

Q3 2021 RESULTS

Oslo, 11th November 2021

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.

Q3 2021

Operational highlights

- Completed proprietary survey in Southeast Asia
- Completed mobilisation to the North Sea and commenced acquisition of a fully prefunded multi-client survey

Financial highlights

- Revenues of USD 12.7 million
- EBITDA of USD 9.7 million
- Adjusted EBITDA of USD 7.6 million
- Bond buy-back with an aggregate nominal value of USD 4.0 million
- Despite impairment of USD 2.1 million held in Accendo Banco S.A., free cash at the end of the third quarter was USD 14.7 million

Subsequent events

- Resignation of chairman of the board of directors





Operations, Market and Outlook

Operational Update

Southeast Asia project completed (18th August)

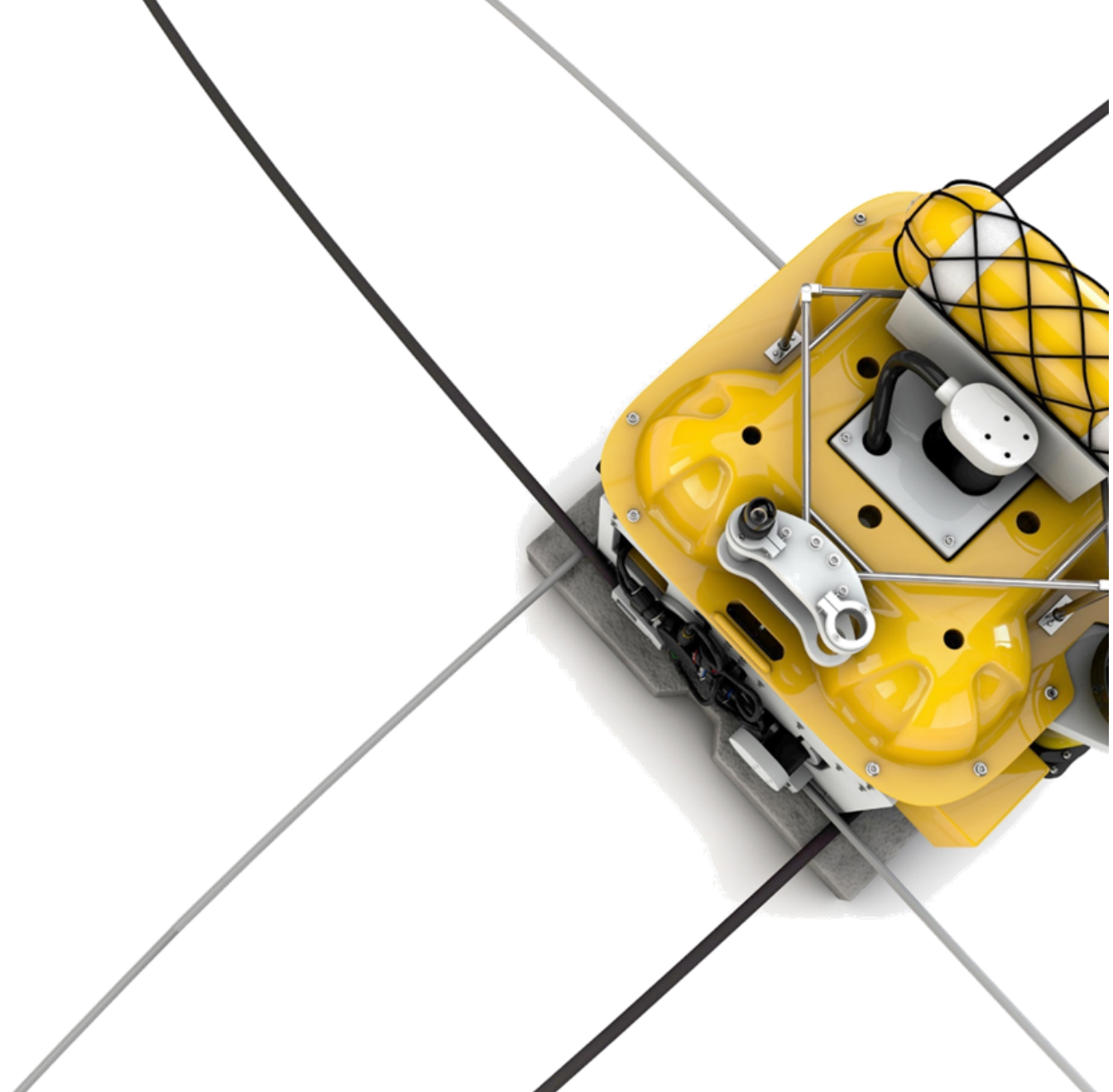
- 220 receivers deployed
- 930 km towed with Deep Blue source
- Exploration and appraisal objectives
- Revenue USD 7.3 million

