Each of the four Facility Agreements bear interest at rates ranging from 2.7% to 6.3% and are payable in ten equal principal semi-annual installments, with the first installment commencing six months following delivery of the vessel. The Facility Agreements are secured by the vessels, guaranteed by Tidewater as parent guarantor and contain no financial covenants. During January and February of 2025, we took delivery of five Alucat crew boats and recorded debt of approximately EUR 9.4 million (\$9.7 million) with the Facility Agreement bearing interest at rates ranging from 5.2% to 5.4%.

Debt Costs

We capitalize a portion of our interest costs incurred on borrowed funds used to construct vessels. Interest and debt costs incurred are as follows:

<u>(In Thousands)</u>	Year Ended December 31,		
	2024	2023	2022
Total interest and debt costs incurred	\$ 73,218	\$ 48,742	\$ 17,413
Less: interest costs capitalized	(251)	(270)	(224)
Total interest and debt costs	<u>\$ 72,967</u>	<u>\$ 48,472</u>	<u>\$ 17,189</u>

The Company's scheduled principal long-term maturities as of December 31, 2024, were as follows:

<u>Maturity of long-term debt (In Thousands)</u>	<u>Total Due</u>
2025.....	\$ 65,386
2026.....	327,903
2027.....	2,902
2028.....	251,696
Total	<u>\$ 647,887</u>

(5) INVESTMENT IN UNCONSOLIDATED AFFILIATES

Amounts due from DTDW

We own 40% of DTDW in Nigeria. Our partner, who owns 60%, is a Nigerian national. We have not operated any company owned vessels in Nigeria since early 2020.

In 2022, we entered into a netting arrangement with our partner allowing either partner to discharge their obligations by netting these amounts against sums owed by the other partner. In accordance with this agreement, we have the ability to net our due from affiliate balance against the due to affiliate balance on our consolidated balance sheet.

(6) INCOME TAXES

Income (losses) before income taxes derived from United States and non-U.S. operations are as follows:

(In Thousands)	Year Ended December 31,		
	2024	2023	2022
Non-U.S.	\$ 262,012	\$ 174,103	\$ 41,408
United States	(32,524)	(35,174)	(43,715)
	<u>\$ 229,488</u>	<u>\$ 138,929</u>	<u>\$ (2,307)</u>

Income tax expense (benefit) consists of the following:

(In Thousands)	U.S.		Non-U.S.	Total
	Federal	State		
Year Ended December 31, 2022				
Current.....	\$ —	\$ 8	\$ 19,842	\$ 19,850
Deferred.....	—	—	36	36
	<u>\$ —</u>	<u>\$ 8</u>	<u>\$ 19,878</u>	<u>\$ 19,886</u>
Year Ended December 31, 2023				
Current.....	\$ —	\$ 1	\$ 43,215	\$ 43,216
Deferred.....	—	—	92	92
	<u>\$ —</u>	<u>\$ 1</u>	<u>\$ 43,307</u>	<u>\$ 43,308</u>
Year Ended December 31, 2024				
Current.....	\$ 148	\$ 11	\$ 52,864	\$ 53,023
Deferred.....	—	—	(2,807)	(2,807)
	<u>\$ 148</u>	<u>\$ 11</u>	<u>\$ 50,057</u>	<u>\$ 50,216</u>

The actual income tax expense above differs from the amounts computed by applying the U.S. federal statutory tax rate of 21% to pre-tax loss as a result of the following:

(In Thousands)	Year Ended December 31,		
	2024	2023	2022
Computed “expected” tax expense (benefit)	\$ 48,192	\$ 29,175	\$ (484)
Increase (reduction) resulting from:			
Foreign income taxed at different rates	(50,669)	(35,088)	(7,240)
Uncertain tax positions (A)	(787)	(1,401)	(7,885)
Nondeductible transaction costs	(710)	(898)	5,410
Valuation allowance - deferred tax assets (A).....	(28,040)	(83)	11,339
Valuation allowance - deferred tax true-up	(1,831)	390	(453)
Deferred tax true-up	1,831	(390)	453
Foreign taxes	52,842	36,339	27,945
Net GILTI Inclusion.....	22,249	2,705	—
Return to accrual	4,500	(8,079)	(12,162)
Restructuring.....	—	13,896	—
Share based compensation	(13,177)	(1,470)	—
162(m) - Executive compensation.....	11,995	2,107	552
Subpart F income	3,700	6,664	3,495
Other, net.....	121	(559)	(1,084)
	<u>\$ 50,216</u>	<u>\$ 43,308</u>	<u>\$ 19,886</u>

(A) The above table reflects the net impact of changes to uncertain tax benefits and valuation allowance. Reductions in unrecognized tax benefits due to lapse of statute of limitations has been fully offset with an increase to valuation allowance.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

<u>(In Thousands)</u>	December 31, 2024	December 31, 2023
Deferred tax assets:		
Accrued employee benefit plan costs	\$ 7,673	\$ 6,678
Stock based compensation	3,178	1,838
Net operating losses	134,280	183,004
Tax credit carryforwards	413,873	413,089
Disallowed business interest expense carryforward	15,556	14,764
Capital loss carryforward	5,261	5,607
Other	4,273	7,195
Gross deferred tax assets	584,094	632,175
Less valuation allowance	(532,994)	(591,720)
Net deferred tax assets	51,100	40,455
Deferred tax liabilities:		
Depreciation and amortization	(45,856)	(40,294)
Outside basis difference deferred tax liability	(2,891)	(2,891)
Foreign interest withholding tax	(1,512)	(1,154)
Other	(290)	1,628
Gross deferred tax liabilities	(50,549)	(42,711)
Net deferred tax assets (liabilities)	\$ 551	\$ (2,256)

As of December 31, 2024, the Company had U.S. federal net operating loss carryforwards of \$216.5 million, which includes \$70.1 million of net operating losses subject to an IRC Section 382 limitation. As of December 31, 2023, the Company had U.S. federal net operating loss carryforwards of \$320.8 million, which includes \$131.0 million of net operating losses subject to an IRC Section 382 limitation. We have U.S. net operating losses of \$33.7 million that will begin expiring in 2035 and \$182.8 million having indefinite carryforward periods. We have \$406.4 million of U.S. foreign tax credits as of December 31, 2024 that will expire beginning in 2027. We have foreign net operating loss carryforwards of \$377.0 million that will expire beginning in 2026 with many having indefinite carryforward periods. We have \$7.4 million of non-U.S. foreign tax credits as of December 31, 2024.

IRC Sections 382 and 383 provide an annual limitation with respect to the ability of a corporation to utilize its tax attributes, as well as certain built-in-losses, against future U.S. taxable income in the event of a change in ownership. Our emergence from Chapter 11 bankruptcy proceedings in 2017 is considered a change in ownership for purposes of IRC Section 382. The Company's annual limitation under the IRC is approximately \$15.0 million which is based on our value as of the ownership change date. In addition, the merger with GulfMark in 2018 resulted in a change in ownership of GulfMark for purposes of IRC Section 382. The GulfMark ownership change results in an annual limitation of approximately \$5.6 million on GulfMark's tax attributes generated prior to the ownership change date, which begin to expire in 2035. The Company has recorded a valuation allowance on the net operating loss balance as it believes that it is more likely than not that the deferred tax asset will not be realized.

Management assesses the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit the use of the existing deferred tax assets.

Based on this evaluation, for the period ended December 31, 2024, a valuation allowance of \$533.0 million was recorded against our net deferred tax asset. For the period ended December 31, 2023, a valuation allowance of \$591.7 million was recorded against our net deferred tax asset. The decrease in the valuation allowance was primarily attributable to the current year utilization of U.S. net operating losses (NOLs) and the foreign currency revaluation for foreign NOLs. Our ability to utilize U.S. NOLs in the current year was primarily driven by activity in international jurisdictions that generated income subject to U.S. tax. Our ability to utilize U.S. NOLs in future periods is likely to be impacted by the extent to which we will generate such income in future periods which will be influenced by a variety of factors including the jurisdictions in which our vessels operate and the extent to which we are impacted by various global minimum tax initiatives that are adopted in those jurisdictions. The amount of the deferred tax asset considered realizable could be adjusted if estimates of future U.S. and foreign taxable income during the carryforward period increased or if objective negative evidence in the form of cumulative losses in the U.S. is no longer present and additional weight is given to subjective evidence such as our projections for growth and/or tax planning strategies. If we conclude in a future period that certain deferred tax assets are realizable this could have a material impact on our effective tax rate.

