

Q2 2020 RESULTS

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Bjørn Petter Lindhom, CEO
Anders Eimstad, CFO

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Q2 2020

Operational highlights

- Completed fully prefunded multi-client survey over the Martin Linge area
- Completed multi-client survey in the Liatårnet area
- Renegotiated the Atlantic Guardian charter party agreement
- Redelivered the Petrel Explorer

Financial highlights

- Revenues of USD 7.5 million
- EBITDA of USD 1.6 million
- Adjusted EBITDA of negative USD 2.0 million
- The new guarantee facility is now fully secured by pledged cash USD 7.3 million

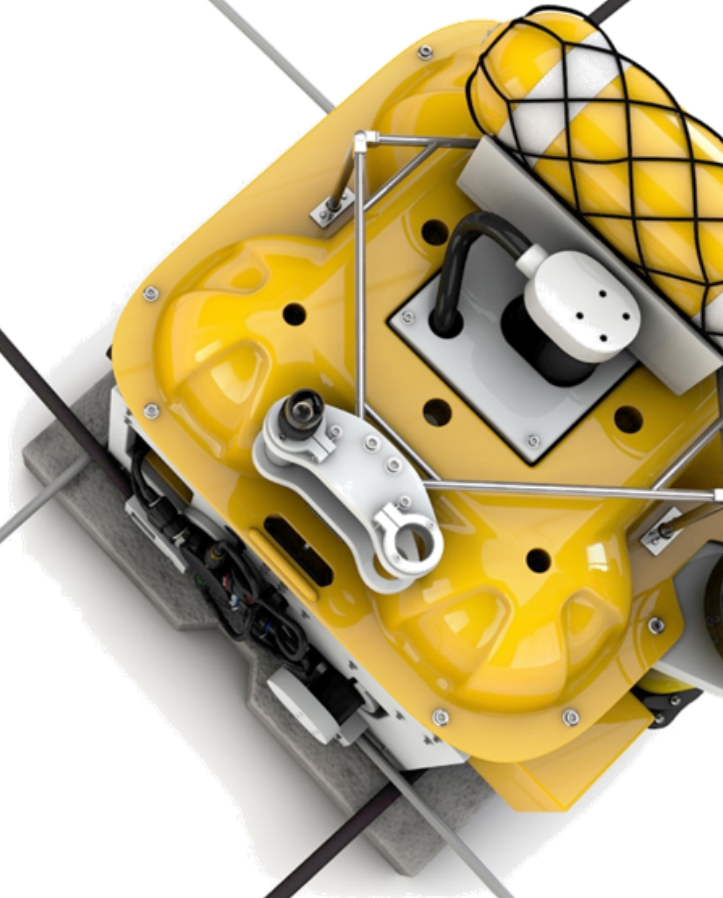




Operations, Market and Outlook

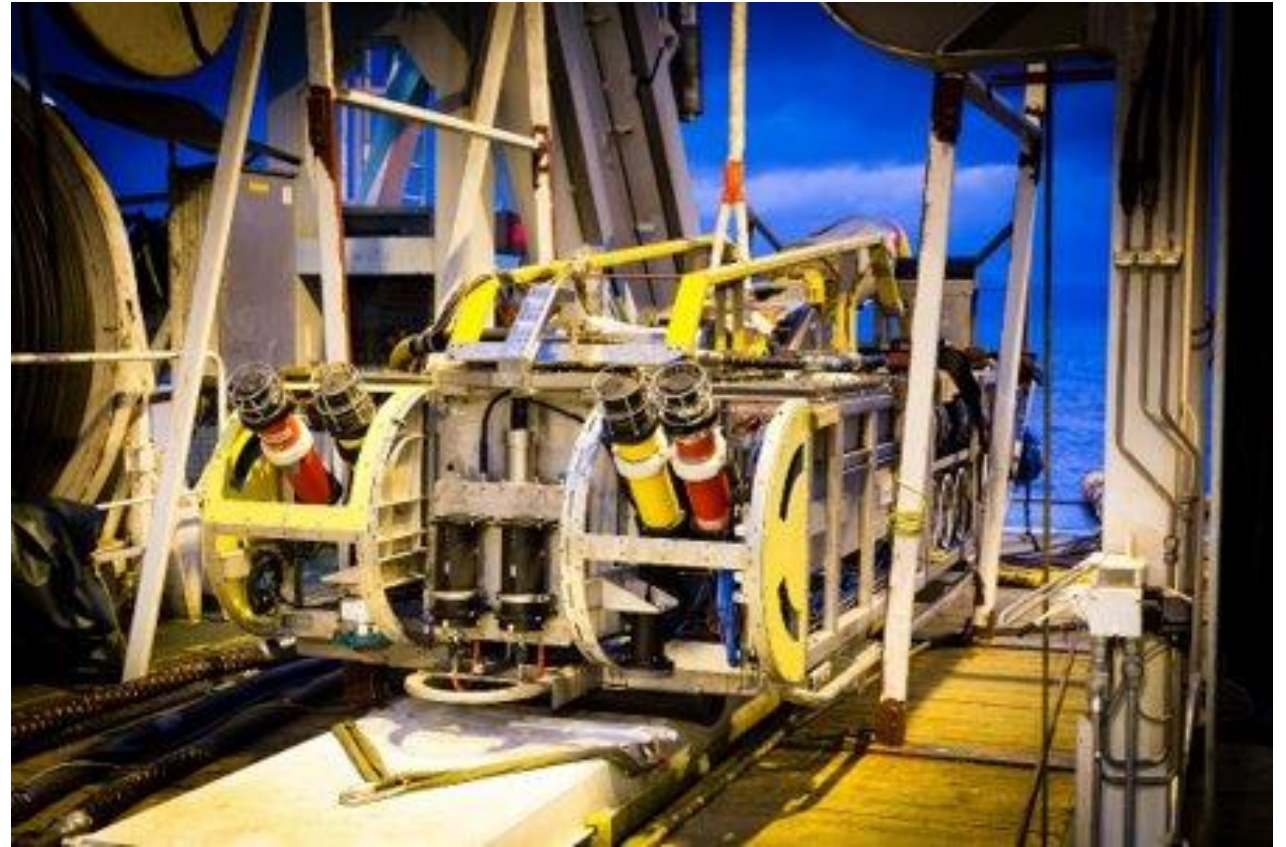
Transition to low cost setup on schedule

- Based on constructive discussions with vessel owners we have renegotiated the Atlantic Guardian charter agreement
 - Substantially lower cold-stack rate for up to 12 months
 - Lower operational rate
 - 12 months extension of firm charter period
- Petrel Explorer demobilized and returned to Seabird end May
- In process of closing or hibernating all offices outside Norway (Kuala Lumpur, Houston, Rio de Janeiro, Mexico and Mumbai)
- Reducing full time employees from 125 in Q1 to less than 20 in Q4
- The guarantee facility related to the Pemex contract is now fully secured by pledged cash and interest expenses reduced accordingly