Utsira Multi-Client survey commenced (24th September)

- Survey completed (2nd November)
- 348 receivers
- 1175km towed with ShelfXpress source
- 1,350km² coverage

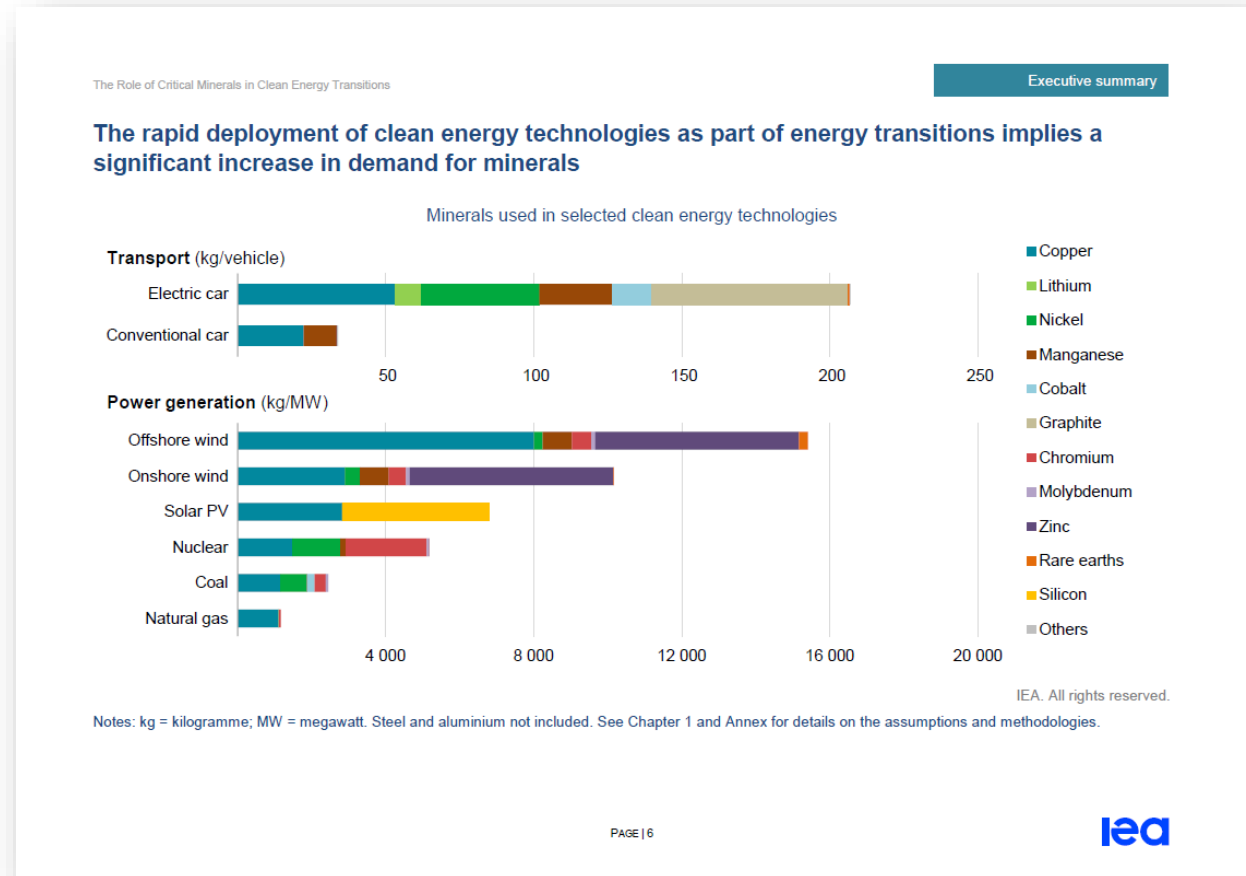
Vessel plan

- Additional test survey in North Sea
- Warm-stack vessel until spring with reduced day rate



Marine Minerals

- Marine minerals are needed in the energy transition
 - Metallic minerals are electric and magnetic by nature
 - EM methods can measure these properties in the rocks
 - EMGS has the technology and experience needed to play a vital role in the emerging marine minerals industry
