

Q4 2021 RESULTS

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Q4 2021

Operational highlights for the quarter

- Atlantic Guardian completed fully funded multi-client project in the North Sea
- Vessel utilisation for the fourth quarter 2021 was 44% compared with 0% in the corresponding quarter in 2020
- Vessel entered warm-stack mid-November

Financial highlights for the quarter

- Significant improvement in financial results, and turning negative profitability in 2020 to positive in 2021
- Revenues of USD 5.1 million, up 27% from USD 4.0 million in 4Q 2020
- Operating profitability during the quarter resulted in EBITDA of USD 2.7 million, up 65% from the same quarter in 2020
- Adjusted EBITDA of USD 0.4 million is down 46% from 4Q 2020 given higher operational activity. YTD for the full year (unaudited) Adjusted EBITDA was USD 11 million, up from negative USD 3.3 million in 2020
- 2nd Bond buy-back with an aggregate nominal value of USD 4.0 million, reducing the outstanding bond to USD 24.5 million
- Year end free cash balance of USD 9.9 million

Subsequent events

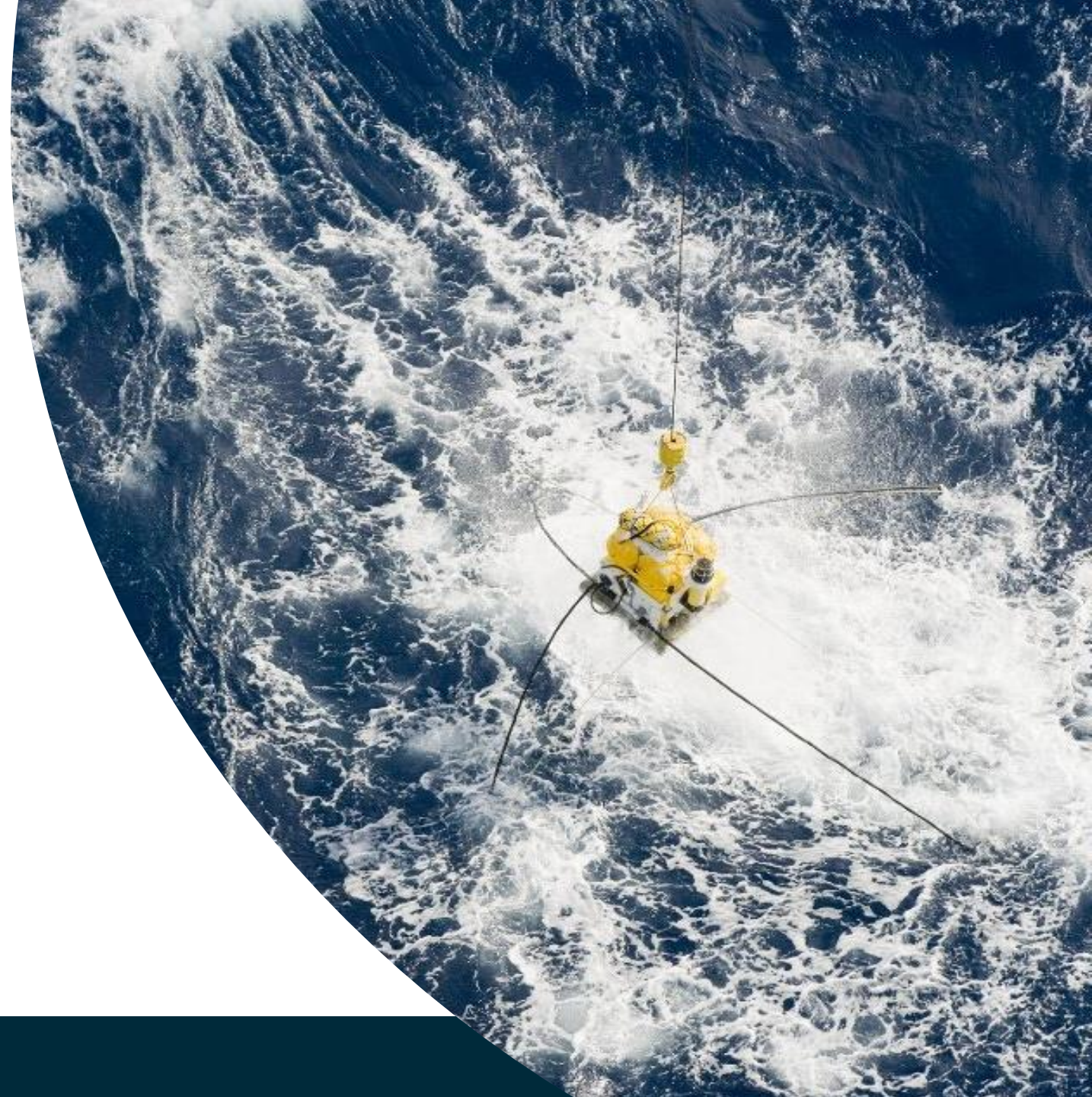
- Several licenses offered in Norway's 2021 APA License round with EM commitments
- Proposal to extend Senior Unsecured Convertible Bond (EMGS03) by 24 months to May 2025, sent to bondholders and is expected to be approved, given indicated support by major bondholders



