

Pareto presentation

September 2020 | Carel Hooijkaas - CEO



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An industry leader making OBN the seismic technology of choice in a new market environment

Company profile

Global market leader within Ocean Bottom Seismic

- Performed ~90 OBS surveys

Leading Ocean Bottom Node technology platform

- Z and MASS node technologies with ~30 000 nodes
- Fully modular system: 0-3 000 meters
- In-house R&D and engineering

Global presence aligned with E&P majors customers



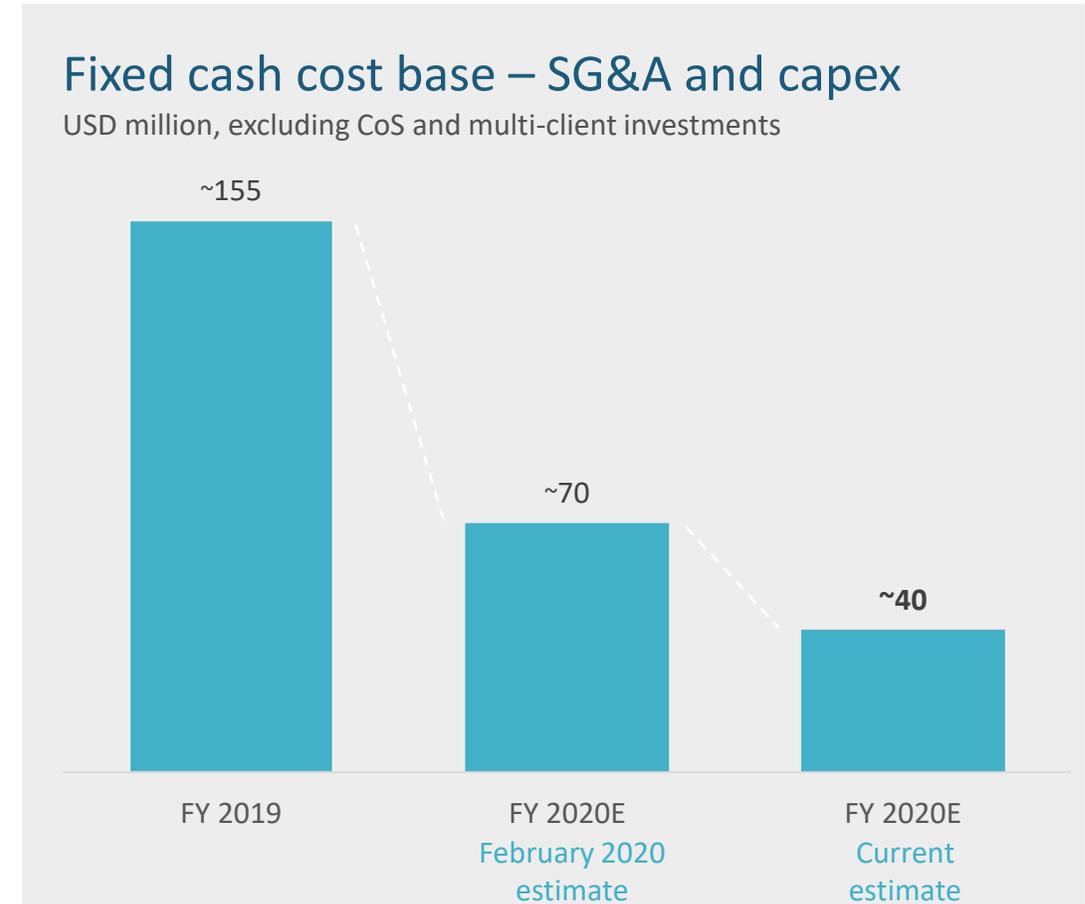
Asset light business model built on technology differentiation



