



Hunter Group ASA

3Q results 2017

16 November 2017

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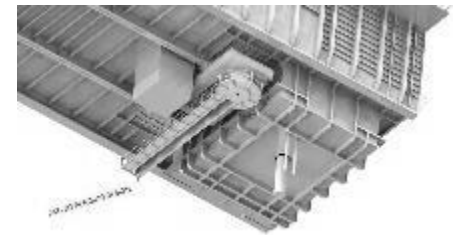
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2. Financials
3. Dwellop
4. Indicator
5. Outlook
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Highlights

- Increased attention from the market with respect to Work-Over Rig (WOR) and well intervention cantilever (WIC) due to enhanced value proposition
- Change in sales focus towards high value products and systems, materializing in increased opportunities, however with longer decision processes
- Sound cash collection in Dwellop, documenting results of implemented account receivable follow-up – Q3 2017 cash position NOK 287m, equal to Q2 2017 cash position
- Concluded reorganization and cost reduction in Indicator AS, providing minimal costs going forward
- Business opportunities for Indicator currently being evaluated
- No material development in the patent infringement accusations from WellPartner*
- Continuously in process of assessing transactions



WOR with 135ft cantilever reach



The Hunter Crane

An oil service technology investment company



Indicator AS (Badger Explorer)

- IPRs
- Limited / non cash burn
- Exploring alternatives



D/WELLOP

- Acquired in May 2017
- WOR's¹ and well intervention handling equipment
- Focus on simops² and cost effective solutions



Future acquisitions

- Ongoing process to build a larger portfolio



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Income statement

| Unaudited figures in NOK 1 000 | Quarters | | | Year to date | | |
|---|----------------|---------------|------|----------------|---------------|---------------|
| | Q3 2017 | Q3 2016 | Note | 30.09.2017 | 30.09.2016 | 31.12.2016 |
| Revenues | | | | | | |
| Revenues | 9 535 | 5 | | 32 579 | 47 | 66 |
| Total Revenues | 9 535 | 5 | | 32 579 | 47 | 66 |
| Operating expenses | | | | | | |
| Raw materials and consumables | 1 041 | 201 | | 15 011 | 1 497 | 1 561 |
| Payroll expenses | 8 741 | 1 166 | | 19 639 | 2 996 | 4 140 |
| Depreciation and amortisation expense | 3 681 | 15 | 3 | 6 132 | 95 | 99 |
| Net write-down intangible assets and capitalized grants | 0 | 0 | 3 | 69 374 | 0 | 0 |
| Other operating expenses | 8 296 | 731 | | 21 229 | 3 088 | 4 391 |
| Capitalised development cost | 0 | -632 | | -1 915 | -3 105 | -3 515 |
| Total operating expenses | 21 760 | 1 481 | | 129 470 | 4 571 | 6 676 |
| Operating profit (loss) | -12 225 | -1 476 | | -96 890 | -4 524 | -6 610 |
| Financial income and expenses | | | | | | |
| Interest income | 317 | 0 | | 1 667 | 0 | 0 |
| Finance income | 1 242 | 0 | | 1 966 | 0 | 0 |
| Other financial income | 0 | 0 | | 0 | 0 | 0 |
| Interest expenses | -188 | -105 | | -491 | -347 | -445 |
| Other financial expenses | -1 960 | 0 | | -2 542 | 0 | 0 |
| Net financial income (loss) | -590 | -105 | | 601 | -347 | -445 |
| Profit (loss) before taxes | -12 815 | -1 581 | | -96 289 | -4 871 | -7 055 |
| Tax on ordinary result | 0 | 0 | 8 | 17 796 | 0 | 0 |
| Net profit (loss) | -12 815 | -1 581 | | -78 493 | -4 871 | -7 055 |
| Earnings per share | | | | | | |
| Earnings per share | -0,01 | -0,09 | | -0,08 | -0,26 | -0,38 |
| Earnings per share diluted | -0,01 | -0,09 | | -0,08 | -0,26 | -0,38 |

| Unaudited figures in NOK 1 000 | Quarters | | Year to date | | |
|--|----------------|---------------|----------------|---------------|---------------|
| | Q3 2017 | Q3 2016 | 30.09.2017 | 30.09.2016 | 31.12.2016 |
| Total comprehensive income | | | | | |
| Profit (loss) for the period | -12 815 | -1 581 | -78 493 | -4 871 | -7 055 |
| Other | 0 | 0 | 0 | 0 | 0 |
| Translation differences | 0 | 0 | 0 | 0 | 0 |
| Comprehensive income for the period | -12 815 | -1 581 | -78 493 | -4 871 | -7 055 |
| Total comprehensive income attributable to: | | | | | |
| Equity holders of the parent | -12 815 | -1 581 | -78 493 | -4 871 | -7 055 |
| Non-controlling interest | 0 | 0 | 0 | 0 | 0 |
| Total comprehensive income | -12 815 | -1 581 | -78 493 | -4 871 | -7 055 |