Operations, Market and Outlook

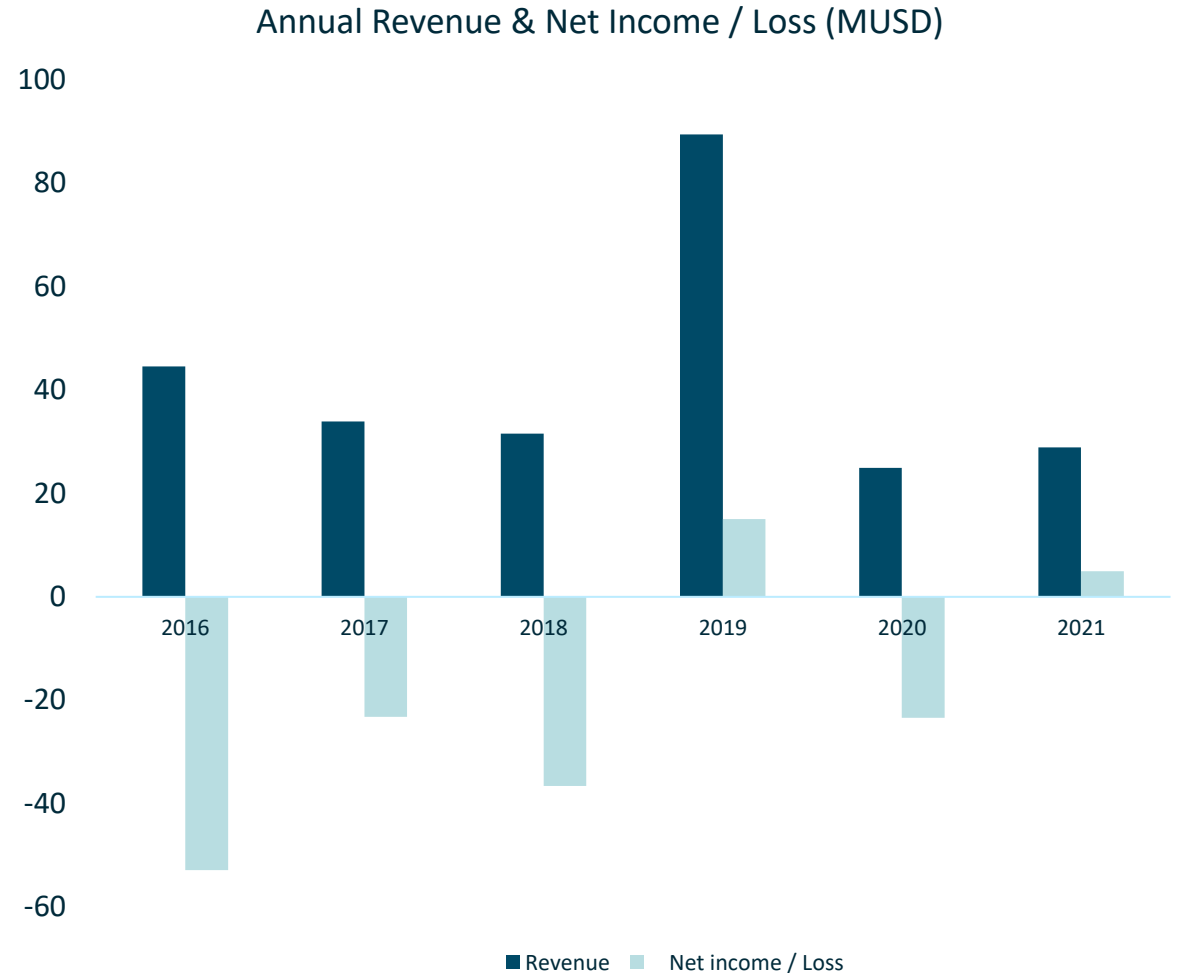
2021 Operational lookback

- First full year operating with the new flexible business model
- Completed 3 acquisition projects
 - Mexican Ridges fully funded Multi-Client project with recognized revenue of USD 7.2 million
 - Southeast Asia proprietary project with both exploration and appraisal objectives and USD 7.3 million in revenue
 - Utsira High fully funded Multi-Client project with USD 2.7 million in revenue
- Safe and efficient operations without safety incidents and with very low technical downtime despite implementing new flexible crew model
- No delays in vessel operations due to Covid-19
- Vessel utilization for 2021 at 32%
 - Warm-stack at beginning and end of year
 - Long transits



