



# Presentation

## Q2 2023

23 August 2023





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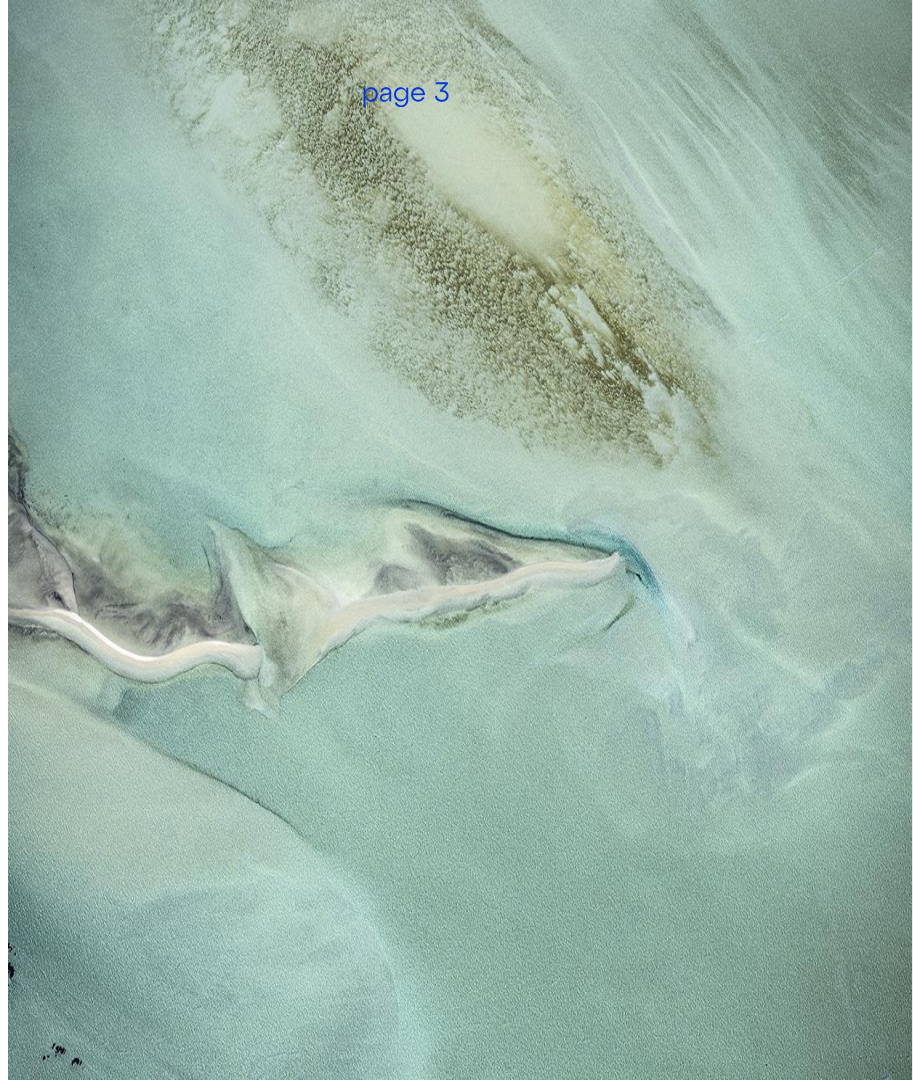




# Quarterly highlights

- Multi-client revenues USD 1.5 million
- Fair value of multi-client library USD 34.3 million
- Fair value of investment portfolio USD 6.0 million
- Available liquid funds of USD 8.7 million\*
- Net asset value NOK 2.04 per share
  
- Subsequent to quarter end, announced NOK 5 million share repurchase program
  - As of 18 August, company holds 16.2 million own shares, equal to 6.8% of share capital

