A large underwater scene showing a yellow ROV (Remotely Operated Vehicle) suspended by a cable from the top. The ROV is positioned in the upper left quadrant. Below it, a series of smaller, circular objects are suspended in a line. The background is a dark blue ocean with a bright light source from the top center, creating a vertical beam of light. In the foreground, there is a colorful, textured surface that appears to be a seabed or a large-scale geological formation, with colors ranging from yellow and green to red and orange. Several small, dark objects are visible on the seabed in the distance.

# Q2 2022 RESULTS

Oslo, 18th August 2022

Bjørn Petter Lindhom, CEO  
Anders Eimstad, CFO

# Disclaimer

This quarterly presentation includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. Such forward-looking information and statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for Electromagnetic Geoservices ASA (EMGS) and its subsidiaries. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for the EMGS' businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time. Although Electromagnetic Geoservices ASA believes that its expectations and the information in this Report were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in this Report. Electromagnetic Geoservices ASA nor any other company within the EMGS Group is making any representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the information in the Report, and neither Electromagnetic Geoservices ASA, any other company within the EMGS Group nor any of their directors, officers or employees will have any liability to you or any other persons resulting from your use of the information in the Report. Electromagnetic Geoservices ASA undertakes no obligation to publicly update or revise any forward-looking information or statements in the Report.

# Q2 2022

## Operational highlights for the quarter

- Successfully completed fully prefunded multi-client survey in the North Sea
- Time Charter agreement for the Atlantic Guardian was extended by one year to October 2023 with increased flexibility

## Financial highlights for the quarter

- Revenues of USD 6.9 million
- EBITDA of USD 5.3 million
- Adjusted EBITDA of USD 2.8 million
- USD 11.6 million free cash, up from USD 9.9 million at year end 2021
- Equity returned to positive USD 1.0 million

## Subsequent events

- EMGS awarded an acquisition contract with a maximum value of USD 11 million
- USD 3.8 million in uplifts received related to the existing multi-client library in Norway
- EMGS secured USD 2 million in prefunding for a multi-client survey in East Canada
- EMGS has begun acquisition on a proof-of-concept survey in the Mid-Atlantic Ridge related to marine mineral exploration