We have not recognized a U.S. deferred tax liability associated with temporary differences related to investments in our non-U.S. holding companies as the Company does not intend to dispose of the stock of these companies. These differences relate primarily to stock basis differences attributable to factors other than earnings, given that any untaxed cumulative earnings were subject to taxation in the U.S. in 2017 in accordance with the Tax Act. Further, any post-2017 earnings of these subsidiaries will either be taxed currently for U.S. purposes or will be permanently exempt from U.S. taxation. It is not practicable to estimate the deferred tax liability associated with temporary differences related to investments in our non-U.S. holding companies due to the legal structure and complexity of U.S. and non-U.S. tax laws.

Historically, it has been the practice and intention of the Company to indefinitely reinvest the earnings of its non-U.S. subsidiaries. Considering the significant changes made by the Tax Act, the Company will no longer be indefinitely reinvested with regards to its non-U.S. earnings which can be repatriated free of taxation. However, the Company is indefinitely reinvested in the non-U.S. earnings that could be subject to taxation and no deferred taxes have been provided for such earnings. As of December 31, 2024, the non-U.S. positive unremitted earnings, for which the Company is indefinitely reinvested, are \$220.3 million. It is not practicable for the Company to estimate the amount of taxes on positive unremitted earnings due to the legal structure and complexity of non-U.S. tax laws. The Company decides each period whether to indefinitely reinvest these earnings. If, as a result of these reassessments, the Company distributes these earnings in the future, additional tax liabilities could result.

We record uncertain tax positions on the basis of a two-step process in which (1) we determine whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The recognition and measurement of tax liabilities for uncertain tax positions in any tax jurisdiction requires the interpretation of the related tax laws and regulations as well as the use of estimates and assumptions regarding significant future events. Changes in tax laws, regulations, agreements and treaties, foreign currency exchange restrictions or our level of operations or profitability in each taxing jurisdiction could have an impact on the amount of income taxes during any given year.

Our balance sheet reflects the following in accordance with ASC 740:

<u>(In Thousands)</u>	December 31, 2024	December 31, 2023
Tax liabilities for uncertain tax positions	\$ 24,582	\$ 27,319
Income tax payable.....	30,069	30,909
Income tax receivable.....	5,396	3,354

Included in the liability balances for uncertain tax positions above for the periods ending December 31, 2024 and 2023, are \$9.4 million and \$13.6 million of penalties and interest, respectively. Penalties and interest related to income tax liabilities are included in income tax expense. Income tax payable is included in other current liabilities.

A reconciliation of the beginning and ending amount of all unrecognized tax benefits, and the liability for uncertain tax positions (but excluding related penalties and interest) are as follows:

(In Thousands)

Balance at December 31, 2021	<u>\$ 333,653</u>
Additions based on tax positions related to the current year	744
Additions based on tax positions related to a prior year	10,155
Settlement and lapse of statute of limitations	(167,170)
Balance at December 31, 2022 (A)	<u>\$ 177,382</u>
Additions based on tax positions related to the current year	212
Additions based on tax positions related to a prior year	1,869
Settlement and lapse of statute of limitations	(165,065)
Reductions based on tax positions related to a prior year	(712)
Balance at December 31, 2023	<u>\$ 13,686</u>
Additions based on tax positions related to the current year	5,909
Additions based on tax positions related to a prior year	53
Settlement and lapse of statute of limitations	(3,551)
Reductions based on tax positions related to a prior year	(889)
Balance at December 31, 2024	<u>\$ 15,208</u>

(A) The gross balance reported as uncertain tax positions is largely offset by \$157.7 million of foreign tax credits and other tax attributes.

It is reasonably possible that a decrease of \$5.8 million in unrecognized tax benefits may be necessary within the coming year due to the lapse of statutes of limitations or audit settlements.

The amount of unrecognized tax benefits that, if recognized for tax purposes, would affect the effective tax rate are \$21.0 million and \$20.9 million as of December 31, 2024 and December 31, 2023 respectively.

With limited exceptions, we are no longer subject to tax audits by U.S. federal, state, local or foreign taxing authorities for tax years prior to December 2020. We have ongoing examinations by various foreign tax authorities and do not believe that the results of these examinations will have a material adverse effect on our financial position or results of operations.

(7) LEASES

We have operating leases primarily for office space, temporary residences, automobiles and office equipment. Contracts containing assets that we benefit from and control are recognized on our balance sheet. Leases with an initial term of 12 months or less are not recorded on the balance sheet. We recognized lease expense for these leases on a straight-line basis over the lease term. We combine the lease and non-lease components for all lease agreements. Certain leases include one or more options to renew with renewal terms that can extend the lease term from one to twenty-six years. The exercise of lease renewal options is at our sole discretion and lease renewal options are not included in our lease terms if they are not reasonably certain to be exercised. Our lease agreements generally do not contain any residual value guarantees or restrictive covenants or options to purchase the leased property. The amount of right of use assets and lease liabilities recorded on our Consolidated Balance Sheet at December 31, 2024 and 2023, respectively, are as follows.

<u>Leases (In Thousands)</u>	<u>Classification</u>	December 31, 2024	December 31, 2023
Assets:			
Operating.....	Other assets	\$ 11,152	\$ 7,212
Liabilities:			
Current			
Operating.....	Other current liabilities.....	4,904	1,793
Noncurrent			
Operating.....	Other liabilities.....	5,914	5,302
Total lease liabilities.....		\$ 10,818	\$ 7,095

Future payments to be made on our operating lease liabilities at December 31, 2024 will be as follows.

<u>Maturity of lease liabilities (In Thousands)</u>	Operating leases
2025.....	\$ 5,846
2026.....	1,898
2027.....	1,352
2028.....	987
2029.....	686
After 2029	1,606
Total lease payments	12,375
Less: Interest	(1,557)
Present value of lease liabilities	\$ 10,818

As most of our leases do not provide an implicit interest rate, we use our incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments.

Lease costs included in general and administrative expense for the years ended December 31, 2024, 2023 and 2022, respectively, are as follows.

<u>(In Thousands)</u>		Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022
<u>Lease costs</u>	<u>Classification</u>			
Operating lease costs.....	General and administrative.....	\$ 1,699	\$ 1,798	\$ 1,485
Short-term leases	General and administrative.....	2,587	2,496	3,088
Variable lease costs	General and administrative.....	381	648	494
Net lease cost.....		\$ 4,667	\$ 4,942	\$ 5,067

Our weighted average remaining lease term and weighted average discount rate at December 31, 2024 is as follows.

<u>Lease term and discount rate</u>	<u>December 31, 2024</u>
Weighted average remaining lease term in years	2.0
Weighted average discount rate.....	<u>7.69%</u>

The cash paid for operating leases included in operating cash flows and in the measurement of lease liabilities for the years ended December 31, 2024, 2023 and 2022 was \$3.5 million, \$3.8 million and \$2.4 million, respectively. Right of use assets obtained in exchange for operating lease obligations were \$6.7 million, \$3.1 million and \$5.0 million, for the years ended December 31, 2024, 2023 and 2022, respectively.

(8) ASSETS HELD FOR SALE, ASSET SALES AND ASSET IMPAIRMENTS

In 2019, we implemented a plan, amended in 2020, (the 2019/2020 plan) to sell or recycle certain of our vessels based on a strategic decision to remove assets that were not part of our long-term plans. During 2022, we sold or recycled 12 vessels that were classified as held for sale, added three vessels to held for sale under 2019/2020 plan, moved one vessel back into our active fleet and had eight vessels remaining in the held for sale account as of December 31, 2022. During 2023, we sold or recycled a total of eight of the vessels that were classified as held for sale. We completed the 2019/2020 plan and have no vessels remaining in the held for sale account as of December 31, 2024 and 2023.

We also sold six and seven vessels from our active fleet in 2024 and 2023, respectively. We realized proceeds from sales or recycling of vessels and other assets for the years ended December 31, 2024, 2023 and 2022 of \$19.3 million, \$15.5 million and \$13.6 million, respectively.