- Revenue of NOK 10m in Q3 and NOK 33m YTD (Dwellop included from May 2017)
 - Dwellop sale YTD is NOK 69m
- Operating costs excluding depreciation and write downs of NOK 18m during Q3, and NOK 54m YTD (Dwellop included from May 2017)
 - Dwellop costs YTD is NOK 75m
- NOK 3m was recognized as one off costs in Q3 and NOK 9m YTD
 - One off cost relates to restructuring of Indicator and acquisition of Dwellop
 - Limited additional one off costs expected going forward, however depended upon M&A activities
- EBITDA was negative with NOK 9m in Q3, whereof negative NOK 2m relates to Dwellop, and negative with NOK 20m YTD, whereof -NOK 2m relates to Dwellop (from May 2017)
 - Dwellop negative EBITDA NOK 6m YTD
- Net income was negative with NOK 13m in Q3 and NOK 78m YTD (Dwellop included from May 2017), equivalent to negative earnings per share of NOK 0.01 and NOK 0.08 respectively
 - Dwellop negative net income NOK 12m YTD

Balance sheet

(Unaudited figures in NOK 1 000)

| | Note | 30.09.2017 | 30.06.2017 | 30.09.2016 | 31.12.2016 |
|--|------|----------------|----------------|----------------|----------------|
| NON-CURRENT ASSETS | | | | | |
| Research and development | 2, 3 | 19 259 | 20 688 | 149 316 | 149 632 |
| Patents and customer relationships | 2, 3 | 20 279 | 21 648 | 387 | 387 |
| Goodwill | 2, 3 | 58 655 | 58 655 | 0 | 0 |
| Total intangible assets | | 98 193 | 100 990 | 149 703 | 150 019 |
| Property, plant, equipment & machineries | | 26 322 | 27 206 | 28 | 24 |
| Total tangible assets | | 26 322 | 27 206 | 28 | 24 |
| TOTAL NON-CURRENT ASSETS | | 124 515 | 128 196 | 149 730 | 150 043 |
| CURRENT ASSETS | | | | | |
| Inventories | | 13 273 | 1 188 | 0 | 0 |
| Total inventories | | 13 273 | 1 188 | 0 | 0 |
| Accounts receivables | | 24 771 | 48 314 | 0 | 0 |
| Other short-term receivables | | 3 894 | 6 816 | 2 227 | 605 |
| Total current receivables | | 28 664 | 55 131 | 2 227 | 605 |
| Cash and cash equivalents | | 286 827 | 286 815 | 327 | 335 |
| TOTAL CURRENT ASSETS | | 328 764 | 343 133 | 2 554 | 940 |
| TOTAL ASSETS | | 453 279 | 471 329 | 152 284 | 150 983 |

- 22% of total assets recognized as intangible assets
- Inventories increased with NOK 12m during the quarter due to purchase of equipment to smaller projects
- Accounts receivables reduced by NOK24m during the quarter due to increased focus on cash collection in Dwellop
- Total cash of NOK 287m, identical to Q2 2017 cash position
 - Cash in Dwellop as of Q3 was NOK 7m