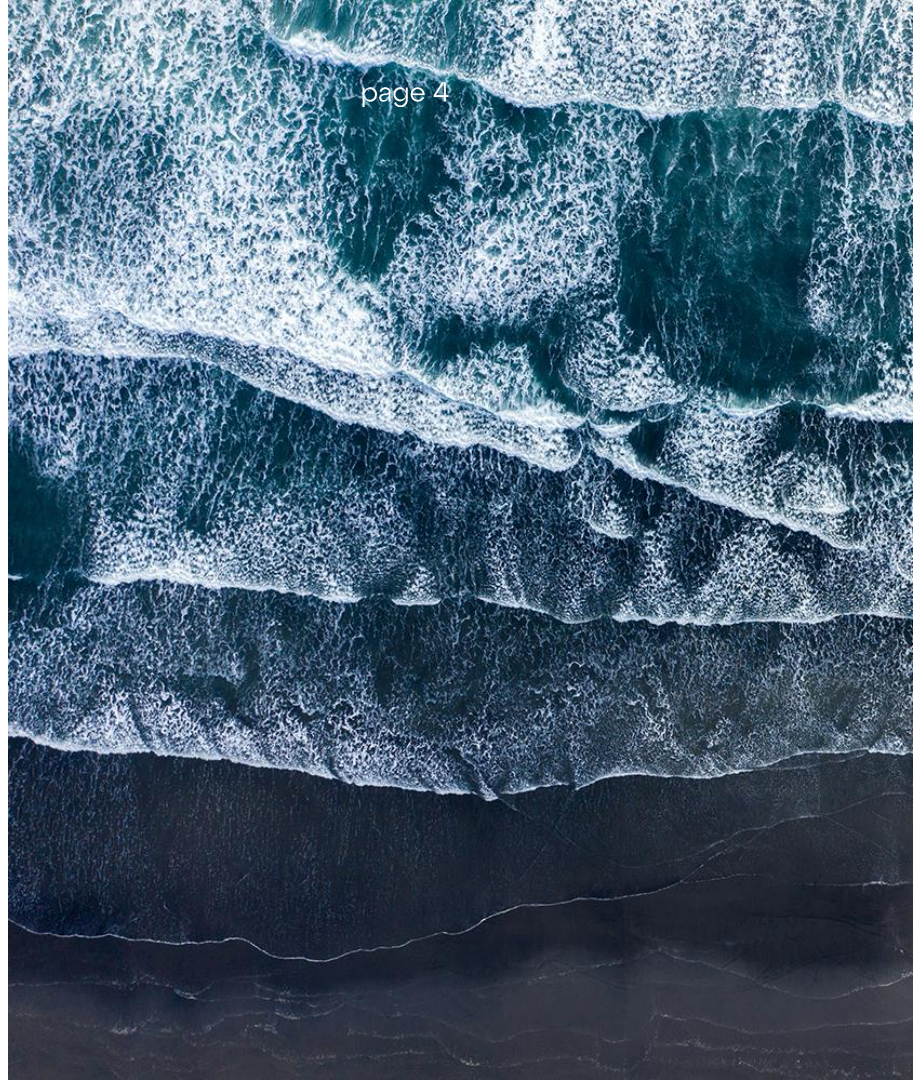
\* Bank deposits, trade receivable and marketable securities





# Revised strategy

- Outlook supporting solid oil demand
  - Global demand projected by IEA to reach 102 mb/d in 2023, a new record
  - Demand expected to increase through 2028
- Demand outlook supporting historically high oil prices and E&P investment
  - ILX and near-field exploration on long-term uptrend
  - Energy security driving exploration in select geographies
- Key strategic opportunities currently being evaluated to expand the seismic business line
  - Expansion opportunities may be organic as well as inorganic
- Will selectively look at other investments but will take an opportunistic and cautious approach







# Multi-client portfolio

## Norwegian North Sea – Utsira

Discounted cash-flow valuation: USD 26.3 million

Observations:

- Historical investment USD 82.3 million
- State of the art high-density ILX OBN survey covering 2,000 square kilometers of highly prospective acreage; processing completed Q3 2020
- Industry-funded reprocessing project with CGG
  - Progressing according to plan and cost
  - Completion estimated summer 2024
  - New data will be licensed as “upgrade product” to existing licensees of underlying data
- June 2023, Vår Energy announced acquisition of Neptune Energy Norge; change of control fees expected upon closing of transaction Q1 2024

## Egypt – Gulf of Suez

Discounted cash-flow valuation: USD 7.9 million

Observations:

- State of the art node and streamer survey, designed to understand subsalt geology; processing completed Q3 2022
- Revenue-share agreement with Schlumberger
  - Cap at USD 13.7 million
  - Late sale USD 1.6 million Q3 2022
  - USD 12.1 million remaining revenue share; book value USD 7.9 million
- Neptune Energy acquired by Eni June 2023; change of control fees expected upon closing of transaction Q1 2024