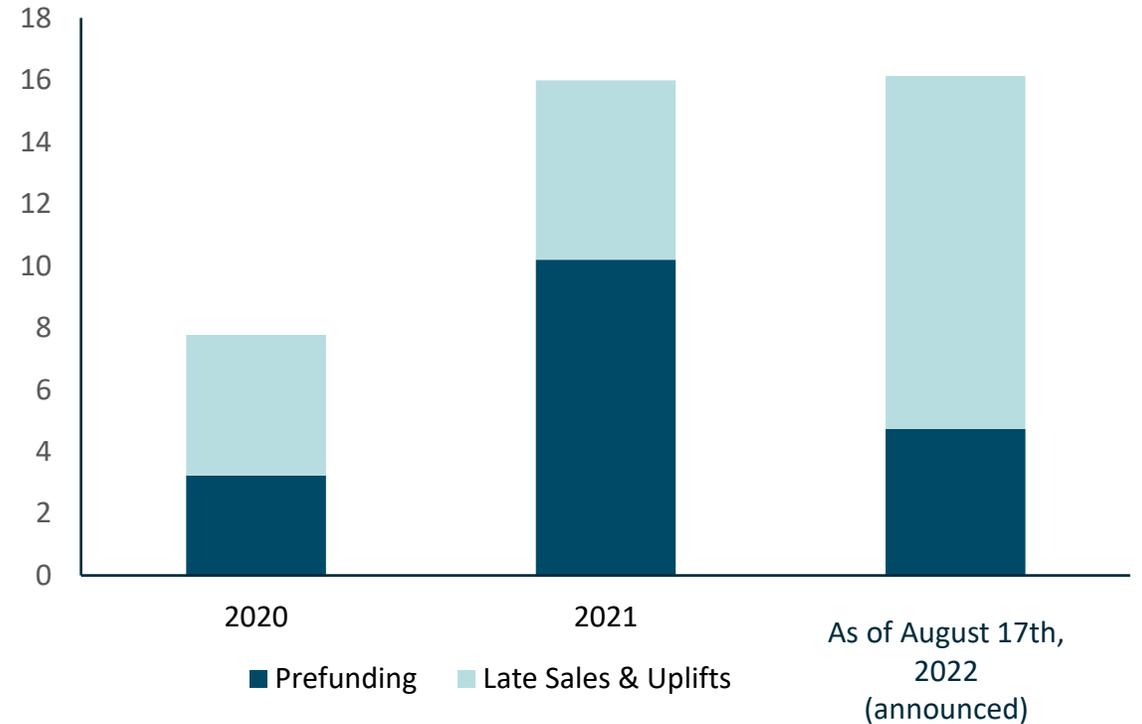


# Operations, Market and Outlook

# Multi-Client update

- 2022 year to date multi-client revenue as of 17<sup>th</sup> August approximately USD 16.1 million, consisting of:
  - USD 4.9 million late sales, uplifts and Change of Control revenue recognized in Q1 2022
  - USD 5.4 million prefunding, late sales, uplifts and Change of Control revenue recognized in Q2 2022
  - Announced USD 3.8 million in uplift. Revenue will be recognized in Q3 of 2023
  - Announced prefunding of approximately USD 2.0 million for survey offshore Canada. Revenue will be recognized upon data delivery, which is expected in Q4
- Interest in CSEM Multi-Client data from our existing library remains high

Annual Multi-Client Revenue



# Strong financial position

- Q2 2022 is the 5<sup>th</sup> consecutive profitable quarter for EMGS
- Equity is now positive (USD 1 million)
- Free cash at end of Q2 was USD 11.6 million
- The convertible Bond loan stands at approximately USD 24.5 million
- Firm vessel charter extended with 1 year until October 2023