Balance sheet

(Unaudited figures in NOK 1 000)

| | Note | 30.09.2017 | 30.06.2017 | 30.09.2016 | 31.12.2016 |
|---|------|----------------|----------------|----------------|----------------|
| EQUITY | | | | | |
| Share capital | 4 | 163 948 | 163 948 | 2 317 | 2 317 |
| Share premium | 4 | 504 507 | 504 507 | 218 070 | 218 070 |
| Additional paid-in capital | 4 | 0 | 0 | 3 869 | 3 935 |
| Other equity | 4 | -239 835 | -227 082 | -163 219 | -165 403 |
| TOTAL EQUITY | | 428 619 | 441 373 | 61 037 | 58 919 |
| LIABILITIES | | | | | |
| Capitalized grants | 3 | 0 | 0 | 81 500 | 81 500 |
| Other interest-bearing debt | | 12 600 | 13 500 | 0 | 0 |
| Total non-current liabilities | | 12 600 | 13 500 | 81 500 | 81 500 |
| Trade creditors | | 4 585 | 7 483 | 1 979 | 2 063 |
| Accrued public charges and indirect taxes | | -222 | 563 | 456 | 281 |
| Taxes payable | | 0 | 0 | 0 | 0 |
| Debt financial institutions | | 3 600 | 3 600 | 6 910 | 6 889 |
| Other current liabilities | | 4 097 | 4 811 | 402 | 1 331 |
| Total current liabilities | | 12 060 | 16 456 | 9 747 | 10 564 |
| TOTAL LIABILITIES | | 24 660 | 29 956 | 91 247 | 92 064 |
| TOTAL EQUITY AND LIABILITIES | | 453 279 | 471 329 | 152 284 | 150 983 |

- Total equity of NOK 429m
- Interest bearing debt of NOK 16.2m with quarterly instalments of NOK 0.9m. Debt is due February 2019 with a balloon payment of NOK 11m
- Available credit facility in Dwellop of NOK 15m currently undrawn

Cash flow statement

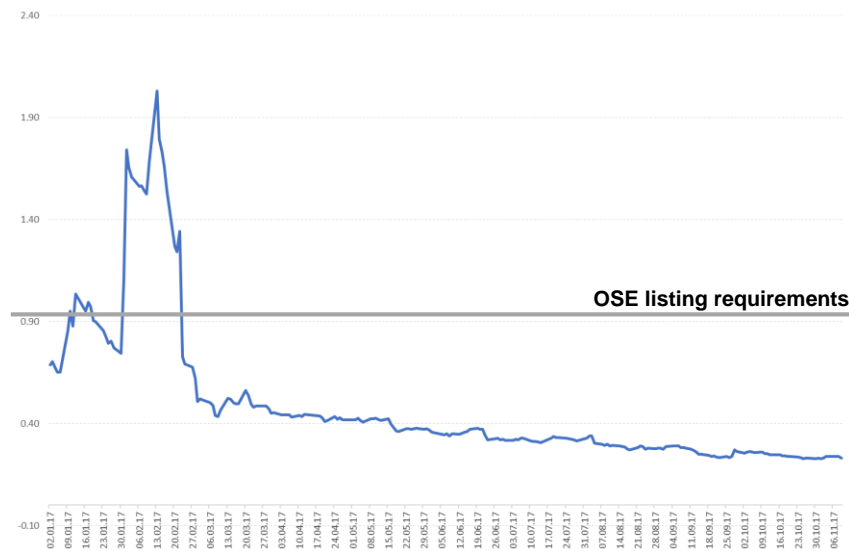
| Unaudited figures in NOK 1 000 | Quarters | | | Year to date | | Year end |
|--|----------------|---------------|------|----------------|---------------|---------------|
| | Q3 2017 | Q3 2016 | Note | 30.09.2017 | 30.09.2016 | 31.12.2016 |
| Contribution from operations before tax | -9 201 | -1 494 | | -21 835 | -4 727 | -6 730 |
| Change in accounts receivables and accounts payables | 20 708 | -861 | | 9 402 | -1 098 | -1 015 |
| Change in inventory | -12 086 | 0 | | -4 370 | 0 | 0 |
| Change in other receivables and payables and other | 1 362 | 542 | | -5 151 | -298 | -376 |
| Net cash flow from operating activities | 783 | -1 813 | | -21 953 | -6 124 | -8 121 |
| Capitalization of development cost | 0 | -632 | | -1 915 | -3 105 | -3 516 |
| Net investments in PPE & intangible assets | 0 | 0 | 2 | -60 000 | 0 | 0 |
| Net cash flow from investment activities | 0 | -632 | | -61 915 | -3 105 | -3 516 |
| Public grants | 0 | 0 | | 1 061 | 2 619 | 5 166 |
| Contribution from industry partners | 0 | 2 500 | | 0 | 6 500 | 6 500 |
| Interest received | 317 | 3 | | 1 667 | 22 | 30 |
| Interest paid | -188 | -108 | | -491 | -369 | -488 |
| Proceeds from borrowings financial institution | -900 | 89 | | -8 654 | 198 | 178 |
| Capital contribution | 0 | 0 | 4 | 385 368 | 0 | 0 |
| Transaction cost capital contribution | 0 | 0 | 2 | -18 069 | 0 | 0 |
| Net cash flow from financing activities | -772 | 2 484 | | 360 882 | 8 970 | 11 386 |
| Total net changes in cash flow | 12 | 39 | | 277 014 | -259 | -251 |
| Cash in acquired company | 0 | 0 | 2 | 9 478 | 0 | 0 |
| Cash and cash equivalents beginning of period | 286 815 | 288 | | 335 | 586 | 586 |
| Cash and cash equivalents end of period | 286 826 | 327 | | 286 826 | 327 | 335 |
| Profit (loss) attributable to equity holders of the parent | -12 815 | -1 581 | | -96 289 | -4 871 | -7 055 |
| Employee options | 61 | -33 | | 125 | -298 | -232 |
| Depreciation | 3 681 | 15 | | 6 132 | 95 | 99 |
| Net write-down intangible assets and capitalized grants | 0 | 0 | | 69 374 | 0 | 0 |
| Financial income | -317 | -3 | | -1 667 | -22 | -30 |
| Financial expenses | 188 | 108 | | 491 | 369 | 488 |
| * Contribution from operations before tax | -9 201 | -1 494 | | -21 835 | -4 727 | -6 730 |