See the following tables for additions and dispositions related to assets held for sale as well as net gains (losses) on sales of vessels.

Following is the activity in assets held for sale during the years ended December 31:

<u>(In Thousands, except number of vessels)</u>	Number of Vessels	2024	Number of Vessels	2023	Number of Vessels	2022
Beginning balance	—	\$ —	8	\$ 4,195	18	\$ 14,421
Additions	—	—	—	—	3	2,561
Sales	—	—	(8)	(4,195)	(12)	(11,287)
Reactivation.....	—	—	—	—	(1)	(1,500)
Ending balance	—	\$ —	—	\$ —	8	\$ 4,195

Following is the summary of vessel sales and the gains on sales of vessels for the years ended December 31:

<u>(In Thousands, except number of vessels)</u>	2024	2023	2022
Vessels sold from active fleet.....	6	7	2
Gain on sale of active vessels, net.....	\$ 15,677	\$ 5,613	\$ 553
Vessels sold/recycled from assets held for sale.....	—	8	12
Gain on vessels sold/recycled from assets held for sale, net	\$ —	\$ 3,088	\$ 5
Total vessels sold/recycled.....	6	15	14
Total gain on sales of vessels, net	\$ 15,677	\$ 8,701	\$ 558

In 2022, we recaptured \$0.5 million of impairment expense related to vessels held for sale that we reactivated.

In conjunction with our review of conditions that would indicate potential impairment in the value of our assets, we identified certain obsolete marine service parts and supplies inventory and charged \$1.2 million of impairment expense for the year ended December 31, 2022. No impairment was recorded for the years ended December 31, 2024 and 2023. We considered this valuation approach to be a Level 3 fair value measurement due to the level of estimation involved in valuing obsolete inventory.

During the years ended December 31, 2024, 2023 and 2022, we have not identified conditions or circumstances that would indicate impairment of any of our long-lived asset groups. We continue to monitor the expected future cash flows and the fair market value of our asset groups for impairment.

Please refer to Note (1) for a discussion of our accounting policy for accounting for the impairment of long-lived assets.

(9) EMPLOYEE RETIREMENT PLANS

Defined Benefit Pension Plan

We have a defined benefit pension plan (pension plan) that covers certain U.S. employees. On December 31, 2010, the pension plan was frozen and accrual of benefits was discontinued. We contributed \$0.2 million to the plan in 2024, but did not contribute to the plan during the two years ended December 31, 2023. We intend to contribute to this plan in 2025, but the amount has not been determined.

During the second quarter of 2023, we entered into an agreement committing the pension plan to use a portion of its assets to purchase an annuity from an insurance company (Insurer) to transfer approximately \$11.8 million of the pension plan's pension liabilities. Under the terms of this agreement, we irrevocably transferred to the Insurer all future pension plan benefit obligations for approximately 500 Tidewater participants (Transferred Participants) effective in April 2023. This annuity transaction was funded entirely with existing pension plan assets. The Insurer assumed responsibility for administrative and customer service support of the pension plan, including distribution of payments to the Transferred Participants. We recognized a \$1.8 million settlement gain in the second quarter of 2023 in connection with this transaction.

The pension plan was amended to allow active and terminated plan participants to elect a lump sum distribution for a defined period during 2023. Approximately 50 plan participants opted to take the lump sum distribution receiving total proceeds of \$2.2 million funded entirely from pension plan assets. We recognized a \$0.5 million settlement gain in the fourth quarter of 2023 in connection with this transaction.

Supplemental Executive Retirement Plan

We offered a non-contributory, defined benefit supplemental executive retirement plan (supplemental plan) that provides pension benefits to certain employees in excess of those allowed under our tax-qualified pension plan. The supplemental plan was closed to new participation in 2010 and was frozen effective January 1, 2018. We contributed \$1.4 million, \$1.6 million and \$1.6 million for each of the years ended December 31, 2024, 2023 and 2022, respectively. Any future accrual of benefits under the supplemental plan or other contributions to the supplemental plan will be determined at our sole discretion.

Investment Strategies

U.S. Pension Plan

The obligations of our pension plan are supported by assets held in a trust for the payment of benefits. We are obligated to adequately fund the trust. For the pension plan assets, we have the following primary investment objectives: (1) closely match the cash flows from interest payments and maturities of the pension plan's investments with the long-term financial obligations from the plan's liabilities; and (2) enhance the pension plan's investment returns without taking on undue risk by industries, maturities or geographies of the underlying investment holdings.

The pension plan portfolio is broadly diversified across equity, fixed income and alternative investments. The weightings of the equity portfolio will follow the MSCI All Country World Index. The fixed income portion of the pension plan will allocate at least 75% of assets to investment-grade bonds. Alternative investments are allowed to be made. Low-liquidity alternative assets are also permitted but will have an overall target of less than 25% of the asset allocation.

The cash flow requirements of the pension plan are analyzed at least annually. The pension plan does not invest in Tidewater stock.

Our policy for the pension plan is to contribute no less than the minimum required contribution by law and no more than the maximum deductible amount. The pension plan assets are periodically evaluated for concentration risks.

U.S. Pension Plan Asset Allocations

The following table provides the actual asset allocations for the pension plan:

	Actual as of December 31, 2024	Actual as of December 31, 2023
U.S. Pension plan:		
Cash	2%	3%
Alternative securities	9%	18%
Debt securities	40%	33%
Equity securities.....	49%	46%
Total	100%	100%

Fair Value of Pension Plans Assets

Tidewater's pension plan assets are accounted for at fair value and are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement, except for investments for which fair value is measured using the net asset value per share expedient.

The following table provides the fair value hierarchy for our domestic pension plan measured at fair value as of December 31, 2024:

<u>(In Thousands)</u>	Fair Value	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Measured at Net Asset Value
Pension plan measured at fair value:					
Equity securities	\$ 14,927	\$ 14,927	\$ —	\$ —	\$ —
Debt securities	11,962	2,192	9,770	—	—
Alternative securities.....	2,631	—	—	2,631	—
Cash and cash equivalents.....	734	—	734	—	—
Total fair value of pension plan assets	<u>\$ 30,254</u>	<u>\$ 17,119</u>	<u>\$ 10,504</u>	<u>\$ 2,631</u>	<u>\$ —</u>

The fair value hierarchy for the pension plans assets measured at fair value as of December 31, 2023, are as follows:

<u>(In Thousands)</u>	Fair Value	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Measured at Net Asset Value
Pension plan measured at fair value:					
Equity securities	\$ 14,269	\$ 14,212	\$ 57	\$ —	\$ —
Debt securities	10,058	296	9,762	—	—
Alternative securities.....	5,504	—	—	5,504	—
Cash and cash equivalents.....	1,012	—	1,012	—	—
Total fair value of pension plan assets	<u>\$ 30,843</u>	<u>\$ 14,508</u>	<u>\$ 10,831</u>	<u>\$ 5,504</u>	<u>\$ —</u>

In 2024 and 2023, the pension plan purchased \$0.2 million and \$3.0 million, respectively, in assets classified as Level 3 securities under the fair value hierarchy. Additionally, in 2024 the pension plan sold \$2.9 million in assets classified as Level 3 securities under the fair value hierarchy. The fair value of these investments was determined by nationally recognized, independent valuation firms.

Plan Assets and Obligations

Changes in combined plan assets and obligations and the funded status of the U.S. defined benefit pension plan and the supplemental plan (Pension Benefits), are as follows:

(In Thousands)

	Year Ended December 31,		
	2024	2023	2022
Change in benefit obligation:			
Benefit obligation at beginning of the period.....	\$ 50,097	\$ 64,273	\$ 84,308
Interest cost.....	2,572	2,873	2,313
Benefits paid.....	(4,371)	(5,104)	(5,667)
Actuarial (gain) loss (A).....	(250)	1,916	(16,681)
Settlement.....	—	(13,861)	—
Benefit obligation at end of the period.....	<u>\$ 48,048</u>	<u>\$ 50,097</u>	<u>\$ 64,273</u>
Change in plan assets:			
Fair value of plan assets at beginning of the period.....	\$ 30,843	\$ 45,378	\$ 56,779
Actual return.....	2,184	2,827	(7,337)
Employer contributions.....	1,599	1,603	1,603
Benefits paid.....	(4,371)	(5,104)	(5,667)
Settlement.....	—	(13,861)	—
Fair value of plan assets at end of the period.....	<u>30,255</u>	<u>30,843</u>	<u>45,378</u>
Unfunded status at end of the period.....	<u>\$ (17,793)</u>	<u>\$ (19,254)</u>	<u>\$ (18,895)</u>
Net amount recognized in the balance sheet consists of:			
Current liabilities.....	\$ (1,567)	\$ (1,572)	\$ (1,575)
Noncurrent liabilities.....	(16,226)	(17,682)	(17,320)
Net amount recognized.....	<u>\$ (17,793)</u>	<u>\$ (19,254)</u>	<u>\$ (18,895)</u>

(A) The change in the actuarial (gain) loss for the three years ended December 31, 2024 was primarily attributable to changes in the discount rate.