- Advantages of a towed CSEM system for marine mineral exploration
 - System can provide data in real time
 - A towed system has significantly higher available power than an AUV system and can therefore transmit higher power over a broader frequency range
 - In the future we expect that CSEM can be acquired simultaneously with surface towed high resolution seismic (and other measurements)

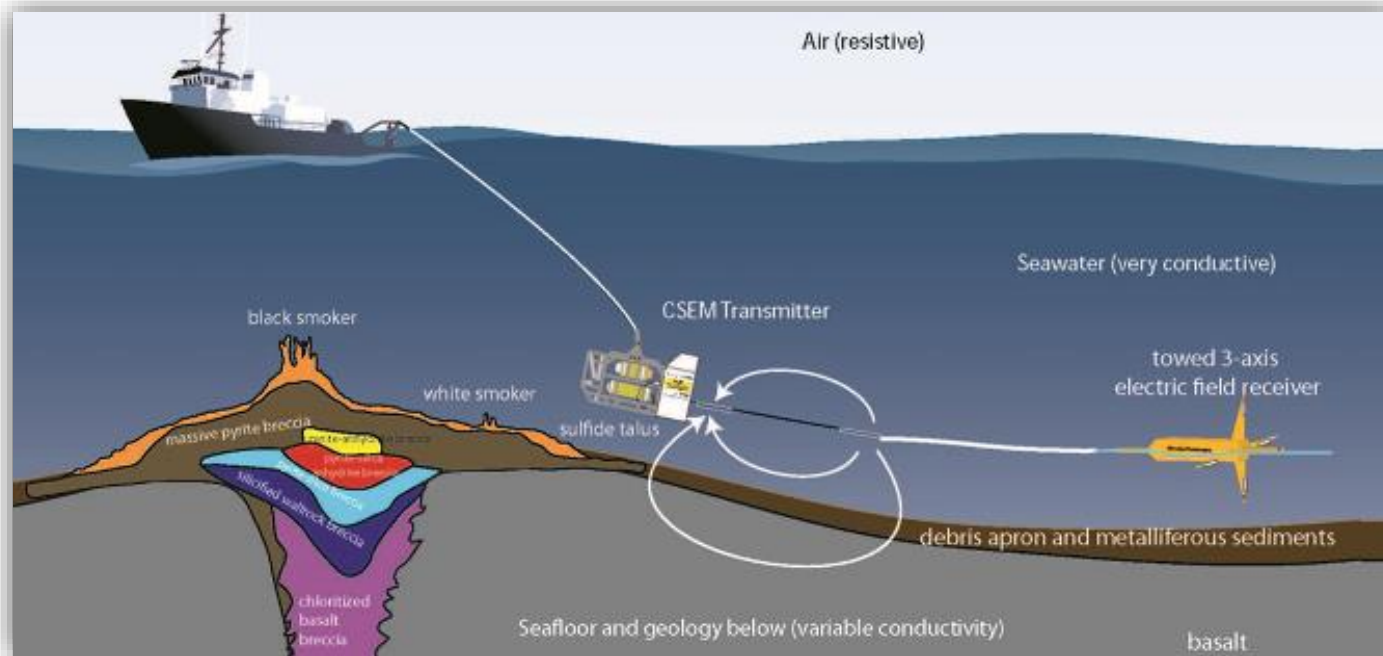


EM will be used to map marine mineral deposits

“Using ... the bathymetric, seismic and EM data, we can make estimates for the volumes and tonnages of sulphide in the eSMS¹ mounds...”