# Financial assets

- Ocean bottom node operations sold to Magseis Fairfield in March 2022
- Industry-leading node deployment speed; system optimal for shallow water surveys
- Node-agnostic technology provides flexibility
- Earnout structure with cap of USD 12.0 million over three years
  - Year-three floor payment of USD 1.5 million, subject to certain milestones
  - Booked financial asset of USD 3.0 million

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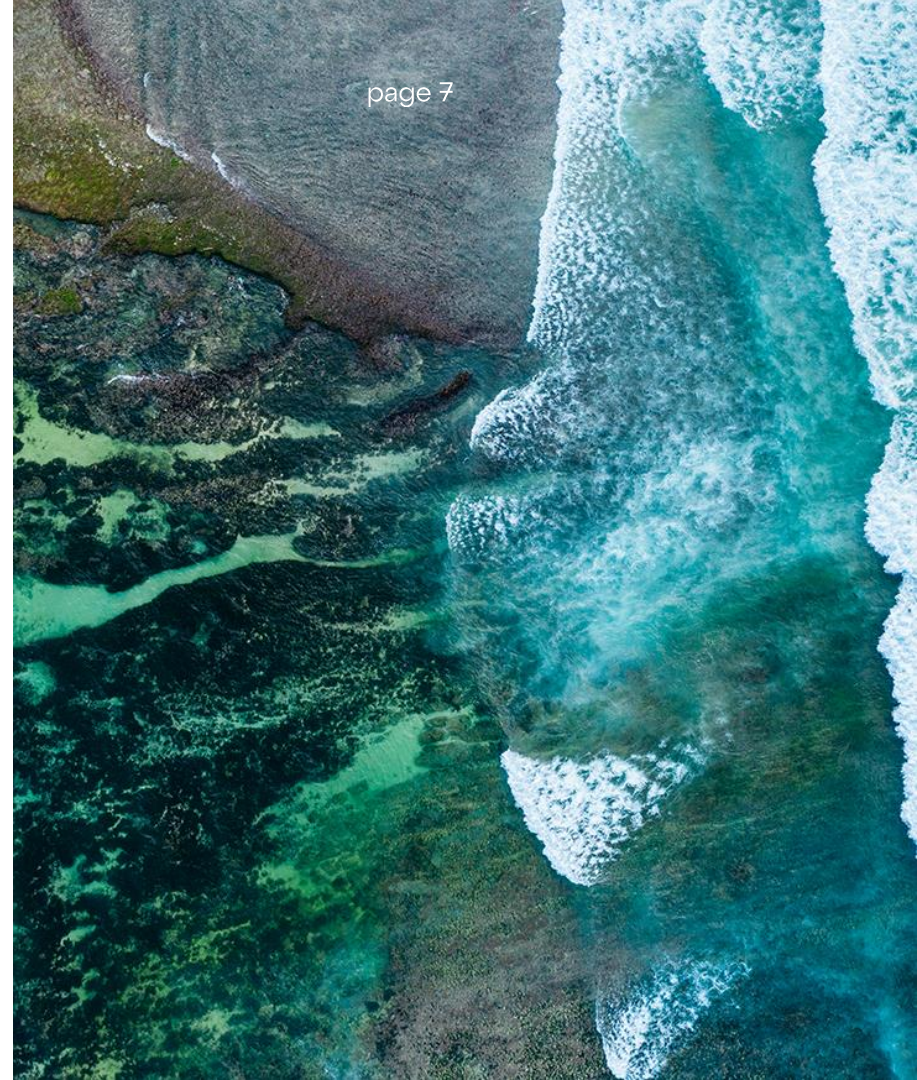