- Backlog for H2 2022 of USD 13 million, consisting of:
  - Prefunding of Multi-Client survey in Canada USD 2 million
  - Proprietary survey in the Caribbean USD 11 million



# Marine Minerals Exploration

- EMGS selected as the acquisition provider for the NTNU led Atlab consortium which was formed to study geophysical imaging of geological process
- Survey to acquire multi-physics data at the Loki's Castle and Mohn's Treasure marine mineral deposits at the Mid-Atlantic Ridge
- EMGS will acquire a suite of geophysical measurements from the Atlantic Guardian, including:
  - Conventional node-based CSEM and Marine Magneto-Telluric
  - High Frequency deep towed streamer CSEM
  - 2D seismic (operated by PGS)
  - Ocean bottom node seismic (nodes supplied by InApril)
  - Multi-beam bathymetry
  - Series of environmental data (sensors supplied by NORCE)



# Financial review

# Second quarter 2022 performance

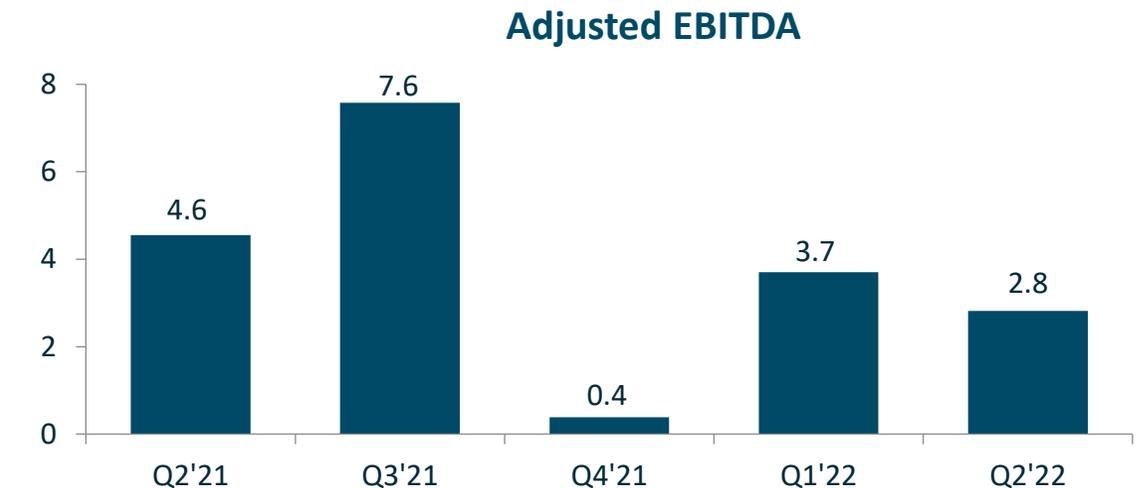
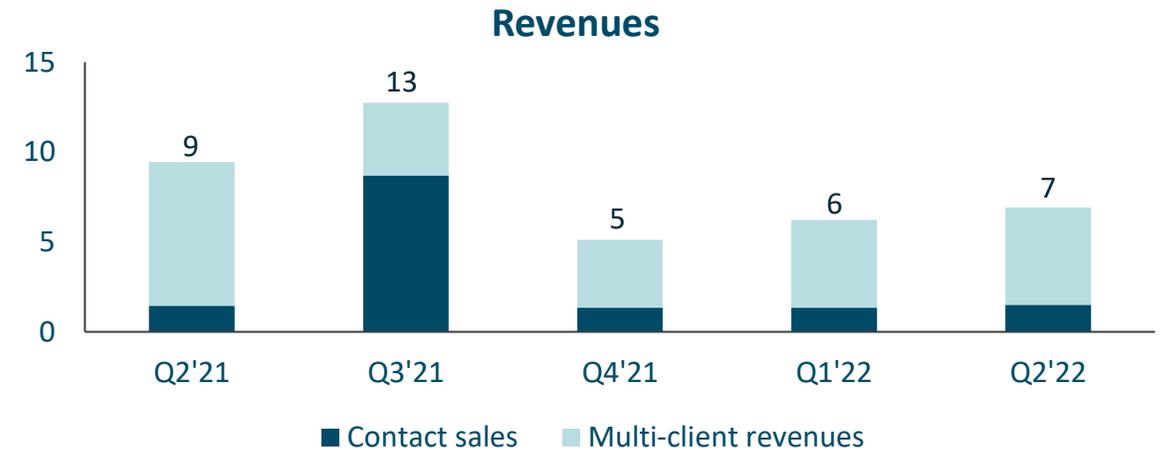
## Key financial metrics