The following table provides combined information for pension plans with an accumulated benefit obligation in excess of plan assets (includes both the pension plans and supplemental plan):

(In Thousands)

	December 31, 2024	December 31, 2023
Projected and accumulated benefit obligation.....	\$ 48,048	\$ 50,097
Fair value of plan assets.....	30,255	30,843

Net periodic combined benefit cost for the pension plans and the supplemental plan includes the following components:

(In Thousands)

	Year Ended December 31,		
	2024	2023	2022
Interest cost.....	\$ 2,572	\$ 2,873	\$ 2,313
Expected return on plan assets.....	(1,828)	(2,111)	(3,006)
Amortization of net actuarial gains (losses).....	(94)	(146)	63
Settlement/curtailment gain.....	—	(2,177)	—
Net periodic pension cost (benefit).....	<u>\$ 650</u>	<u>\$ (1,561)</u>	<u>\$ (630)</u>

The components of the net periodic combined pension cost are included in the caption “Interest income and other, net.”

Other changes in combined plan assets and benefit obligations recognized in other comprehensive (income) loss include the following components:

(In Thousands)	Pension Benefits		
	Year Ended December 31,		
	2024	2023	2022
Total net (gain) loss recognized in other comprehensive (income) loss	\$ (511)	\$ 3,522	\$ (6,404)

We do not expect to recognize any unrecognized actuarial (loss) gain or unrecognized prior service credit (cost) as a component of net periodic benefit costs during the next year.

Discount rates of 5.65% and 5.25% were used to determine net benefit obligations as of December 2024 and 2023, respectively.

Assumptions used to determine net periodic benefit costs are as follows:

	Pension Benefits	
	2024	2023
Discount rate	5.3%	5.5%
Expected long-term rate of return on assets	6.3%	6.4%

To develop the expected long-term rate of return on assets assumption, we considered the current level of expected returns on various asset classes. The expected return for each asset class was then weighted based on the target asset allocation to develop the expected return on plan assets assumption for the portfolio.

Based upon the assumptions used to measure our qualified pension benefit obligations at December 31, 2024, we expect that the combined benefits for the pension and the supplemental plan to be paid over the next ten years will be as follows:

Year ending December 31, (In Thousands)	Pension Benefits
2025.....	\$ 4,762
2026.....	4,655
2027.....	4,552
2028.....	4,439
2029.....	4,313
2030 – 2034.....	19,354
Total 10-year estimated future benefit payments	\$ 42,075

Defined Contribution Plans

401(k) Savings Contribution

Upon meeting various citizenship, age and service requirements, employees are eligible to participate in a defined contribution savings plan and can contribute from 2% to 75% of their base salary to an employee benefit trust. Effective October 31, 2021, we matched, in cash, 50% of the first 6% of eligible compensation deferred by the employee. For the years ended December 31, 2024, 2023 and 2022, we contributed \$0.5 million, \$0.4 million and \$0.3 million, respectively.

The plan held no shares of Tidewater common stock for the years ended December 31, 2024 and 2023, respectively.

Other Plans

A non-qualified supplemental savings plan is provided to executive officers who defer additional eligible compensation that cannot be deferred under the existing 401(k) plan due to IRS limitations. An optional company match or contribution of restoration benefits was ceased effective January 1, 2018.

We also provide retirement benefits to our eligible non-U.S. citizen employees working outside their respective country of origin pursuant to a self-directed multinational defined contribution retirement plan provided the employees were not enrolled in any home country pension or retirement program. Participants could contribute 1% to 50% of their base salary. A company match was ceased prior to January 1, 2018.

Multi-employer Pension Obligations

Certain of our current and former U.K. subsidiaries are participating in two multi-employer retirement funds known as the Merchant Navy Officers Pension Fund (MNOF) and the Merchant Navy Ratings Pension Fund (MNRPF). At December 31, 2024 and 2023, we had recorded \$1.6 million and \$1.5 million, respectively, related to these liabilities. An actuarial firm calculates the status of the funds every several years. The last assessment was completed in March 2021 for the MNOF Plan and March 2023 for the MNRPF Plan and the plan assets exceed 85% of the projected benefit obligations for both plans. We expense \$0.2 million per annum for these plans.

(10) STOCK-BASED COMPENSATION AND INCENTIVE PLANS

As of December 31, 2024, the Tidewater Inc. 2021 Stock Incentive Plan (2021 Plan) is our active equity incentive plan and the only types of awards outstanding are restricted stock units (RSUs) that settle in shares of Tidewater common stock.

The number of shares available for future grants are as follows:

	Year Ended December 31,		
	2024	2023	2022
Shares of common stock available for future grants	1,353,989	1,521,436	2,466,167

Restricted Stock Units

We have granted RSUs to key employees, including officers and non-employee directors. We have generally awarded time-based units, where each unit represents the right to receive, at the end of a vesting period, one unrestricted share of Tidewater common stock with no exercise price.

We have also awarded performance-based RSUs that measure certain performance criteria or market based criteria, where each unit represents the right to receive, at the end of a service period, between zero and two shares of Tidewater common stock, depending on the level of achievement of the performance criteria or defined market condition and the completion of the service requirement, with no exercise price based on various operating and financial metrics. The fair value of the time-based RSUs is based on the market price of our common stock on the date of grant and, in the case of performance based RSUs, on the estimated level of achievement expected to be realized. For the performance based RSUs that contain a market condition, the fair value of the awards are estimated using a lattice based Monte Carlo simulation. The restrictions on the time-based RSUs awarded to key employees lapse over a three-year period from the date of the award. The restrictions on the time-based RSUs awarded to non-employee directors lapse over a one-year period. Time-based RSUs require no goals to be achieved other than the passage of time and continued employment. The restrictions on the performance-based restricted stock units lapse if we meet specific targets as defined.

During the restricted period, the RSUs may not be transferred or encumbered, but the recipient has the right to receive dividend equivalents on the restricted stock units, and there are no voting rights until the restricted stock units vest. If dividends are declared, dividend equivalents are accrued on performance-based restricted shares and ultimately paid only if the performance criteria are achieved. RSU compensation costs are recognized on a straight-line basis over the vesting period and are net of forfeitures.

RSUs granted to officers and employees under the 2021 Plan generally have a vesting period over three years in equal installments from the date of grant, except that (i) the RSUs granted to directors vest over one year and (ii) certain RSUs granted to our officers are performance based and vest on the third anniversary of the date of grant, based on our performance as measured.

The following table sets forth a summary of our restricted stock unit activity:

	Weighted- average Grant-Date Fair Value	Time Based Units	Weight- average Grant Date Fair Value	Performance Based Units
Non-vested balance at December 31, 2021	\$ 10.37	776,113	\$ 24.50	30,449
Granted	14.46	448,433	12.72	126,724
Vested	10.62	(355,226)	24.50	(15,225)
Cancelled/forfeited	12.72	(3,000)	24.50	(15,224)
Non-vested balance at December 31, 2022	\$ 12.33	866,320	\$ 12.72	126,724
Granted	40.45	247,874	39.91	61,856
Vested	13.08	(393,374)	—	—
Cancelled/forfeited	21.12	(11,827)	—	—
Non-vested balance at December 31, 2023	\$ 21.58	708,993	\$ 21.64	188,580
Granted	85.48	132,883	90.87	43,685
Vested	21.52	(361,644)	—	—
Cancelled/forfeited	38.04	(9,664)	—	—
Non-vested balance at December 31, 2024	\$ 39.34	470,568	\$ 34.66	232,265

Restrictions on approximately 250,000 time-based units outstanding at December 31, 2024 will lapse during 2025.