“..mineralogical analyses of regional sediments and electromagnetic surveys are capable of determining the thickness of the deposits or to detect deposits under cover”

bluemining.eu : EM acquisition system for marine minerals



1) Extinct seabed massive sulfide (eSMS)



Figures from: <https://bluemining.eu/>

EM will be used to map marine mineral deposits

“Towed electromagnetic instruments have been developed and successfully tested not only to detect eSMS, but also to provide first estimates on the thickness of the conductive layer.”

“The new geophysical tools and geological mapping and sampling will allow fast and reliable mapping ... at a targeted cost per square km down to... € 25,000 for eSMS”

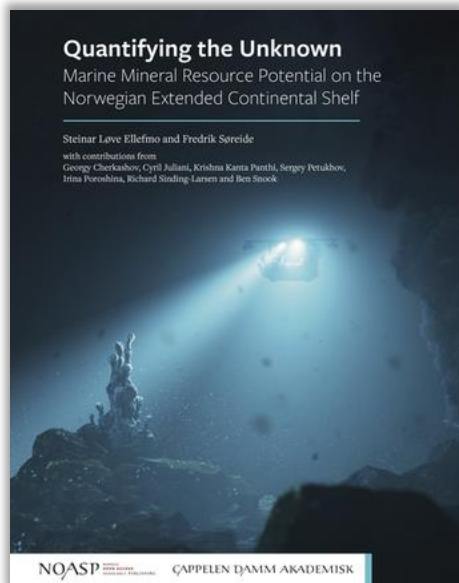


Figures from: <https://bluemining.eu/>

EM methods crucial to map marine minerals

Exploration Challenge

- Only eSMS with sufficient valuable mineral content are of commercial interest
- Currently there are 6 known SMS deposits in the Mohn's Ridge Area



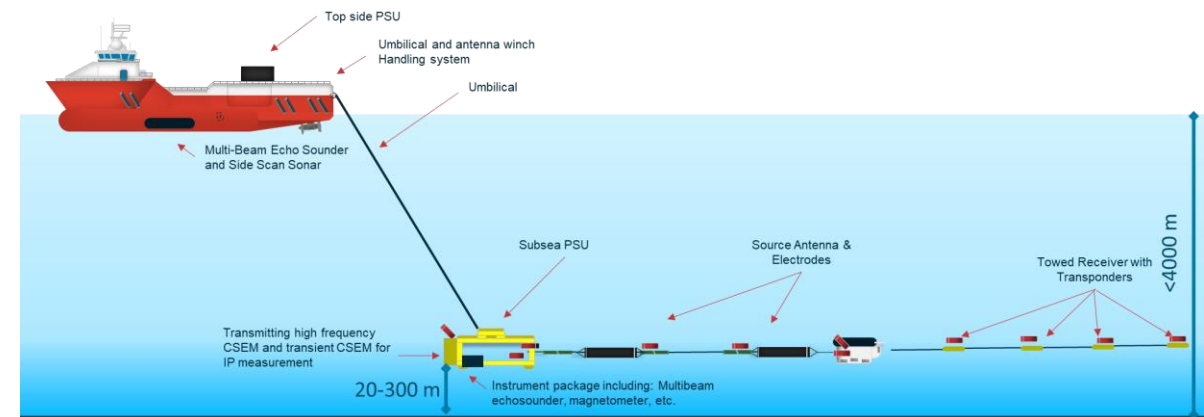
- NTNU estimates between 45 and 308 eSMS' with likely commercial mineral content on the NCS within a total area of 11,389 km²
- The exploration challenge is to find these in a cost-effective manner



https://www.cappelendammundervisning.no/_quantifying-the-unknown-9788202591045

Cost-efficient exploration

- Identification of areas with potential eSMS using EM and acoustic methods (e.g. multibeam, seismic etc.)
- Estimating type and amount of minerals in each eSMS prospect by applying 3D EM
- Confirmation by drilling, sampling and/or coring
- Appraisal of discovery using high-res 3D EM and acoustic methods
- EMGS system can provide environmentally friendly data to the marine mineral industry well below the EU target cost level