Changes in various cash flow items year to date September 30, 2017 is reflecting the change in Dwellop's items from May 2, 2017 to September 30, 2017.

- Significant working capital release during the quarter brings operating cash flow to NOK 1m during the quarter. The corresponding number YTD is negative with NOK 22m
- The company made no investments during the quarter. The corresponding number YTD is NOK 62m and mainly relates to the acquisition of Dwellop
- Cash flow from financing was negative with NOK 1m during the quarter and relates to repayment of debt in Dwellop, while the YTD number was NOK 361m and is particularly driven by private placements and repair issues of NOK 385m

Reverse stock necessary to comply with OSE minimum share price listing requirements

- OSE has a minimum share price listing requirement of NOK 1 per share, which can not be breached continuously over a six months period
- Notice of extraordinary general meeting circulated 14th November 2017 with EGM to take place 6th December 2017
- The Board of Directors propose a reverse stock split 10:1
 - Implied number of shares outstanding to be 131 158 013 if approved at the EGM
 - Implied share price NOK 2.3,- based on closing share price 14th November 2017
- Requires 2/3 of the votes casted on the EGM



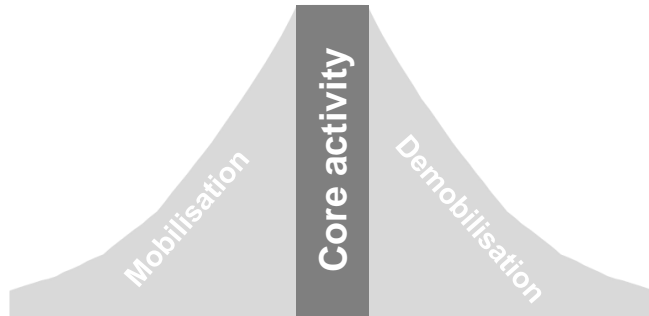
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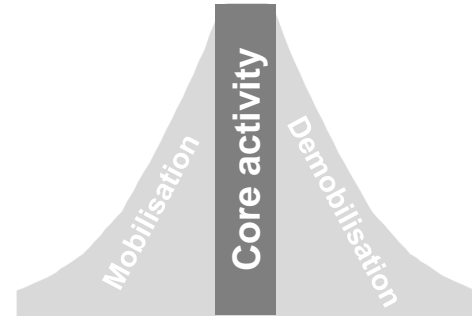
Valuation proposition within well intervention handling equipment

The old way



- Relatively high degree of non-productive time due to limited development within well intervention equipment handling space
- Core activities done in the same way as it “always has been done”

D//WELLOP way



- Products and technologies reducing mobilization and demobilisation
- Improving access in combination with enabling better access facilitate for SimOps → ensure access to all well slots at the same time
- Reduced operational risk

Dwellop's innovative solutions and technology enabling swifter operations and eliminating non-productive operational time → increased ROI for oil cos