Note (1): Includes USD ~110m from the sale of 17,000 MASS I nodes to BGP

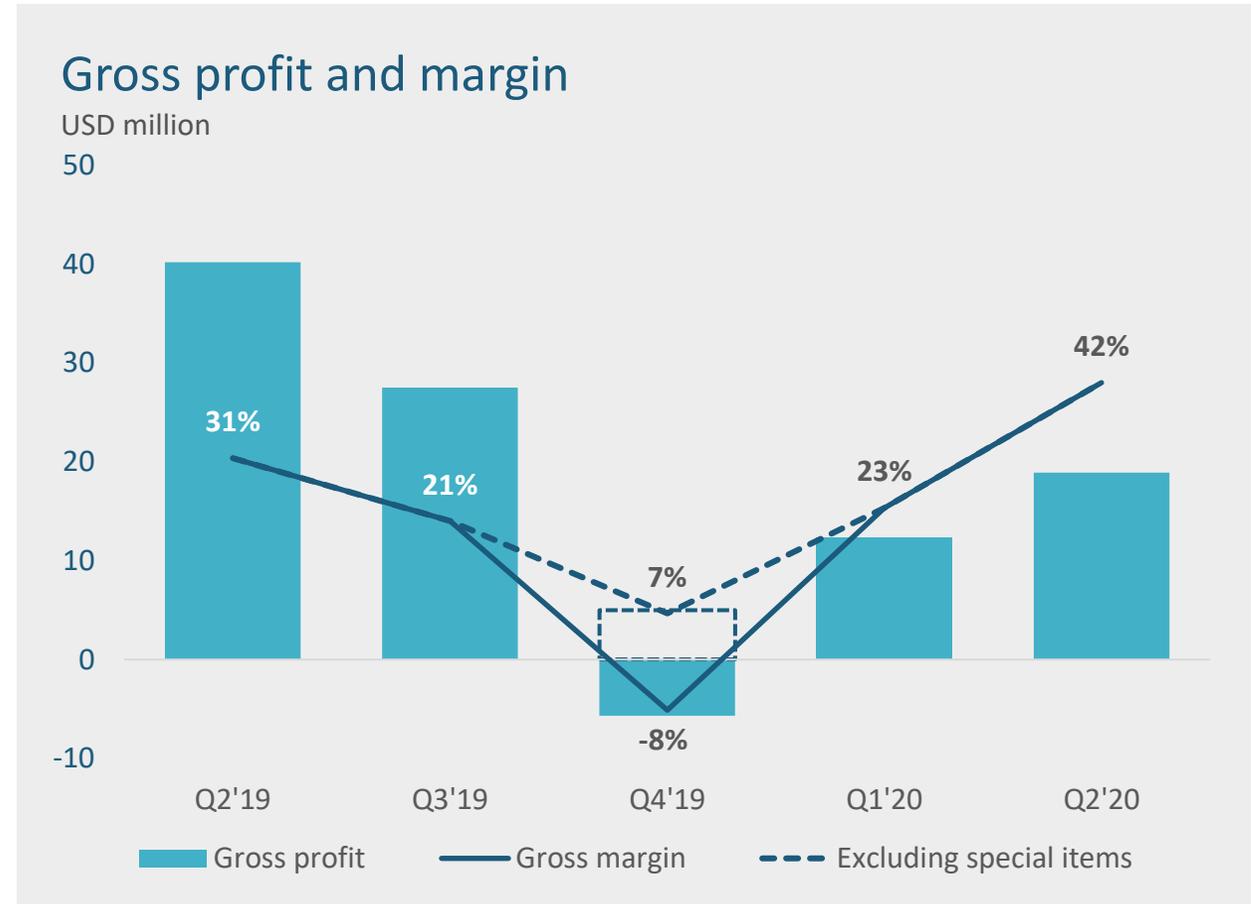
Responded forcefully to challenging market development

1. COVID-19 and oil price drop created a new market environment
2. Strategy to preserve and protect cash position for a good entry in to 2021
3. Adapted and adjusted to even lower SG&A and capex base for 2020
4. On target to reduce cash cost from USD ~155m in FY19 to USD ~40m in FY20, a reduction of ~75%
5. Flexibility and capital structure to adjust further if required



Turnaround and adapting to new market reality translating into higher margins

- Sharp gross margin improvement in H1'20
- Margin expansion in line with strategic plan:
 - Improved operational execution
 - Strict cost control