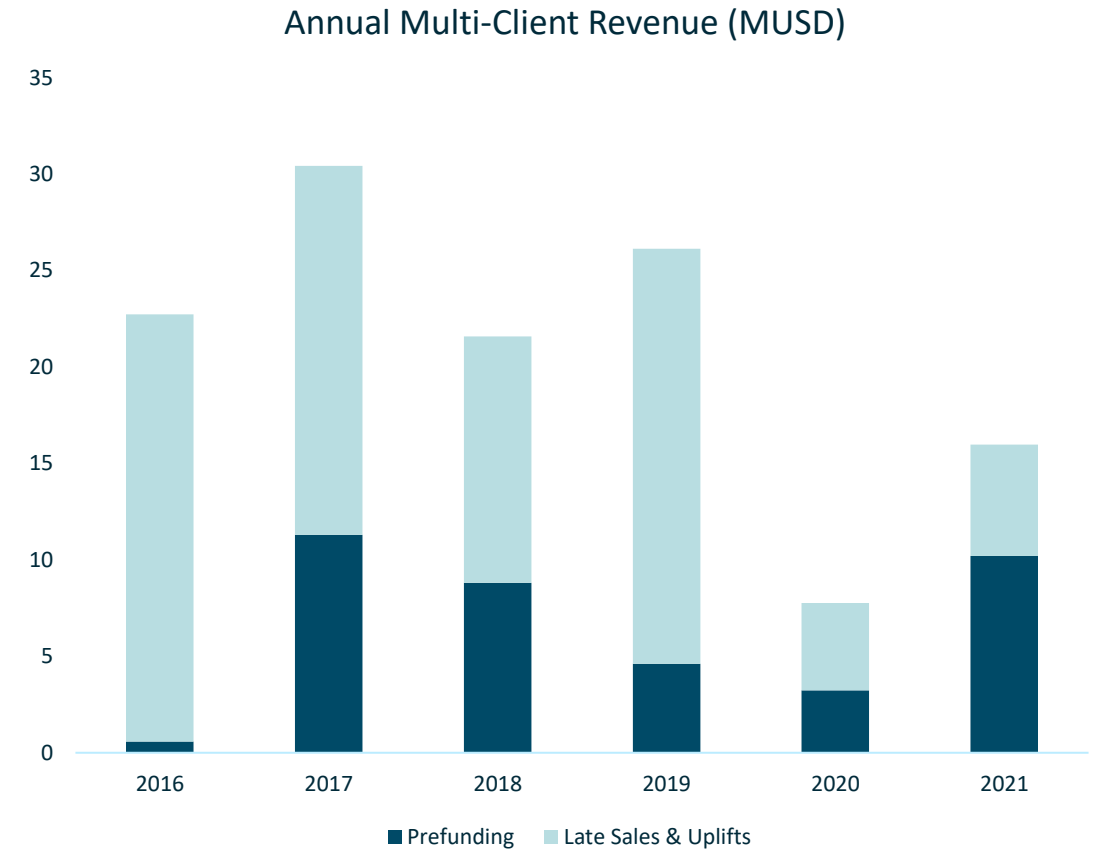
2021 Financial lookback

- Significant improvement in financial results, and turning negative profitability in 2020 back to positive in 2021
 - Revenue of USD 28.9 million (unaudited). Up from USD 24.9 million (audited) in 2020
 - Full year adjusted EBITDA USD 11 million (unaudited). Up from negative USD 3.3 million (audited) in 2020
 - Net income USD 4.9 million (unaudited). Up from negative USD 23.4 million (audited) in 2020
- Two separate bond buy-backs with an aggregate nominal value of USD 8.0 million
 - Reducing the Convertible Bond Loan from approx. USD 32.5 million to approx. USD 24.5 million
 - Significant improvement to the balance sheet in 2021
- Year end free cash balance of USD 9.9 million