Dwellop's work over rig well positioned to capitalize on the emerging well intervention and P&A market globally

The old way



- Drilling machine, however “oversized tool” for well intervention and P&A work
- Limited cantilever reach due to weight of drilling module disqualifying the use of jack-ups for intervention and P&A:
 - Standard jack-ups typically +/- 75ft
 - XLs jack-ups have +/- 90ft

D/WELLOP way



- Right tool for performing well intervention and P&A operations
- Light weight enabling long cantilever reach
 - Jack-up with up to 135ft reach
 - Liftboat with 45ft

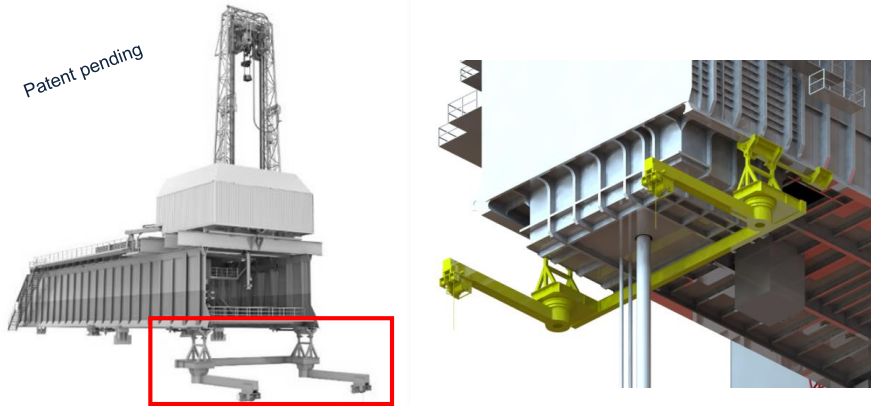


“Only in the North Sea alone, there is a need of 15 jack-ups for P&A work alone over the next 40 years”*

The Hunter Crane

A blessing for the oil companies and forward leaning drilling contractors

D/WELLOP way



Observations

- Simops crane developed to solve efficiency issues related to the shadow well slots on the well head
- Crane capable of handle equipment such as wire line and coil tubing below the cantilever, hence significantly improvement in efficiency with respect to well interventions operations
- Currently in discussions with oil companies that wants to use the crane under P&A and drilling operations
- The crane is mounted under drilling operation of the jack-up in question, to keep mobilization costs low and eliminate non-productive time

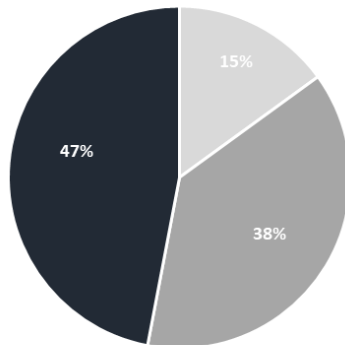
Preliminary assessment indicate an efficiency gain of up to 20% related to certain jack up operations*

Dwellop's well intervention cantilever (WIC) is 50% more efficient than currents methods

The old way

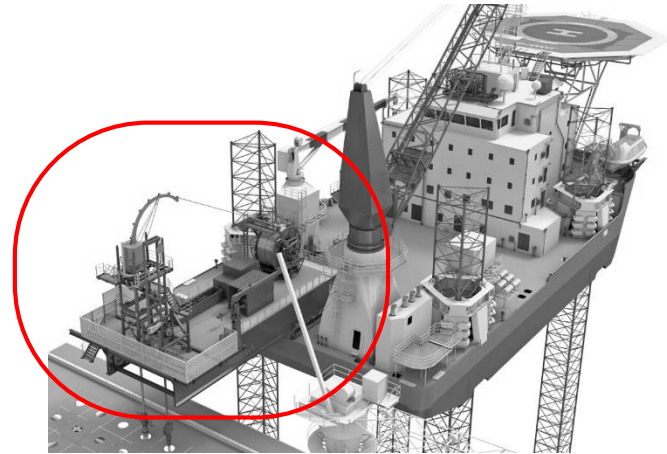


- Manual rigging before ready to operate, both less efficient and riskier operations