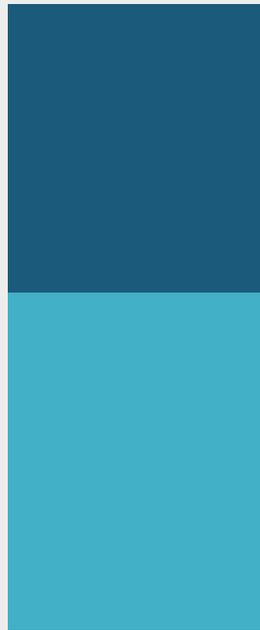
Gross profit in accordance with IFRS16 – Long-term leasing costs excluded
Note: Restated figures for Q2 2019

Focus on building backlog

Backlog per Q2 2020

USD million, reported

151



■ 2020 ■ 2021 and beyond

- No signed contracts have been cancelled
- Awards H1'20:
 - Z100 equipment sale
 - Mexico – ZXPLR
 - 4D OBN monitor survey
- Current backlog sufficient to support operations in 2020 with current cash position

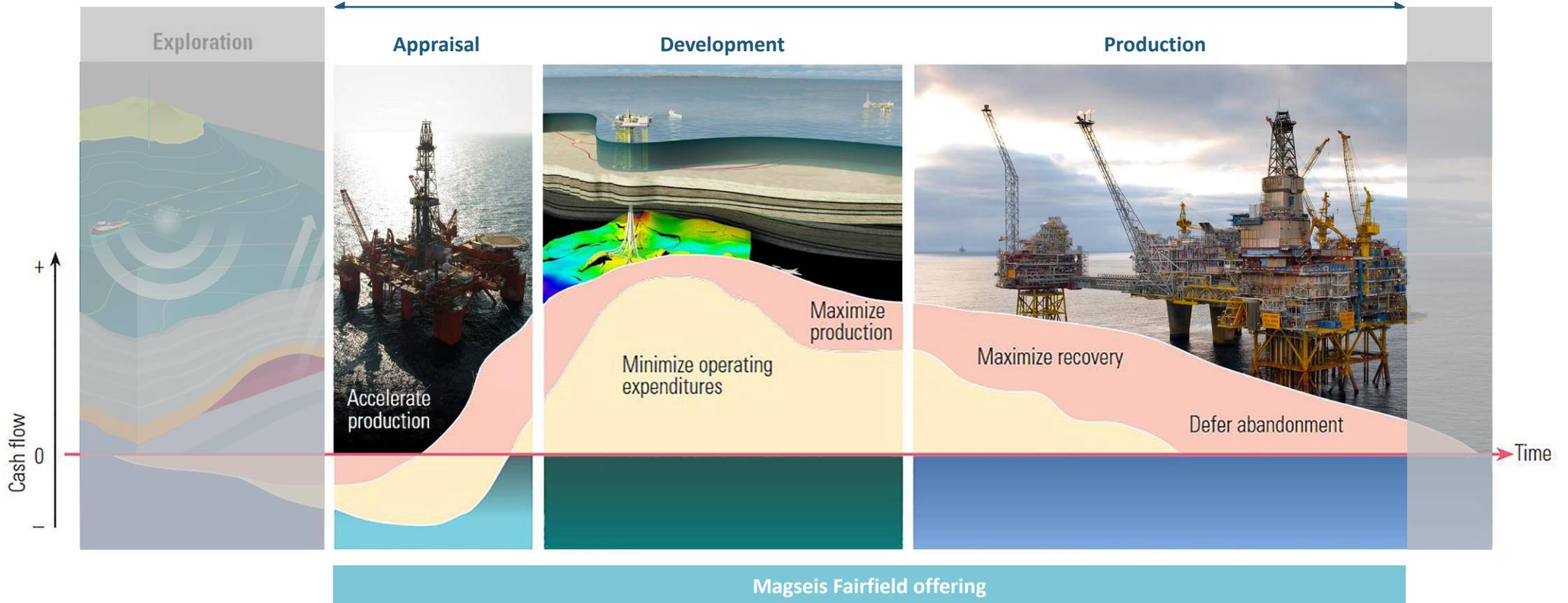
Building 2021 backlog the main priority

New awards in Q3:

- Additional pre-funding on the Cornerstone MC survey in the North Sea
- 4 months OBN survey in the GoM