- Revenues
  - USD 6.9 million total revenue
  - USD 5.4 million in multi-client revenue
- Vessel utilisation of 18%
  - Atlantic Guardian competed two fully prefunded surveys in the North Sea
- EBITDA
  - USD 5.3 million
  - Adjusted EBITDA\* of USD 2.8 million

\*Adjusted EBITDA includes capitalised multi-client expenses and vessel and office lease expenses

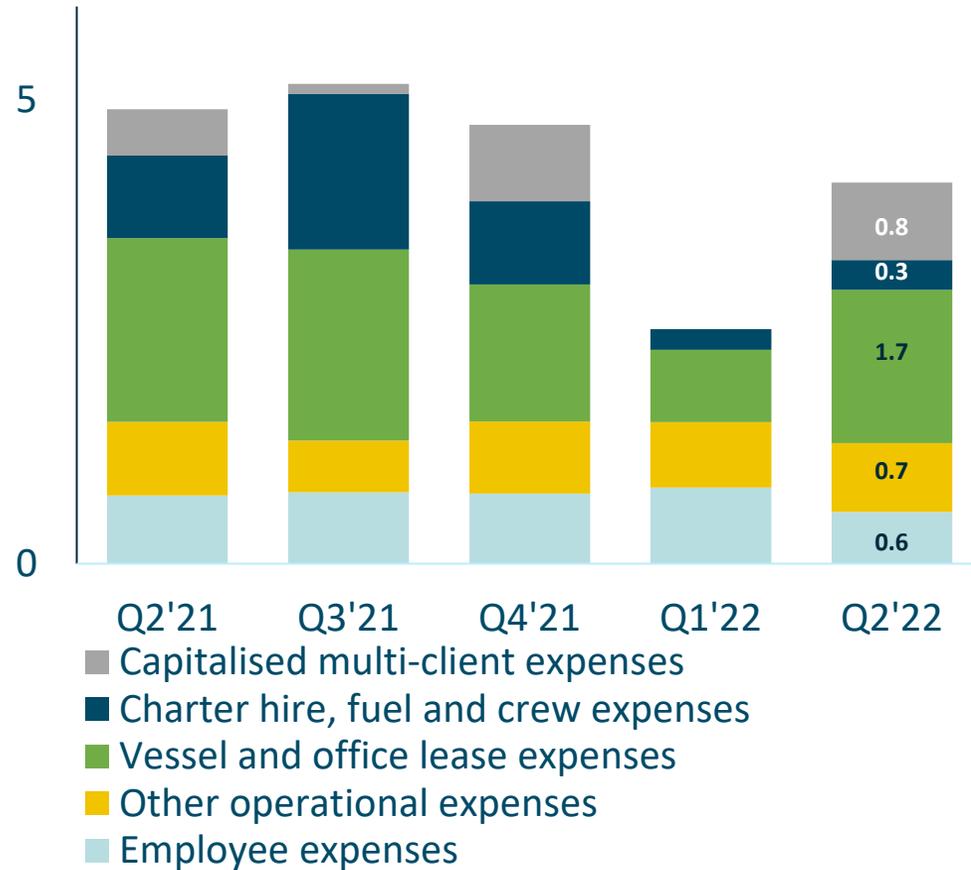
# I Development in revenues and EBITDA

## Quarterly development (USD million)



# Operational costs

## Quarterly operational cost base\* development (USD million)



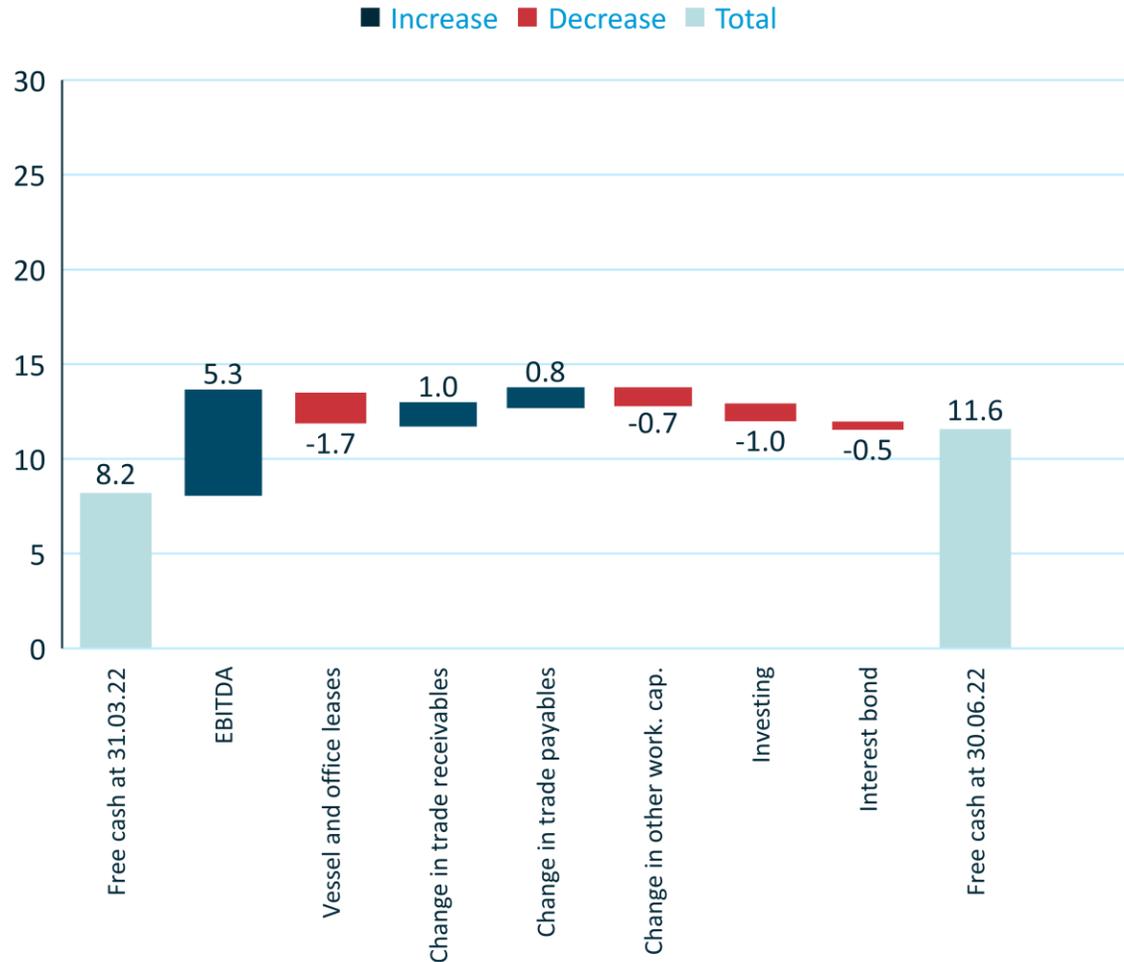
## Comments

- Operational costs base in Q2 22 of USD 4.1 million
  - USD 1.6 million higher than Q1 22
    - Other operational expenses and employee expenses remain consistently low
    - Combined Charter hire, fuel and crew expenses are low due to capitalization of the multi-client surveys in the North Sea
    - Vessel and office lease expense higher than the previous quarter as a result of taking the Atlantic Guardian out of warm-stack end April
    - USD 0.8 million capitalised in the second quarter was amortised in the same quarter

\*Cost base is defined as operational costs (charter hire etc, employee expenses, other operating expenses) plus MC investments and vessel and office lease payments presented as financial leases from 1 January 2019, restructuring charges and other extraordinary items

# Increase in free cash in Q2 2022

## Quarterly free cash development (USD million)



## Comments

- Net increase in free cash of USD 3.4 million to USD 11.6 million
  - Positive Adjusted EBITDA of USD 2.8 million
  - Trade receivables decreased by USD 1.0 million as compared to the previous quarter
  - Vessel and office leases USD 1.7 million



# Q&A

# Q & A

---

Please e-mail questions to: [emgs@emgs.com](mailto:emgs@emgs.com)