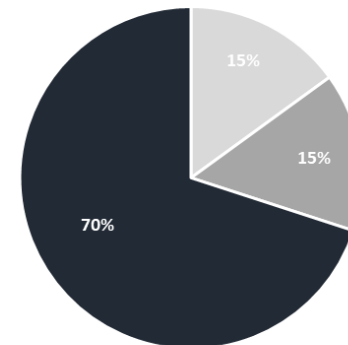


■ Transit ■ Rigging, tool change, service, repair ■ Available time for operation

D//WELLOP way



- Pre-rigged on a cantilever ready for wire line and coil tubing operations

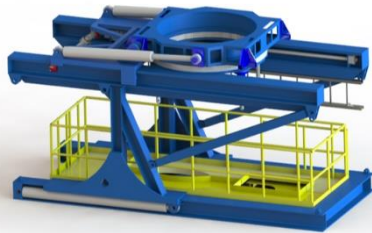


■ Transit ■ Rigging, tool change, service, repair ■ Available time for operation

Case study

Foldable jacking frame developed in cooperation with client

D//WELLOP way



Transport

Opp rigging
løfte ut
platformerPosisjon for skifting
av tool

Operasjon

Description

Situation

- Client in need for a jacking frame, however existing solutions obsolete due to space limitations
- Current solutions must be disassembled to fit through the V-door on the drill floor

Solution

- Dwellop designed within a very short time a new foldable, cost effective jacking frame

Outcome:

- New design approved by client which will provide significant cost savings with respect to transportation, rigging, operation and demobilisation
- Awaiting feedback on offer
- The new foldable jacking frame has potential to become the new industry standard

Dwellop team

CEO

Helge Hustoft

- Over 30 years of industry experience
- Previously senior positions in Statoil and Navion
- Cand Merc., University of Oregon

Board of Directors

Eirik Bergsvik - Chairman

- Over 25 years experience from the oil service industry
- Previously CEO of Interwell AS (2011-2016), board member at MHWirth (2014-2017) and CEO of National Oilwell Varco Norway AS (2006-2011)

Martha Kold Bakkevig

- Broad experience from management, strategy and business development
- Currently a board member in Kongsberg Gruppen ASA, Borregaard ASA, DeepWell AS, Haugaland Kraft AS, Reach Subsea ASA, Incus Investor ASA, Kold Invest AS
- Previously CEO of DeepWell AS (2007-2016)

Sigmund Prestegård

- Over 30 years of experience from oil & gas industry and banking sector
- The majority of the career from BP in roles spanning finance, planning, offshore operations, and asset management
- Last 5 years as CFO in a start-up company developing Rotary Steerable Drilling technology

Vegard Urnes, Interim CEO Hunter Group ASA

- More than 17 years experience from the oil services industry and M&A / investment banking
- Previously with corporate finance at Goldman Sachs, later at ProCorp and NRP Securities before founding Navis Finance in 2013

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Indicator AS

- Reorganization completed 3q
- Limited to none cash burn going forward
- In process of assessing alternatives

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Outlook

- The outlook for oil services still remains challenging. Even with oil price levels above USD 60 and oil companies apparently are entering into an expansion mode, operational and investments decisions are lagging. It is anticipated that the increased oil price, in combination with reserves depletion is likely to improve activity levels in the oil and gas industry
- A positive market signal is that oil companies now have started to pay for engineering studies
- Looking forward there are reasons to believe that there will be an improvement in the market for Dwellop, as activity is increasing and numbers of RFQ's (Request For Quotation) are rising. Furthermore, Dwellop is in discussions with clients regarding WOR, WIC and Hunter Crane and management strive to materialize these opportunities
- In light of the positive market signals, Hunter Group will continue to focus on investment in technologies within oil companies "opex territory" which will increase their return on existing offshore infrastructure

Q&A

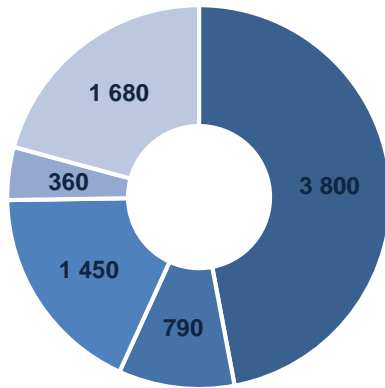
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Well intervention market – WOR & WIC

Shallow offshore platforms & wells¹



8,000 platforms

24 yrs avg age of wells

3.3 wells per platform

- EOR through either production / development drilling or well intervention
- Saudi Aramco alone has a continuously demand for about 15 units² to change electrical submersible pumps (ESP)
- Today it exists 20 liftboats able to carry the work-over rig; in addition to 8-10 under construction³