Restricted stock unit compensation expense and grant date fair value are as follows:

(In Thousands)

	Year Ended December 31,		
	2024	2023	2022
Grant date fair value of restricted stock units vested.....	\$ 7,783	\$ 5,407	\$ 3,561
Restricted stock unit compensation expense	13,681	10,755	6,469

As of December 31, 2024, total unrecognized RSU compensation costs totaled approximately \$17.9 million, or \$14.2 million net of tax, which will be recognized over a weighted average period of two years, compared to \$14.4 million, or \$11.4 million net of tax, at December 31, 2023 and \$10.0 million, \$7.9 million net of tax, at December 31, 2022. No RSU compensation costs were capitalized as part of the costs of an asset. The amount of unrecognized RSU compensation costs will be affected by any future restricted stock unit grants and by the separation of an employee who has received RSUs that are unvested as of their separation date. There were no modifications to the RSUs during the years ended December 31, 2024, 2023 and 2022. Forfeitures are recognized as an adjustment to compensation expense for all RSUs in the same period as the forfeitures occur.

Stock Options

On April 15, 2020, the Board awarded our Chief Executive Officer (CEO) 344,598 options to acquire our common stock for \$6.48 per share. The fair value of the options on the grant date was \$3.23 per share based on a Black-Scholes calculation that included a volatility measure of 63%, a zero percent yield, a 1.5% discount rate and a market value of the underlying stock on the grant date of \$5.81 per share. On March 22, 2021, the Board awarded the CEO an additional 259,158 options to acquire our common stock for \$18.09 per share. The fair value of the options on the grant date was \$3.69 per share based on a Black-Scholes calculation that included a volatility measure of 47.5%, a 2% yield, a 1.03% discount rate and a market value of the underlying stock on the grant date of \$12.72 per share. Both options had terms of ten years vesting in equal amount over three years. All stock options were fully vested and exercised in the first quarter of 2024 and none remained outstanding or exercisable as of December 31, 2024.

(11) STOCKHOLDERS' EQUITY

Common Stock

The number of shares of authorized and issued common stock and preferred stock are as follows:

	December 31, 2024	December 31, 2023
Common stock shares authorized.....	125,000,000	125,000,000
Common stock par value.....	\$ 0.001	\$ 0.001
Common stock shares issued.....	51,461,472	52,259,303
Preferred stock shares authorized.....	3,000,000	3,000,000
Preferred stock par value.....	No par	No par
Preferred stock shares issued.....	—	—

Common Stock Repurchases

On November 5, 2023, our Board of Directors (Board) approved a \$35.0 million share repurchase program, pursuant to which we repurchased and retired 590,499 shares for approximately \$35.0 million, excluding commissions and a 1% excise tax, during the fourth quarter of 2023. On February 29, 2024, our Board approved a new \$48.6 million share repurchase program, subsequently approving the increase of such program by \$18.1 million on May 2, 2024, \$13.9 million on August 6, 2024, and \$10.1 million on November 7, 2024. During the year ended December 31, 2024, we repurchased and retired 1,384,186 shares for approximately \$90.7 million, excluding commissions and a 1% excise tax. No shares were repurchased during the year ended December 31, 2022.

Dividends

There were no dividends declared during the years ended December 31, 2024, 2023 and 2022.

Warrants

During 2017, we issued 11,543,814 New Creditor Warrants, each with an exercise price of \$0.001 and exercisable for one share of our common stock. As of December 31, 2024, we had 76,175 New Creditor Warrants outstanding.

In conjunction with the GulfMark merger, Tidewater assumed approximately 2.3 million Creditor Warrants (GLF Creditor Warrants), with an exercise price of \$0.01, and approximately 0.8 million Equity Warrants (GLF Equity Warrants) with an exercise price of \$100. Each GLF Creditor Warrant and GLF Equity Warrant is exercisable for 1.1 shares of Tidewater common stock on substantially the same terms and conditions as provided in the governing warrant agreements. As of December 31, 2024, we had 77,204 GLF Creditor Warrants outstanding. The GLF Equity Warrants expired according to their terms in November 2024.

Prior to August 1, 2023, we had outstanding Series A Warrants, with an exercise price of \$57.06 and Series B Warrants, with an exercise price of \$62.28, both with an expiration date of July 31, 2023. During July 2023, an aggregate of approximately 2.0 million Series A Warrants and Series B Warrants were exercised and we issued 1.9 million shares of common stock in exchange for \$111.5 million in cash proceeds. All remaining unexercised Series A Warrants and Series B Warrants, approximately 3.1 million in the aggregate, expired according to their terms on July 31, 2023.

In connection with the acquisition of SPO, Tidewater issued 8.1 million SPO Acquisition Warrants, each with an exercise price of \$0.001 and exercisable for one share of our common stock. During the second half of 2022, we completed two common stock public offerings to facilitate the redemption of the SPO Acquisition Warrants, including an offering for 4,048,000 shares at \$17.85 per share completed on August 12, 2022, and an offering for 3,987,914 shares at \$30.25 per share completed on November 10, 2022 (the Offerings). The Offerings resulted in net proceeds (after expenses) of approximately \$187.8 million that we used to redeem 8,035,914 SPO Acquisition Warrants, which we subsequently cancelled.

The Share Purchase Agreement (SPA) to acquire SPO included a provision under which Banyan agreed to indemnify us for certain liabilities and could settle these liabilities, at their option, with cash or the surrender of SPO Acquisition Warrants. This provision caused the SPO Acquisition Warrants to be classified as liabilities, which requires a mark-to-market valuation primarily based on the change in our share price at each reporting period. On June 24, 2022, we amended the SPA (SPA Amendment) to require our consent before Banyan could surrender the SPO Acquisition Warrants to satisfy any indemnity liabilities. As such, on June 24, 2022, we reclassified the SPO Acquisition Warrants from liabilities to additional paid in capital, at the adjusted amount of \$176.8 million, and recognized a non-cash loss totaling \$14.2 million due to the mark-to-market adjustment of the SPO Acquisition Warrants, calculated using the closing share price of our common stock on June 24, 2022 of \$21.83, less the closing share price of our common stock of \$20.08 on the SPO Closing Date.

Under the indemnification provisions of the SPA and the SPA Amendment, Banyan requested that we allow them to settle approximately \$1.4 million in indemnified liabilities by surrendering the equivalent value in SPO Acquisition Warrants. We granted Banyan's request, and during 2022, settled the agreed upon indemnification liability in exchange for the surrender of 64,086 SPO Acquisition Warrants that we subsequently cancelled. No SPO Acquisition Warrants are outstanding.

Accumulated Other Comprehensive Income (Loss)

The changes in accumulated other comprehensive income (loss) by component, net of tax, are as follows:

<u>(In Thousands)</u>	Year Ended December 31,		
	2024	2023	2022
Balance at December 31.....	\$ 5,266	\$ 8,576	\$ 2,668
Unrealized gain (loss) on note receivable.....	283	213	(496)
Pension benefits recognized in OCI	511	(3,523)	6,404
Balance at December 31.....	<u>\$ 6,060</u>	<u>\$ 5,266</u>	<u>\$ 8,576</u>

(12) COMMITMENTS AND CONTINGENCIES

Currency Devaluation and Fluctuation Risk

Due to our international operations, we are exposed to foreign currency exchange rate fluctuations and exchange rate risks on all charter hire contracts denominated in foreign currencies. For some of our international contracts, a portion of the revenue and local expenses are incurred in local currencies with the result that we are at risk of changes in the exchange rates between the U.S. dollar and foreign currencies. We generally do not hedge against any foreign currency rate fluctuations associated with foreign currency contracts that arise in the normal course of business, which exposes us to the risk of exchange rate losses. To minimize the financial impact of these items, we attempt to contract a significant majority of our services in U.S. dollars. In addition, we attempt to minimize the financial impact of these risks by matching the currency of the company's operating costs with the currency of the revenue streams when considered appropriate. We continually monitor the currency exchange risks associated with all contracts not denominated in U.S. dollars.