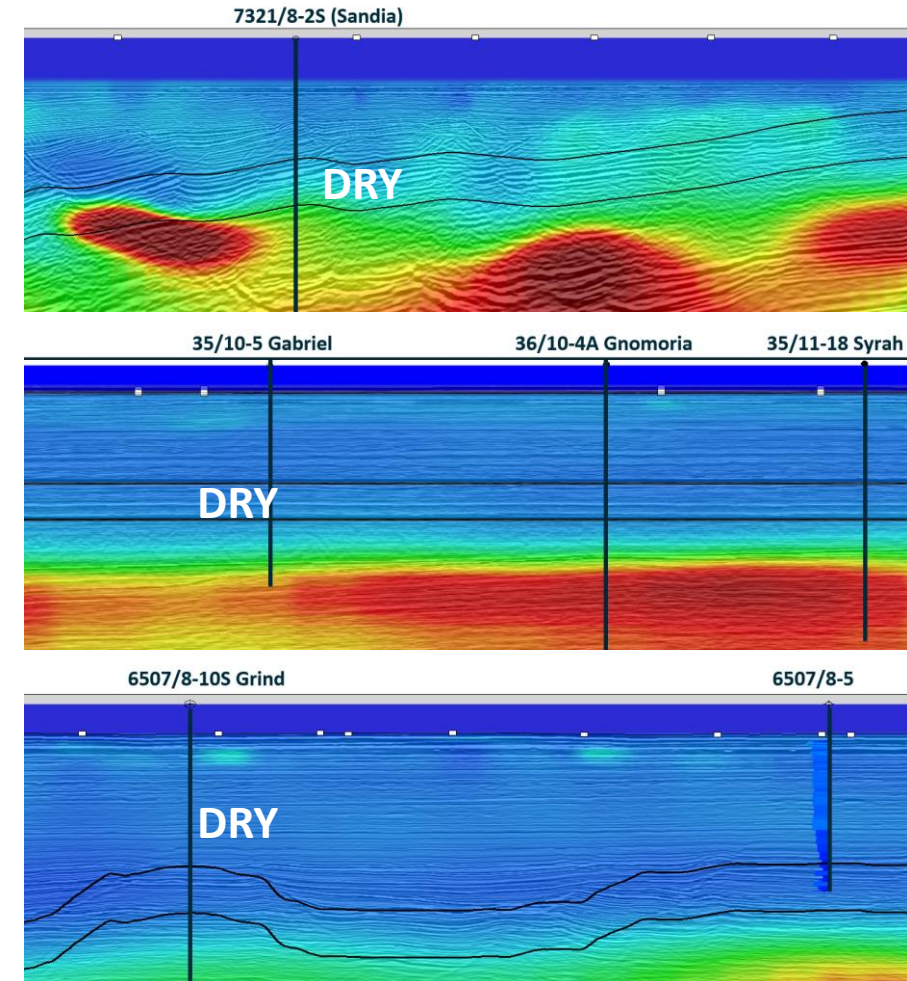
Market outlook and technology update

- CSEM market expected to remain challenging for the remainder of 2020
- EMGS working towards restarting data acquisition in 2021, first on the NCS and thereafter internationally
- Lead inventory remains intact, but most projects are being delayed
- Expect Norway's 25th licensing round and APA licensing round to result in new acquisition opportunities
- Completed Tilted Transverse Isotropy module for the Gauss-Newton inversion code