Financial review

Third quarter 2021 performance

I

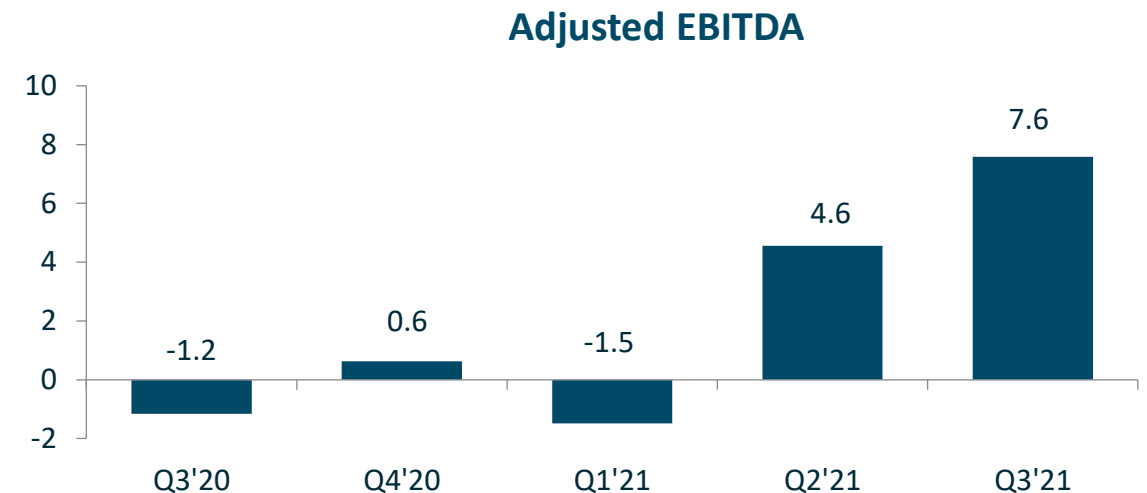
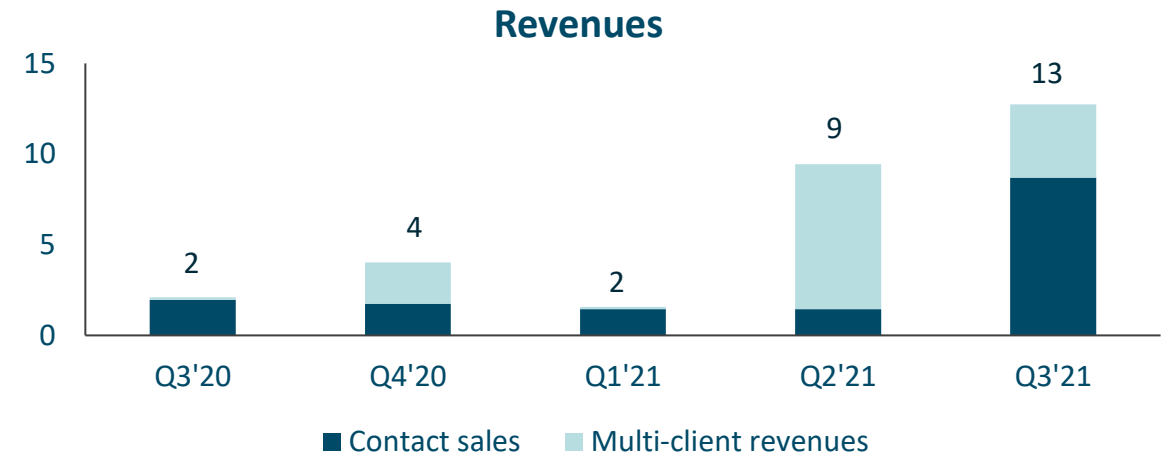
Development in revenues and EBITDA