Legal Proceedings

We are named defendants or parties in certain lawsuits, claims or proceedings incidental to or arising in the ordinary course of business. Although the outcome of such lawsuits or other proceedings cannot be predicted with certainty and the amount of any liability that could arise with respect to such lawsuits or other proceedings cannot be predicted accurately, we do not expect these matters to have a material adverse effect on our financial position, operating results and cash flows.

(13) ACCRUED EXPENSES, OTHER CURRENT LIABILITIES, AND OTHER LIABILITIES

A summary of accrued expenses as of December 31, is as follows:

(In Thousands)

	2024	2023
Payroll and related payables	\$ 43,256	\$ 34,989
Accrued vessel expenses	42,762	48,076
Accrued interest expense	16,727	17,128
Other accrued expenses	27,149	25,397
	<u>\$ 129,894</u>	<u>\$ 125,590</u>

A summary of other current liabilities as of December 31, is as follows:

(In Thousands)

	2024	2023
Taxes payable	\$ 48,122	\$ 44,461
Other	16,826	10,672
	<u>\$ 64,948</u>	<u>\$ 55,133</u>

A summary of other liabilities as of December 31, is as follows:

(In Thousands)

	2024	2023
Pension liabilities	\$ 17,525	\$ 19,003
Liability for uncertain tax positions	24,582	27,319
Other	18,289	18,663
	<u>\$ 60,396</u>	<u>\$ 64,985</u>

(14) SEGMENT INFORMATION, GEOGRAPHICAL DATA AND MAJOR CUSTOMERS

Each of our five operating segments is led by senior management reporting to our Chief Executive Officer, the chief operating decision maker (CODM). Our operating segments comprise the structure used by our CODM to make key operating decisions and assess performance. Discrete financial information is available for each of the segments, and our Chief Executive Officer uses the results of each of the operating segments for resource allocation and performance evaluation. Our CODM evaluates the segments' operating performance based on segment operating income. Segment operating income is defined as segment revenues less segment costs and expenses. The CODM primarily considers segment operating income for evaluating performance of each segment and making decisions about allocating capital and other resources to each segment.

The following table provides a comparison of revenues, vessel operating profit, depreciation and amortization, additions to properties and equipment and assets by segment and in total. Vessel operating profit is calculated as vessel revenues less vessel operating costs, segment depreciation expenses, and segment general and administrative costs. Vessel revenues and operating costs relate to our owned and operated vessels while other operating revenues relate to the activities of our other miscellaneous marine-related businesses.

(In Thousands)	Year Ended December 31,		
	2024	2023	2022
Americas:			
Vessel revenues	\$ 261,929	\$ 237,205	\$ 146,871
Vessel operating costs:			
Crew costs	87,545	86,328	56,767
Repair and maintenance	20,677	17,295	12,706
Insurance	2,034	1,891	1,439
Fuel, lube and supplies	13,635	13,175	9,655
Other	24,391	19,232	13,442
Total vessel operating costs	148,282	137,921	94,009
General and administrative expense	14,046	15,105	10,926
Depreciation and amortization	44,822	41,215	29,920
Vessel operating profit	54,779	42,964	12,016
Additions to properties and equipment	\$ 5,980	\$ 2,916	\$ 4,468
Total assets	\$ 350,126	\$ 418,151	\$ 309,985

(In Thousands)	Year Ended December 31,		
	2024	2023	2022
Asia Pacific:			
Vessel revenues	\$ 210,328	\$ 122,235	\$ 64,231
Vessel operating costs:			
Crew costs	88,968	41,940	29,433
Repair and maintenance	13,999	9,212	3,077
Insurance	1,197	794	516
Fuel, lube and supplies	8,834	5,251	4,139
Other	10,311	7,751	5,081
Total vessel operating costs	123,309	64,948	42,246
General and administrative expense	8,544	8,147	12,299
Depreciation and amortization	18,606	10,669	5,960
Vessel operating profit	59,869	38,471	3,726
Additions to properties and equipment	\$ 2,157	\$ 7,839	\$ 317
Total assets	\$ 173,587	\$ 167,085	\$ 148,684

(In Thousands)	Year Ended December 31,		
	2024	2023	2022
Middle East:			
Vessel revenues	\$ 152,187	\$ 135,375	\$ 110,375
Vessel operating costs:			
Crew costs	53,390	53,416	44,944
Repair and maintenance	17,595	16,187	12,210
Insurance	1,882	1,784	1,412
Fuel, lube and supplies	10,019	12,092	10,531
Other	24,076	17,127	9,015
Total vessel operating costs	106,962	100,606	78,112
General and administrative expense	11,320	9,254	9,120
Depreciation and amortization	30,135	26,566	24,236
Vessel operating profit	3,770	(1,051)	(1,093)
Additions to properties and equipment	\$ 1,260	\$ 3,016	\$ 3,911
Total assets	\$ 180,286	\$ 191,927	\$ 197,054

(In Thousands)	Year Ended December 31,		
	2024	2023	2022
Europe/Mediterranean:			
Vessel revenues	\$ 333,081	\$ 230,217	\$ 129,578
Vessel operating costs:			
Crew costs	109,178	78,613	49,709
Repair and maintenance	28,288	17,029	9,239
Insurance	3,171	2,218	1,442
Fuel, lube and supplies	14,650	11,697	6,026
Other	18,864	13,758	8,426
Total vessel operating costs	174,151	123,315	74,842
General and administrative expense	12,726	10,063	8,158
Depreciation and amortization	92,331	63,152	27,734
Vessel operating profit	53,873	33,687	18,844
Additions to properties and equipment	\$ 11,069	\$ 7,320	\$ 1,302
Total assets	\$ 659,158	\$ 671,626	\$ 282,670

(In Thousands)	Year Ended December 31,		
	2024	2023	2022
West Africa:			
Vessel revenues	\$ 380,112	\$ 273,961	\$ 190,349
Vessel operating costs:			
Crew costs	77,195	69,176	61,511
Repair and maintenance	17,817	18,993	14,024
Insurance	2,743	2,610	1,956
Fuel, lube and supplies	18,233	18,333	13,378
Other	24,415	20,613	17,223
Total vessel operating costs	140,403	129,725	108,092
General and administrative expense	9,495	9,281	10,611
Depreciation and amortization	53,782	36,508	28,534
Vessel operating profit	176,432	98,447	43,112
Additions to properties and equipment	\$ 3,300	\$ 19,593	\$ 2,923
Total assets	\$ 512,549	\$ 421,054	\$ 285,965
(In Thousands)			
	Year Ended December 31,		
	2024	2023	2022
World Wide:			
Revenues:			
Vessel revenues	\$ 1,337,637	\$ 998,993	\$ 641,404
Other operating revenues	8,198	10,992	6,280
Total revenue	1,345,835	1,009,985	647,684
Vessel operating costs:			
Crew costs	416,276	329,473	242,364
Repair and maintenance	98,376	78,716	51,256
Insurance	11,027	9,297	6,765
Fuel, lube and supplies	65,371	60,548	43,729
Other	102,057	78,481	53,187
Total vessel operating costs	693,107	556,515	397,301
Costs of other operating revenues	3,555	4,342	2,130
General and administrative expense	56,131	51,850	51,114
Depreciation and amortization	239,676	178,110	116,384
Operating profit	353,366	219,168	80,755
Corporate expenses	(57,780)	(45,654)	(53,583)
Gain on asset dispositions, net	15,762	8,701	250
Long-lived asset impairments and other	—	—	(714)
Operating income	\$ 311,348	\$ 182,215	\$ 26,708
Segment additions to properties and equipment	\$ 23,766	\$ 40,684	\$ 12,921
Corporate additions to properties and equipment	3,814	5,168	3,716
Total additions to properties and equipment	\$ 27,580	\$ 45,852	\$ 16,637
Segment assets	\$ 1,875,706	\$ 1,869,843	\$ 1,224,358
Corporate assets	199,198	192,931	73,298
Total assets	\$ 2,074,904	\$ 2,062,774	\$ 1,297,656

The Company attributes revenue to various countries based on the location where services are actually performed. Revenues by country for the year ended December 31, 2024 are as follows:

(In Thousands)	Year Ended December 31, 2024
Countries:	
United Kingdom.....	\$ 147,175
Angola.....	144,566
Australia.....	130,788
Saudi Arabia.....	129,333
Norway.....	112,167
United States	81,547
Other (includes more than 30 countries)	600,259
Total revenues	<u>\$ 1,345,835</u>

The following table discloses our customers that accounted for 10% or more of total revenues:

	Year Ended December 31,		
	2024	2023	2022
Eni S.p.A	12.3%	10.3%	*
Chevron Corporation.....	*	*	12.3%

* Less than 10% of total revenues.