Wells drilled this year with CSEM Multi-Client coverage

- 3 wells are drilled within CSEM MC coverage so far this year
- All 3 wells were targeting prospects without any CSEM anomalies, and all came in unsuccessful (dry)
 - Grind (6507/8-10S) - Dry
 - Gabriel (35/10-5) - Dry
 - Sandia 7321/8-2S – Dry





Financial review

Second quarter 2020 performance

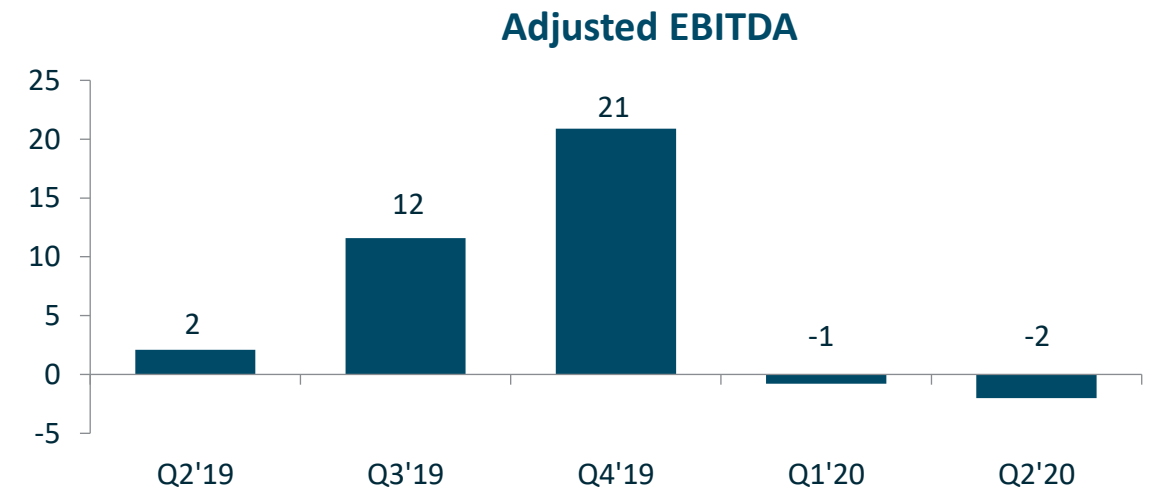
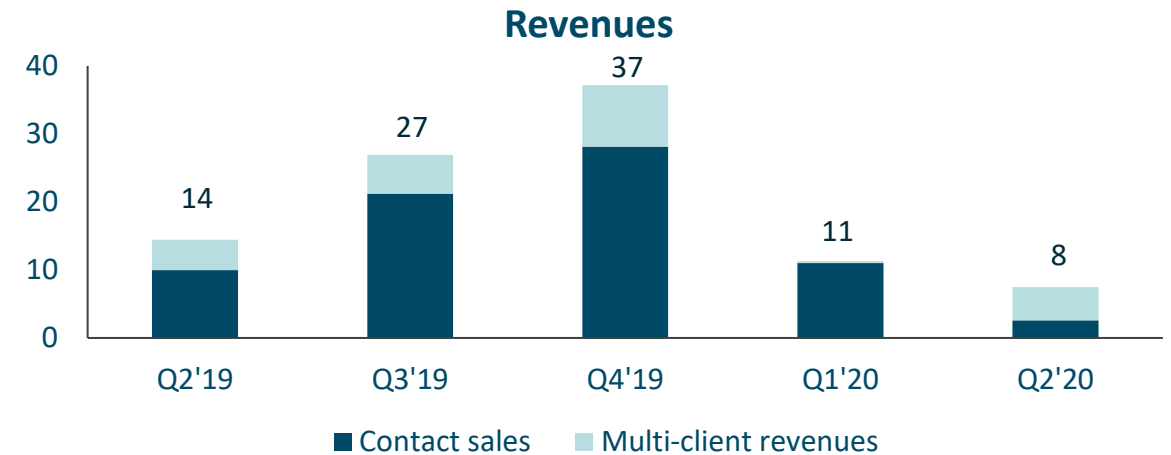
Key financial metrics