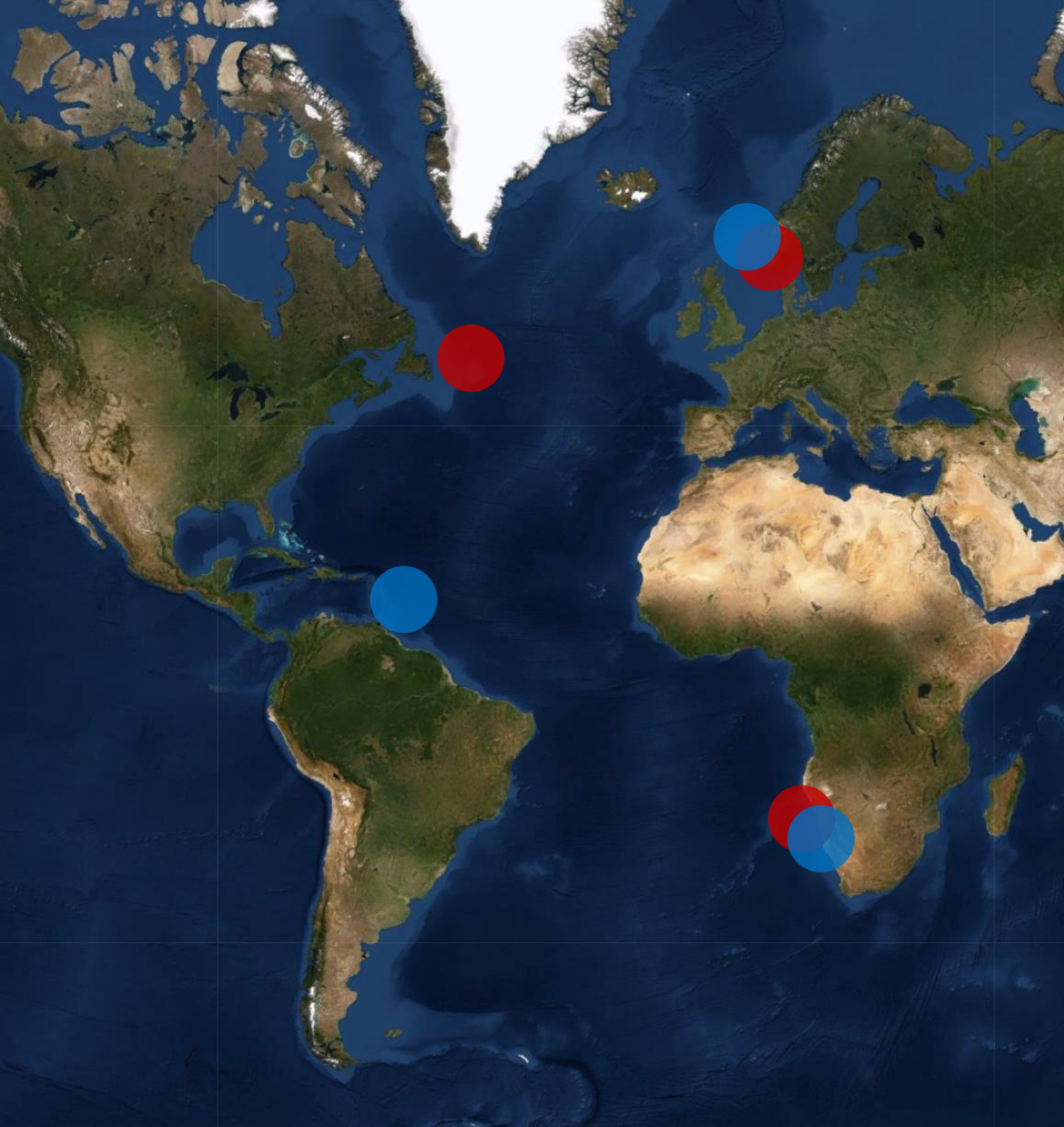


Multi-Client Library continues to perform

- >150,000 km² 3D EM data in Norway, Mexico, Brazil, USA, Canada, Uruguay and Indonesia
- Current book value USD 2.4 million
- 2021 full year Multi-Client revenue of USD 15.9 million (up 106% YoY), including:
 - Multi-Client revenues from Norway, Mexico and Brazil
 - USD 5.8 million in Late Sales (27% YoY growth)
 - USD 10.2 million Prefunding (216% YoY growth)
- EMGS will continue to invest in new multi-client projects on the Norwegian Continental Shelf and internationally