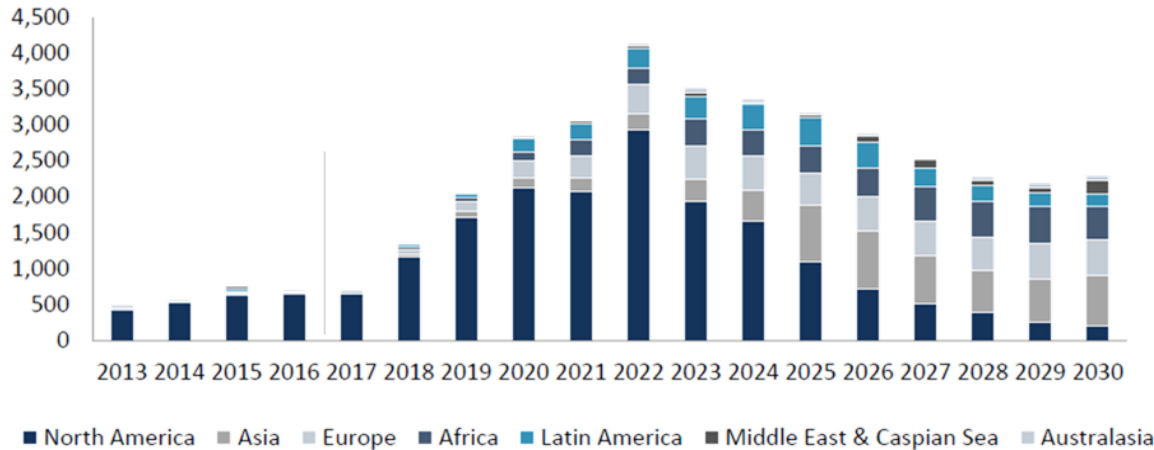


Large – Existing – Growing – Expanding

Significant market potential within P&A

Offshore production well P&A forecasts

of wells



- Number of platform wells P&A'ed in 2016
 - UKCS - 89
 - NCS - 48
- UKCS and NCS forecasted wells to be P&A'ed by 2025 is
 - UKCS - 1,470 (60 % is platform wells)
 - NCS - 362 (85 % is platform wells)

Around GBP 1.5bn P&A market 2017e on the UKCS and NCS

Share information

- HUNT, ticker on Oslo Axess
 - 1,311,580,130 shares outstanding
 - Market cap NOK 302m as of 14th November 2017

14 November 2017

| Name | Holding | % |
|---|---------------|-------|
| SONGA TRADING INC | 72 000 001 | 5,49 |
| DYNAMO MANAGEMENT AS* | 56 802 583 | 4,33 |
| TIGERSTADEN AS | 54 904 655 | 4,19 |
| MP PENSJON PK | 51 600 000 | 3,93 |
| MIDDELBORG INVEST AS | 51 004 655 | 3,89 |
| SILVERCOIN INDUSTRIE | 50 000 000 | 3,81 |
| Norron Sicav - Targe SKANDINAVISKA ENSKIL | 46 046 302 | 3,51 |
| APOLLO ASSET LIMITED C/O ARNE FREDLY | 41 988 525 | 3,20 |
| STOREBRAND VEKST VER JPMORGAN | 39 804 223 | 3,03 |
| ARGENTUM FONDSINVEST | 32 923 145 | 2,51 |
| VERDIPAPIRFONDET DNB V/DNB ASSET | 31 711 623 | 2,42 |
| SKANDINAVISKA ENSKIL SEB - CMU | 30 000 000 | 2,29 |
| DUKAT AS | 22 250 000 | 1,70 |
| INVESCO PERP EURAN S BNY MELLON SA/NV | 21 225 389 | 1,62 |
| LINGTECH AS* | 20 614 196 | 1,57 |
| ALDEN AS | 20 000 000 | 1,52 |
| F STORM AS | 20 000 000 | 1,52 |
| GRUNNFJELLET AS | 20 000 000 | 1,52 |
| Skandinaviska Enskil | 19 965 000 | 1,52 |
| RESONANS INVEST AS* | 19 814 196 | 1,51 |
| Top 20 shareholders | 722 654 493 | 55,08 |
| Others | 588 925 637 | 44,92 |
| Total | 1 311 580 130 | 100 |