- Revenues
 - USD 7.5 million
 - USD 3.1 million prefunding
 - USD 1.9 million late sales
- Vessel utilisation of 23%
 - Two vessels on charter at beginning of quarter
 - Petrel Explorer returned upon expiry of charter party
- EBITDA
 - USD 1.6 million
 - Adjusted EBITDA* of negative USD 2.0 million

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

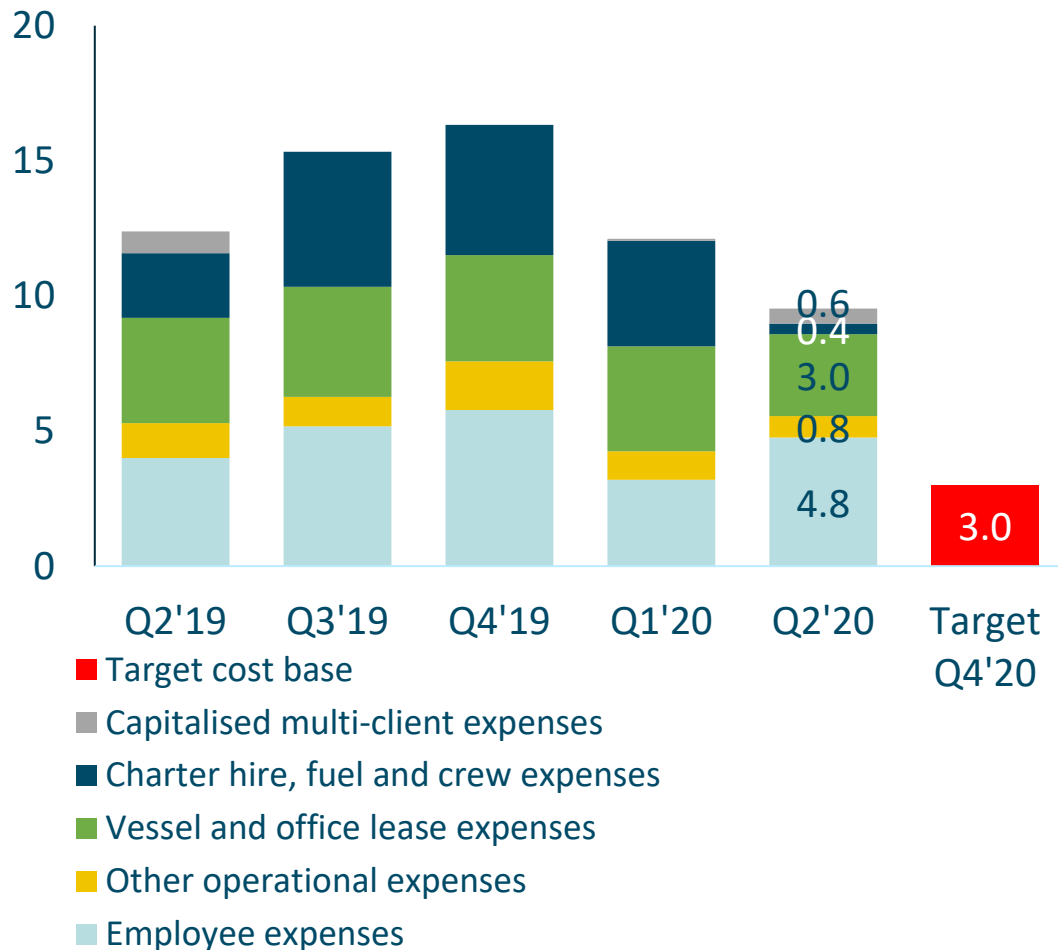
I Development in revenues and EBITDA

Quarterly development (USD million)



Operational costs

Quarterly operational cost base* development (USD million)