2021 vessel opportunities



- Proprietary
- Multi-Client

Norway

- Planning for several Multi-Client projects on the NCS

Canada

- Preparing for multi-client program offshore East-Canada. Environmental Impact Assessment initiated

Caribbean/South America

- Opportunities for both exploration and appraisal surveys in deep water

Southern Africa

- Namibia proprietary/multi-client program





Financial review

Fourth quarter 2021 performance

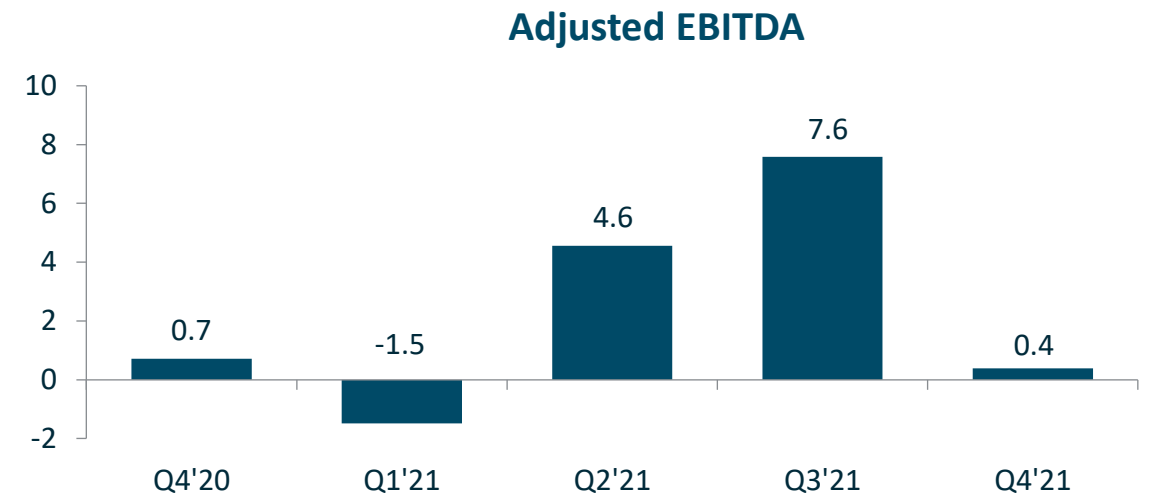
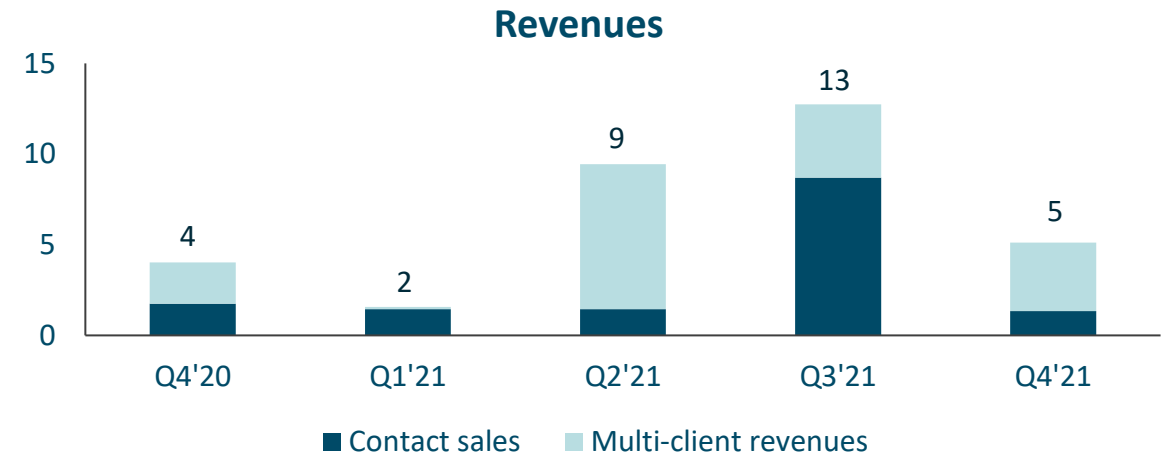
Key financial metrics