# Investments

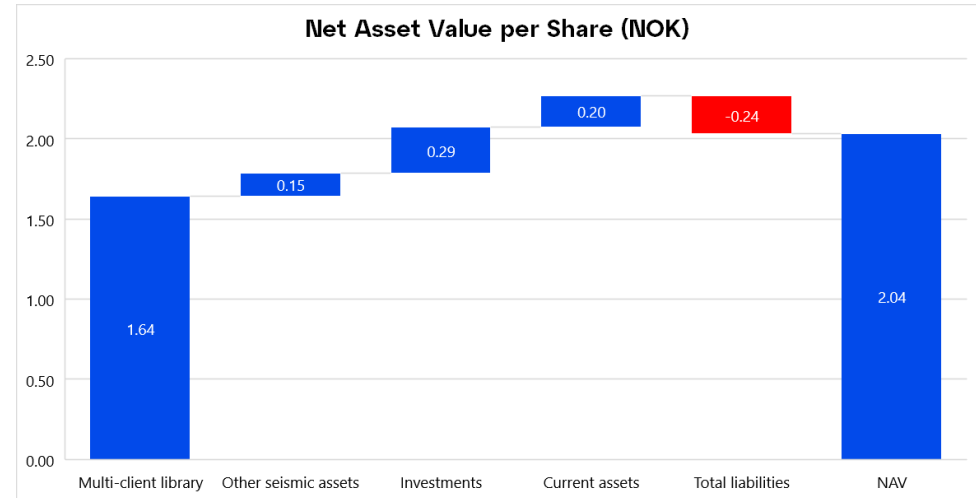
- Select investments in listed and unlisted securities
- Current focus on energy and industrial sectors
- Will take a cautious approach
- Transformative transactions will also be considered
- Fair value of investment portfolio USD 6.0 million
  - Capsol Technologies USD 4.4 million
  - Dolphin Drilling USD 1.3 million





# Net asset value

- Multi-client library base on discounted probability-adjusted late sales
- Other seismic assets represents earn-out related to seismic handling equipment
  - Cap USD 12.0 million
  - Floor USD 1.5 million, subject to certain milestones
  - Book value USD 3.0 million
- Investments based on market trading prices (with exception of Arbaflame)





# Comprehensive income

USD millions

<b>Comprehensive income</b>	<b>Q2 2023</b>	<b>Q2 2022</b>
Revenue	1.5	1.8
Changes in fair value of investments (loss)	(1.7)	(4.5)
Other gains and (losses)	-	-
Cost of sales	(1.2)	0.1
Selling, general and administrative expenses	(0.5)	(0.5)
Amortization multi-client	(1.6)	(0.7)
<b>Operating profit (loss)</b>	<b>(3.4)</b>	<b>(3.8)</b>
Net financial income (loss)	(0.2)	(0.3)
Income tax (expense)	-	0.1
<b>Profit (loss) for the period</b>	<b>(3.7)</b>	<b>(4.0)</b>

- Revenue relates to Utsira late sale as well as reprocessing early sales
- Cost of sales primarily related to Utsira reprocessing costs
- SG&A includes extraordinary costs of approximately USD 150 thousand; will continue to see costs related to previous operations and select other advisory services



# Financial position

USD millions

<b>Assets</b>	<b>30.06.2023</b>	<b>31.12.2022</b>
Multi-client library	34.3	37.5
Investments	6.0	6.8
Financial assets	3.0	3.0
Trade receivables	0.5	-
Other current assets	0.6	3
Bank deposits, cash in hand	3.0	2
<b>Total assets</b>	<b>47.4</b>	<b>52.8</b>

<b>Equity and Liabilities</b>	<b>30.06.2023</b>	<b>31.12.2022</b>
Equity	42.5	47.7
Trade payables	0.5	0.1
Taxes payables	2.3	2.3
Other current liabilities	2.1	2.8
<b>Total equity and liabilities</b>	<b>47.4</b>	<b>52.8</b>

- Seismic investments representing approximately 80% of total assets
- No financial indebtedness
- Equity ratio 89.6%
- Available liquid funds USD 8.7 million
- Net asset value NOK 2.04 per share