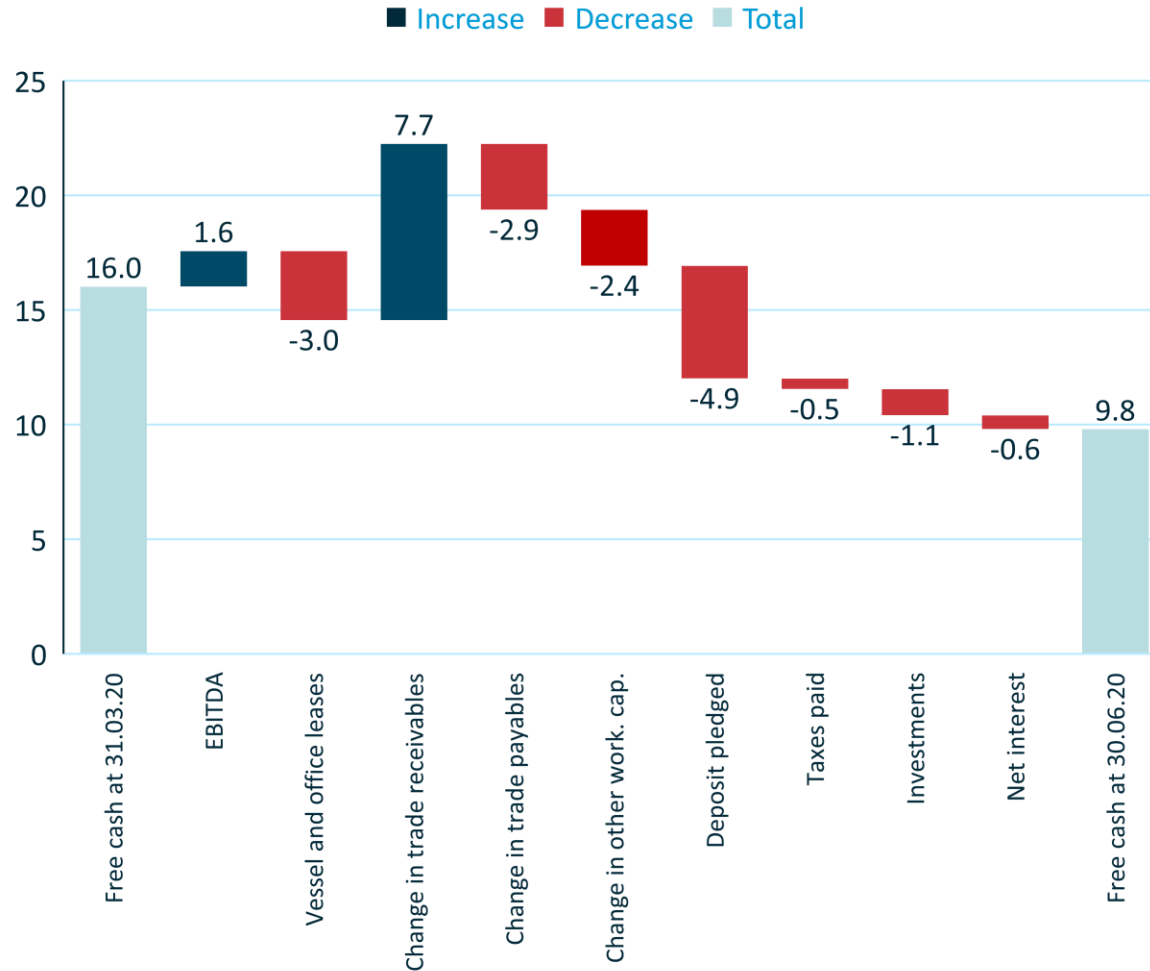
Comments

- Operational costs base in Q2 20 of USD 9.5 million
 - USD 2.6 million lower than Q1 20
 - Petrel Explorer redelivered end May
 - Atlantic Guardian cold stacked since early April
- Target operational cost base at the end of the year is less than USD 3.0 million

*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 Q2 2020

Quarterly free cash development (USD million)



Comments

- Net decrease in free cash of USD 6.2 million to USD 16.0 million
 - Trade receivables decreased by USD 7.7 million to USD 6.5 million
 - Continued delays in some of the payments under on-going contract for the quarter
 - USD 4.9 million deposited in the pledge account related to counter guarantee and other pledged account



Summary, Q&A

Summary

- Cost reduction program on target and on schedule
- EMGS expects a quarterly operational cost base of USD 3 million in 2021 (with vessel in cold-stack)
- Challenging short to medium term financial outlook, but with significantly reduced cost base and increased flexibility in the long term