- Revenues
 - USD 5.1 million total revenue
 - USD 3.8 million in multi-client revenue
- Vessel utilisation of 44%
 - Atlantic Guardian successfully completed fully funded multi-client survey in the North Sea before entering warm-stack in mid-November
- EBITDA
 - USD 2.7 million
 - Adjusted EBITDA* of USD 0.4 million

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

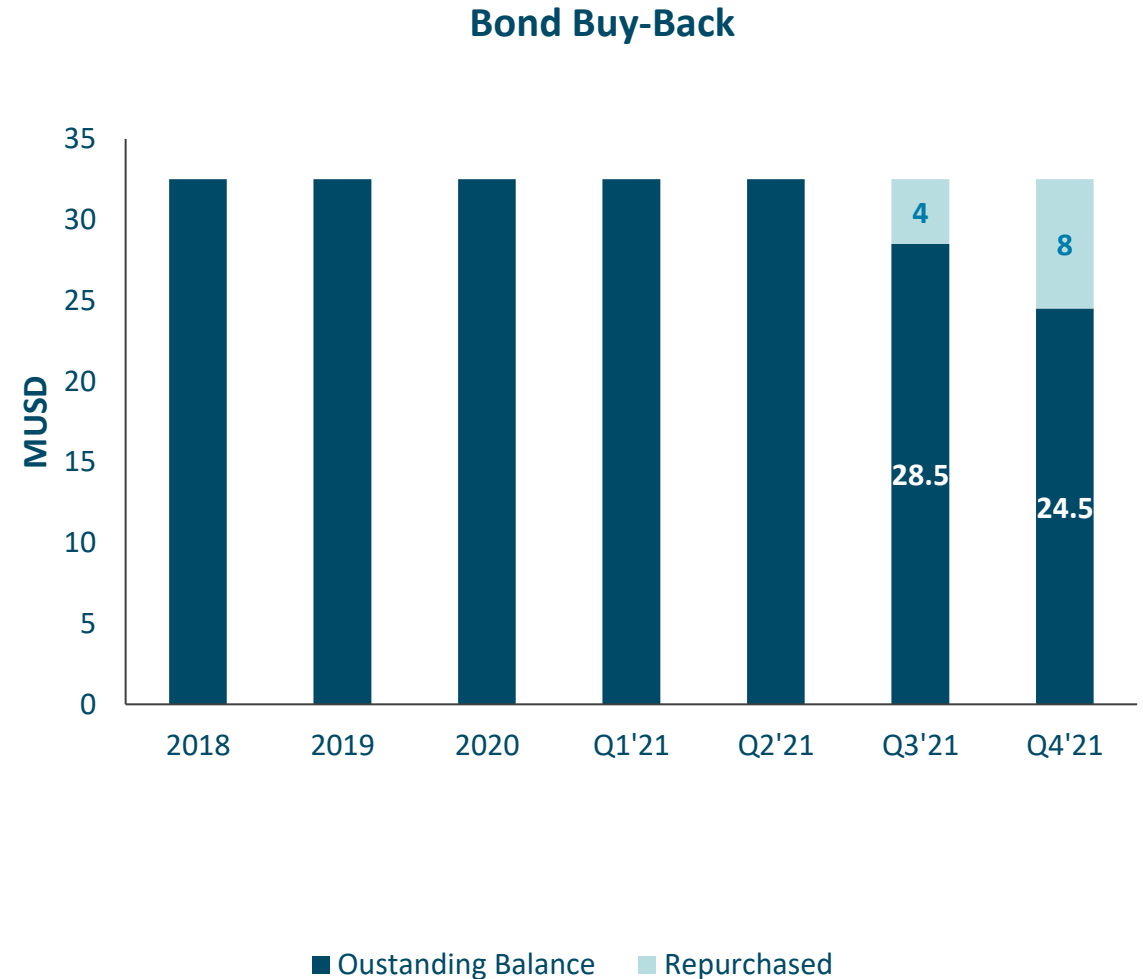
I Development in revenues and EBITDA

Quarterly development (USD million)