(15) RESTRUCTURING CHARGES

In 2022, we recorded additional severance costs relating to the SPO Acquisition. Lease exit and severance and integration costs are included in general and administrative expenses in our Consolidated Statements of Operations.

Activity for the lease exit and severance and integration liabilities for the three years ended December 31, 2024 were:

(In Thousands)	Lease Exit Costs		Severance and Integration Costs	
	Europe/ Mediterranean	Corporate	Company	Total
Balance at January 1, 2022.....	\$ 1,147	\$ 362	\$ —	\$ 1,509
Charges.....	(146)	26	5,800	5,680
Cash payments.....	(376)	(388)	—	(764)
Balance at December 31, 2022	\$ 625	\$ —	\$ 5,800	\$ 6,425
Charges.....	27	—	—	27
Cash payments.....	(652)	—	(5,800)	(6,452)
Balance at December 31, 2023 and 2024	\$ —	\$ —	\$ —	\$ —

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed with the objective of providing reasonable assurance that information required to be disclosed in our reports, filed or submitted under the Securities Exchange Act of 1934 (Exchange Act), such as this Annual Report on Form 10-K, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive and chief financial officers, as appropriate, to allow timely decisions regarding required disclosure. However, any control system, no matter how well conceived and followed, can provide only reasonable, and not absolute, assurance that the objectives of the control system are met.

As of December 31, 2024, the end of the period covered by this report, we have evaluated, under the supervision and with the participation of our management, including our President, Chief Executive Officer and Chief Financial Officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act, as amended). Based on that evaluation, our President, Chief Executive Officer, and Chief Financial Officer concluded that our disclosure controls and procedures are effective at the reasonable assurance level.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934). Our internal control over financial reporting was designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation and financial statements for external purposes in accordance generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2024. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control - Integrated Framework (2013)*. Based on our assessment, our management concluded that, as of December 31, 2024, our internal control over financial reporting was effective based on those criteria.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2024 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

During the three-month period ended December 31, 2024, no director or officer, as defined in Rule 16a-1(f) of the Exchange Act, adopted, modified or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement, as each term is defined in Item 408(a) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required by this item is incorporated by reference to our 2024 Proxy Statement, which will be filed with the SEC not later than 120 days subsequent to December 31, 2024.

ITEM 11. EXECUTIVE COMPENSATION

Information required by this item is incorporated by reference to our 2024 Proxy Statement, which will be filed with the SEC not later than 120 days subsequent to December 31, 2024.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required by this item is incorporated by reference to our 2024 Proxy Statement, which will be filed with the SEC not later than 120 days subsequent to December 31, 2024.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required by this item is incorporated by reference to our 2024 Proxy Statement, which will be filed with the SEC not later than 120 days subsequent to December 31, 2024.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Information required by this item is incorporated by reference to our 2024 Proxy Statement, which will be filed with the SEC not later than 120 days subsequent to December 31, 2024.

PART IV

ITEM 15. EXHIBITS

(a) The following documents are filed as part of this Annual Report on Form 10-K:

(1) Financial Statements.

A list of the consolidated financial statements filed as a part of this Annual Report on Form 10-K is set forth in Part II, Item 8 beginning on page 55 of this Annual Report on Form 10-K and is incorporated herein by reference.

(2) Exhibits.

The index below describes each exhibit filed as a part of this Annual Report on Form 10-K. Exhibits not incorporated by reference to a prior filing are designated by an asterisk; all exhibits not so designated are incorporated herein by reference to a prior filing as indicated.

- | | |
|------|---|
| 2.1 | Agreement and Plan of Merger by and between Tidewater Inc. and GulfMark Offshore, Inc., dated as of July 15, 2018 (filed with the Commission as Exhibit 2.1 to the Company's Current Report on Form 8-K filed on July 16, 2018, File No. 1-6311). |
| 2.2 | Share Purchase Agreement, dated as of March 9, 2022, by and among Tidewater Inc., Banyan Overseas Limited and Swire Pacific Offshore Holdings Ltd. (filed with the Commission as Exhibit 2.1 to the company's current report on Form 8-K filed on March 10, 2022, File No. 1-6311). |
| 2.3 | Closing Agreement and Amendment to Share Purchase Agreement, dated April 22, 2022, by and among Tidewater Inc., Banyan Overseas Limited and Swire Pacific Offshore Holdings Ltd. (filed with the Commission as Exhibit 2.6 to the company's current report on Form 10-Q filed on August 4, 2022, File No. 1-6311). |
| 2.4 | Second Amendment to Share Purchase Agreement, dated as of June 27, 2022, by and among Tidewater Inc., Banyan Overseas Limited and Swire Pacific Offshore Holdings Ltd. (filed with the Commission as Exhibit 2.7 to the company's current report on Form 10-Q filed on August 4, 2022, File No. 1-6311). |
| 2.5 | Agreement for the Sale and Purchase of Vessels, Charter Parties and Other Assets, dated March 7, 2023, by and among Tidewater Inc., TDW International Vessels (Unrestricted), LLC and certain subsidiaries of Solstad Offshore ASA listed on the signature page thereto (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed on March 7, 2023). |
| 2.6 | First Amendment to Agreement for the Sale and Purchase of Vessels, Charter Parties and Other Assets, dated June 20, 2023, by and among Tidewater Inc., TDW International Vessels (Unrestricted), LLC and certain subsidiaries of Solstad Offshore ASA listed on the signature page thereto (incorporated by reference to Exhibit 2.2 to the Registrant's Current Report on Form 8-K filed on July 6, 2023). |
| 3.1 | Amended and Restated Certificate of Incorporation of Tidewater Inc. (filed with the Commission as Exhibit 3.1 to the Company's Current Report on Form 8-K on July 31, 2017, File No. 1-6311). |
| 3.2 | Second Amended and Restated By-Laws of Tidewater Inc., dated November 15, 2018 (filed with the Commission as Exhibit 3.2 to the Company's Registration Statement on Form 8-A on November 15, 2018, File No. 1-6311). |
| 3.3 | Certificate of Designations of Series A Junior Participating Preferred Stock (filed with the Commission as Exhibit 3.1 to the Company's Current Report on Form 8-K on April 14, 2020, File No. 1-6311). |
| 4.1* | Description of Registered Securities of Tidewater Inc. |