Clients focus: Cash and value creation from existing fields

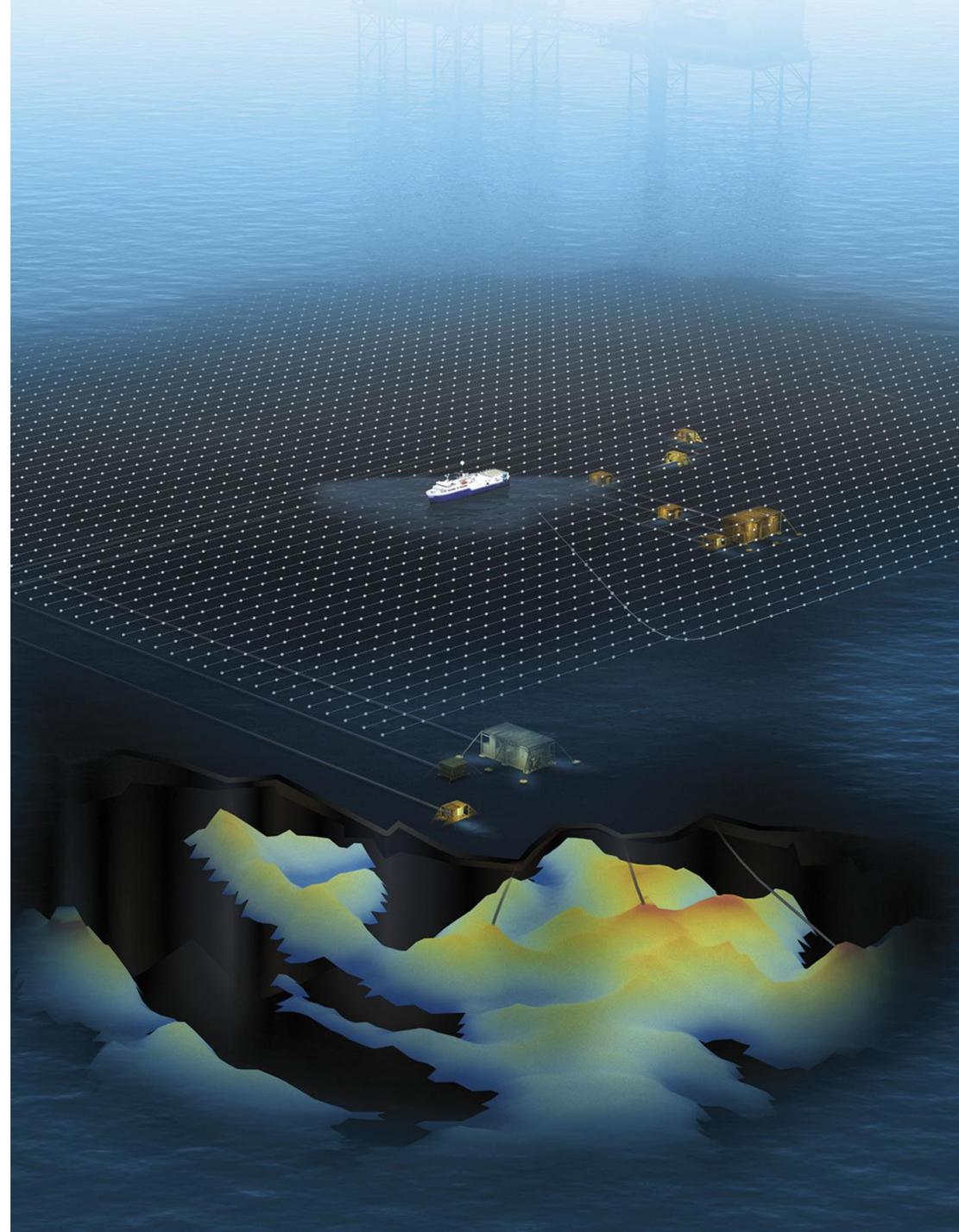


From drilling-based to data-driven field development

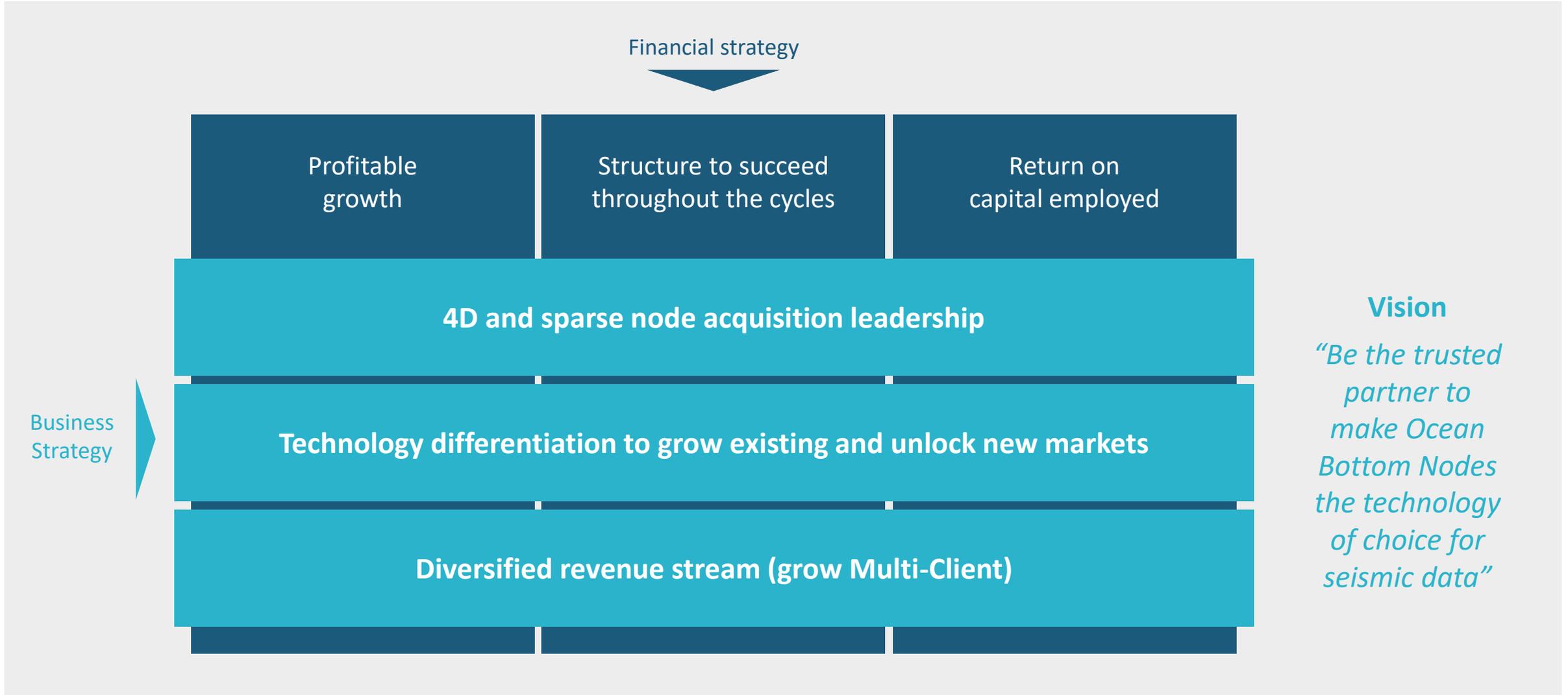
Clients are changing from cash heavy drilling to less cash intensive data driven field development

Main implications:

- Reduction in number of wells drilled
- Reduction in rig time commitments
- Increased use of OBN data
- Reduction in CO₂ emissions



Clear strategic direction



An industry leader making OBN the seismic technology of choice in a new market environment

Turnaround completed, responded to challenging market

A technology leader with attractive client offering growing 2021 backlog

- Aligned organization and operations to lower activity level with flexibility to adapt
- Ensured solid governance, operational control and financial management
- Reducing YoY cash cost by ~75% from 2019 to 2020 - preserving cash for a good 2021 entry

- In position to deliver quality cost-efficient OBN data as clients shift focus on existing fields
- Working closely with customers to adapt efficiently to new requirements
- Securing new contracts remains main priority – already growing 2021 backlog