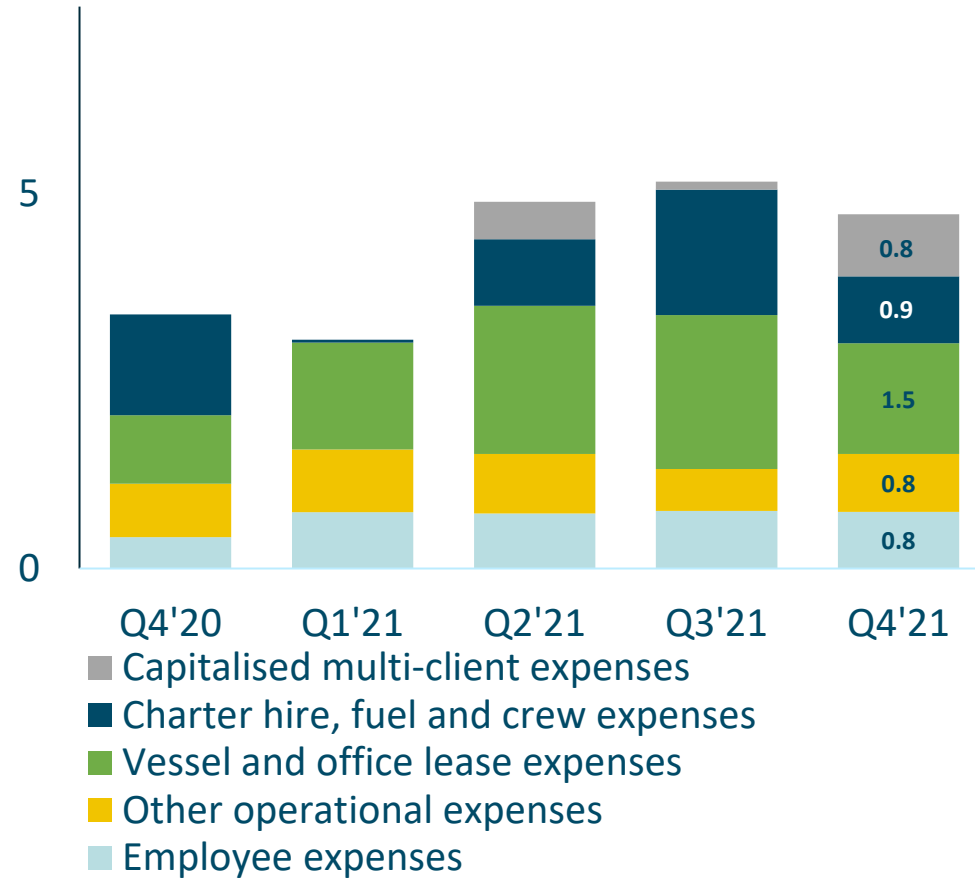
Proposed Extension of Convertible Bond

- EMGS has proposed to the bondholders to extend the maturity
 - 24 month extension from May 2023 to May 2025
 - Increase the interest margin by 100 bps from 5.5 per cent to 6.5 per cent
- Bondholders with a sufficient majority to approve the proposal have indicated they intend to vote in favour of the proposal



Operational costs

Quarterly operational cost base* development (USD million)