Key financial metrics

- Revenues
 - USD 12.7 million total revenue
 - USD 7.4 million in contract revenue
 - USD 4.0 million in multi-client revenue
- Vessel utilisation of 48%
 - Atlantic Guardian completed proprietary survey in Southeast Asia and commenced fully prefunded multi-client in the North Sea
- EBITDA
 - USD 9.7 million
 - Adjusted EBITDA* of USD 7.6 million

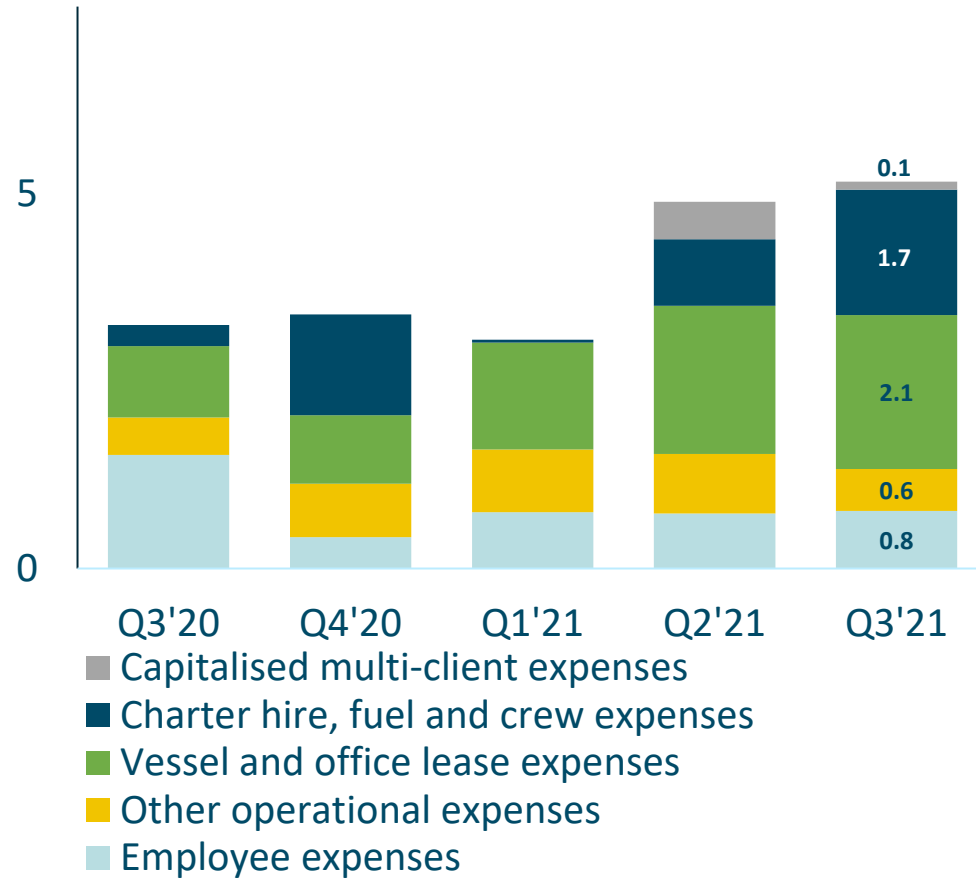
*Adjusted EBITDA includes capitalised multi-client expenses and vessel and office lease expenses

Quarterly development (USD million)



Operational costs

Quarterly operational cost base* development (USD million)