- 4.2 Bond Terms for 8.5% Senior Secured Notes due 2026, dated November 16, 2021, by and among Tidewater Inc. and Nordic Trustee AS, as Bond Trustee and Security Agent (filed with the Commission as Exhibit 4.1 to the Company's Current Report on Form 8-K on November 17, 2021, File No. 1-6311).
- 4.3 Credit Facility Agreement, dated November 16, 2021, by and among Tidewater Inc., DNB Bank ASA, New York Branch, as Facility Agent, Nordic Trustee AS, as Security Trustee, DNB Markets, Inc. as Bookrunner and Mandated Lead Arranger, and the lenders party thereto (filed with the Commission as Exhibit 4.2 to the company's current report on Form 8-K on November 17, 2021, File No. 1-6311).
- 4.4 Intercreditor Agreement, dated November 16, 2021, by and among Tidewater Inc., certain subsidiaries thereof, DNB Bank ASA, New York Branch, as Facility Agent, Nordic Trustee AS, as Security Trustee, and certain other institutions (filed with the Commission as Exhibit 4.3 to the Company's Current Report on Form 8-K on November 17, 2021, File No. 1-6311).
- 4.5 Guarantee Agreement, dated November 16, 2021, among Tidewater Inc., Nordic Trustee AS as Security Agent, and the original guarantors named therein (filed with the Commission as Exhibit 4.4 to the Company's Current Report on Form 8-K on November 17, 2021, File No. 1-6311).
- 4.6 Bond Terms for 10.375% Senior Unsecured Bonds due 2028, Dated June 30, 2023, by and between Tidewater Inc. and Nordic Trustee AS, as Bond Trustee (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed on July 6, 2023).
- 10.1 Creditor Warrant Agreement, dated July 31, 2017, between Tidewater Inc., as Issuer and Computershare Inc. and Computershare Trust Company, N.A., collectively as Warrant Agent (filed with the Commission as Exhibit 10.1 to the Company's Current Report on Form 8-K on July 31, 2017, File No. 1-6311).
- 10.2 Noteholder Warrant Agreement, dated as of November 14, 2017, between GulfMark Offshore, Inc. and American Stock Transfer & Trust Company, LLC, as warrant agent (filed with the Commission as Exhibit 4.1 to the Company's Current Report on Form 8-K on November 16, 2018, File No. 1-6311).
- 10.3 Assignment, Assumption and Amendment Agreement – Jones Act Warrants, dated as of and effective November 15, 2018, by and among GulfMark Offshore, Inc., Tidewater Inc. and American Stock Transfer & Trust Company, LLC, as warrant agent (filed with the Commission as Exhibit 4.2 to the Company's Current Report on Form 8-K on November 16, 2018, File No. 1-6311).
- 10.4+ Restated Non-Qualified Deferred Compensation Plan and Trust Agreement as Restated October 1, 1999 between Tidewater Inc. and Merrill Lynch Trust Company of America (filed with the Commission as Exhibit 10(e) to the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 1999, File No. 1-6311).
- 10.5+ Tidewater Inc. Amended and Restated Employees' Supplemental Savings Plan, executed on December 10, 2008 (filed with the Commission as Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2008, File No. 1-6311).
- 10.6+ Amendment Number One to the Tidewater Employees' Supplemental Savings Plan, effective January 22, 2009 (filed with the Commission as Exhibit 10.43 to the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2009, File No. 1-6311).
- 10.7+ Amendment Number Two to the Tidewater Employees' Supplemental Savings Plan (filed with the Commission as Exhibit 10.43 to the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2011, File No. 1-6311).
- 10.8+ Amendment Number Three to the Tidewater Employees' Supplemental Savings Plan (filed with the Commission as Exhibit 10.1 to the company's quarterly report on Form 10-Q for the quarter ended December 31, 2010, File No. 1-6311).

- 10.9+ Director Stock Election Program (filed with the Commission as Exhibit 10.13 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 filed on August 9, 2019, File No. 1-6311).
- 10.10+ Form of Tidewater Inc. Indemnification Agreement entered into with each member of the Board of Directors, each executive officer and the principal accounting officer (filed with the Commission as Exhibit 10 to the Company's Current Report on Form 8-K on August 12, 2015, File No. 1-6311).
- 10.11+ Tidewater Inc. Short-Term Incentive Plan (effective for performance periods beginning January 1, 2019) (filed with the Commission as Exhibit 10.1 to the Company's Current Report on Form 8-K on April 19, 2019, File No. 1-6311).
- 10.12+ Form of Severance and Change of Control Agreement effective March 9, 2021 entered into with each of Quintin V. Kneen, Chief Executive Officer, Sam R. Rubio, Chief Financial Officer, David E. Darling, Chief Operating Officer, and Daniel A. Hudson, General Counsel (filed with the Commission as Exhibit 10.9 to the Company's Quarterly Report on Form 10-Q filed on May 6, 2021, File No. 1-6311).
- 10.13+ Tidewater Inc. Amended and Restated 2021 Stock Incentive Plan (filed with the Commission as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 21, 2021, File No. 1-6311).
- 10.14+ Form of Incentive Agreement for the Grant of Restricted Stock Units under the Tidewater Inc. 2021 Stock Incentive Plan (grants to non-employee directors) (filed with the Commission as Exhibit 10.11 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2021, File No. 1-6311).
- 10.15+ Form of Incentive Agreement for the Grant of Restricted Stock under the Tidewater Inc. 2021 Stock Incentive Plan (grants to non-employee directors) (filed with the Commission as Exhibit 10.12 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2021, File No. 1-6311).
- 10.16+ Non-employee Directors Deferred Compensation Plan (filed with the Commission as Exhibit 10.13 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2021, File No. 1-6311).
- 10.17+ Form of Award Agreement for Restricted Stock Units (grants to officers) under the Tidewater Inc. 2021 Stock Incentive Plan. (filed with the Commission as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on November 3, 2022).
- 10.18+ Form of Award Agreement for Performance Restricted Stock Units (grants to officers) under the Tidewater Inc. 2021 Stock Incentive Plan. (filed with the Commission as Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on November 3, 2022).
- 10.19 Credit Agreement, dated as of June 30, 2023, by and among TDW International Vessels (Unrestricted), LLC, as borrower, Tidewater Inc., as parent guarantor, certain other unrestricted subsidiaries of Tidewater Inc., as other security parties, the lenders party thereto, DNB Bank ASA, New York Branch, as facility agent, security trustee and ECA coordinator, and DNB Markets, Inc. as bookrunner and mandated lead arranger (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on July 6, 2023).
- 10.20+ Form of Non-Employee Director Restricted Stock Unit Award (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed on August 7, 2023).
- 19* Policy Statement on Insider Trading
- 21* Subsidiaries of the company.
- 23.1* Consent of Independent Registered Accounting Firm – PricewaterhouseCoopers LLP.

31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97	Policy for Recovery of Erroneously Awarded Compensation (incorporated by reference to Exhibit 97 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2023 filed on February 29, 2024, File No. 1-6311).
101.INS*	Inline XBRL Instance Document – The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

+ Indicates a management contract or compensatory plan or arrangement.

ITEM 16. FORM 10-K SUMMARY.

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on February 27, 2025.

TIDEWATER INC.
(Registrant)

By: /s/ Samuel R. Rubio
Samuel R. Rubio
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 27, 2025.

/s/ Quintin V. Kneen
Quintin V. Kneen, President, Chief Executive Officer and Director
(Principal Executive Officer)

/s/ Samuel R. Rubio
Samuel R. Rubio, Executive Vice President and Chief Financial
Officer (Principal Financial and Accounting Officer)

/s/ Dick H. Fagerstal
Dick H. Fagerstal, Chairman of the Board of Directors

/s/ Darron M. Anderson
Darron M. Anderson, Director

/s/ Melissa Cougle
Melissa Cougle, Director

/s/ Louis A. Raspino
Louis A. Raspino, Director

/s/ Robert E. Robotti
Robert E. Robotti, Director

/s/ Kenneth H. Traub
Kenneth H. Traub, Director

/s/ Lois K. Zabrocky
Lois K. Zabrocky, Director

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Corporate Information

Corporate Information

Information about stockholder accounts may be obtained by contacting the Transfer Agent and Registrar for Tidewater's common stock

Computershare Investor Services
P. O. Box 505000
Louisville, KY 40233-5000

Overnight correspondence should be sent to:

Computershare Investor Services
462 South 4th Street
Suite 1600
Louisville, KY 40202
Phone: +1.781.575.2879 or
+1.800.730.4001

General stockholder information is available on the Computershare website,
www.computershare.com/investor.

STOCK EXCHANGE

Tidewater's common stock is traded on the New York Stock Exchange under the symbol TDW.

FORM 10-K REPORT

Tidewater's 2024 Annual Report and Form 10-K may be obtained without charge by contacting the Company's Investor Relations Department at corporate headquarters. Tidewater's SEC filings can also be viewed online at the Company's **SEC Filing page**.

WEBSITE AND E-MAIL ALERTS

For information concerning the Company, including **quarterly financial results, events calendar, and news releases** visit **www.tdw.com**.

Register for email alerts about news releases, SEC filings, events and presentations, and end of day stock quote at the Company's **Email Alert page**. Tidewater's Investor Relations website can be found at **investor.tdw.com/**

Investor Relations

Requests for information concerning the Company should be directed to the Investor Relations Department using the address or phone numbers listed below. Requests for information can also be submitted at the Company's website, **<http://www.tdw.com/>**

Tidewater Inc.
842 West Sam Houston Parkway North, Suite 400
Houston, Texas 77024
USA
Toll Free: +1.800.678.8433
Phone: +1.713.470.5300
www.tdw.com

INVESTOR CONTACT:

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