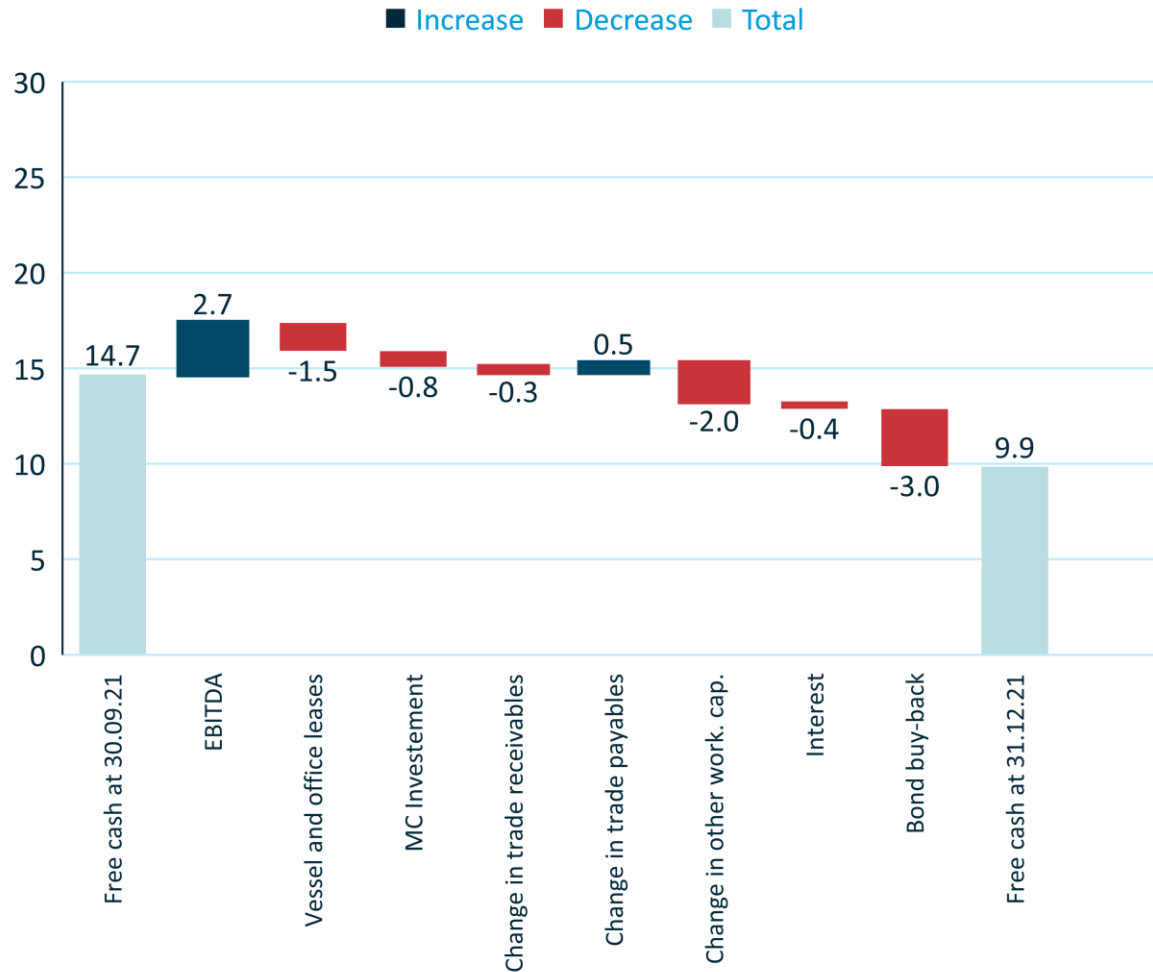
Comments

- Operational costs base in Q4 21 of USD 4.7 million
 - USD 0.4 million lower than Q3 21
 - Other operational expenses and employee expenses remain consistently low
 - Combined Charter hire, fuel and crew expenses and capitalised multi-client expense consistent with previous quarter
 - Vessel and office lease expense lower than the previous quarter due to reduced vessel lease during warm-stack
 - Atlantic Guardian warm-stacked mid-November

*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

Decrease in free cash in Q4 2021

Quarterly free cash development (USD million)



Comments

- Net decrease in free cash of USD 4.8 million to USD 9.9 million
 - Positive Adjusted EBITDA of USD 0.4 million
 - MC investment of USD 0.8 million in the North Sea
 - 2nd USD 3.0 million bond buy-back in 2021
 - Vessel and office leases USD 1.5 million



Summary

Q & A

Please e-mail questions to: emgs@emgs.com