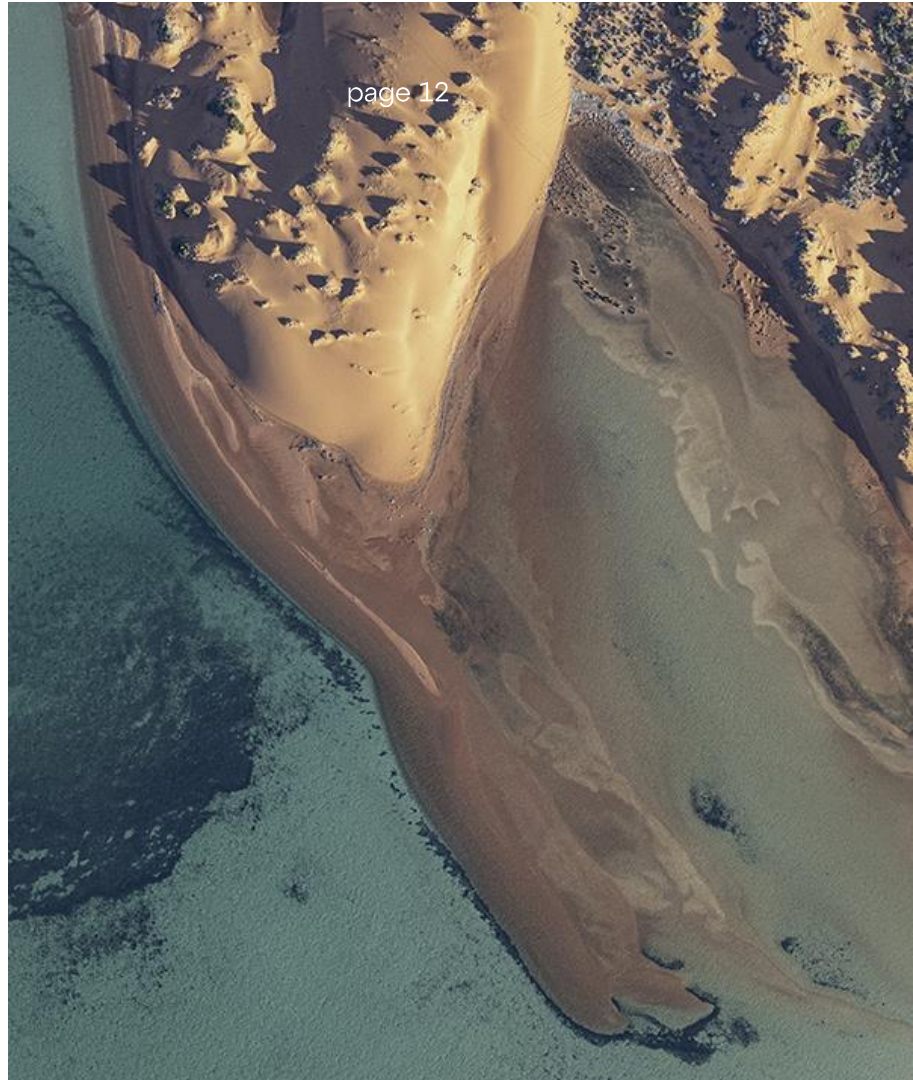
# Cash flow

USD millions

<b>Cash flow</b>	<b>Q2 2023</b>	<b>Q2 2022</b>
Profit (loss) before tax	(3.7)	(4.1)
Taxes (paid)/ received	-	(0.0)
Depreciation and amortization	1.6	0.7
Changes in fair value of investments	1.7	4.5
Changes in other gains and losses	-	-
Interest expense	0.0	0.0
Share based payment cost	0.0	0.0
Other working capital changes	(0.5)	(1.7)
<b>Cash flow from operating activities</b>	<b>(0.9)</b>	<b>(0.6)</b>
<b>Cash flow from investment activities</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>		
Interest paid	(0.0)	(0.0)
<b>Cash flow from financial activities</b>	<b>(0.0)</b>	<b>(0.0)</b>
Net change in cash	(0.9)	(0.7)
<b>Cash and cash equivalents balance 01.01</b>	<b>3.9</b>	<b>3.9</b>
<b>Cash and cash equivalents balance per 31.03</b>	<b>3.0</b>	<b>2.7</b>

# Outlook

- Volatility in the energy sector expected to remain given market uncertainty
- Robust overall demand expected to support historically high prices and drive capital investment
- Multi-client late sales will benefit from attractive market trends
  - Sales will be lumpy; does not speak to any change in long-term values and sales potential
- Will evaluate new investment opportunities as well as transformative transactions
- Will continue to consider distributions to shareholders or share repurchases







OBN multi-client library  
and investments.

Askekroken 11  
0277 Oslo  
Norway

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