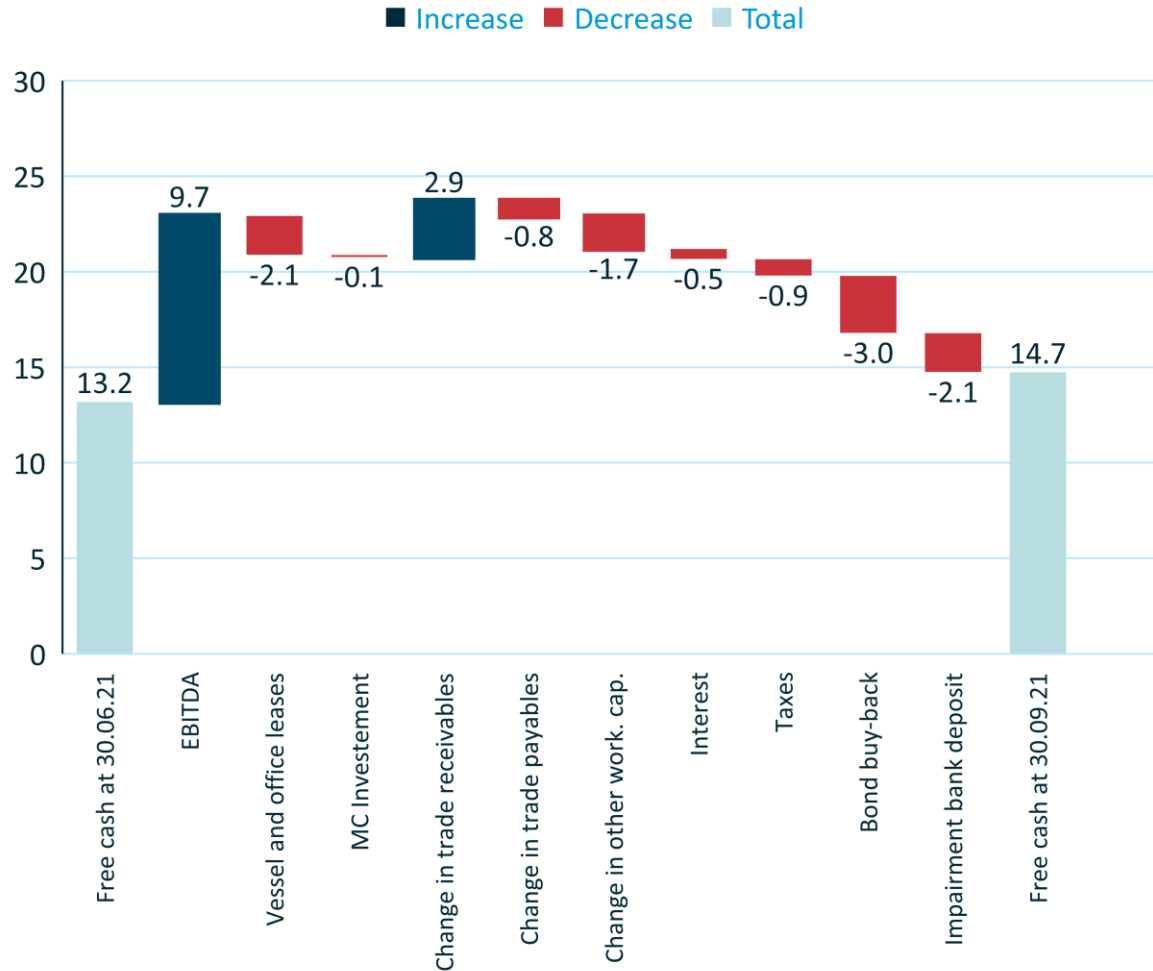
Comments

- Operational costs base in Q3 21 of USD 5.2 million
 - USD 0.3 million higher than Q2 21
 - Other operational expenses and employee expenses remain consistently low
 - Vessel and office lease expense higher in Q2 and Q3 as compared to Q1 as a result of the Atlantic Guardian being out of layup for both quarters
 - Charter hire, fuel and crew expenses higher due to increased activity

*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 Q3 2021

Quarterly free cash development (USD million)



Comments

- Net increase in free cash of USD 1.5 million to USD 14.7 million
 - Positive change in cash a result of USD 9.7 million EBITDA, with an adjusted EBITDA of USD 7.6 million
 - USD 3.0 million bond buy-back
 - Impairment of USD 2.1 million held in Accendo Banco S.A.



Summary

Q & A

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

