



2Q and half-year results 2021

CEO comments to Q2 and Half Year



Record result

- Fifth quarter on a row with positive results
- Best half year result in history – pre-tax profit of NOK 27m



Solid financial position

- Solid financial position with cash and working capital of NOK 170m
- Limited long term financial debt of NOK 40m



Excellent performance

- No operational incidents
- Satisfied clients

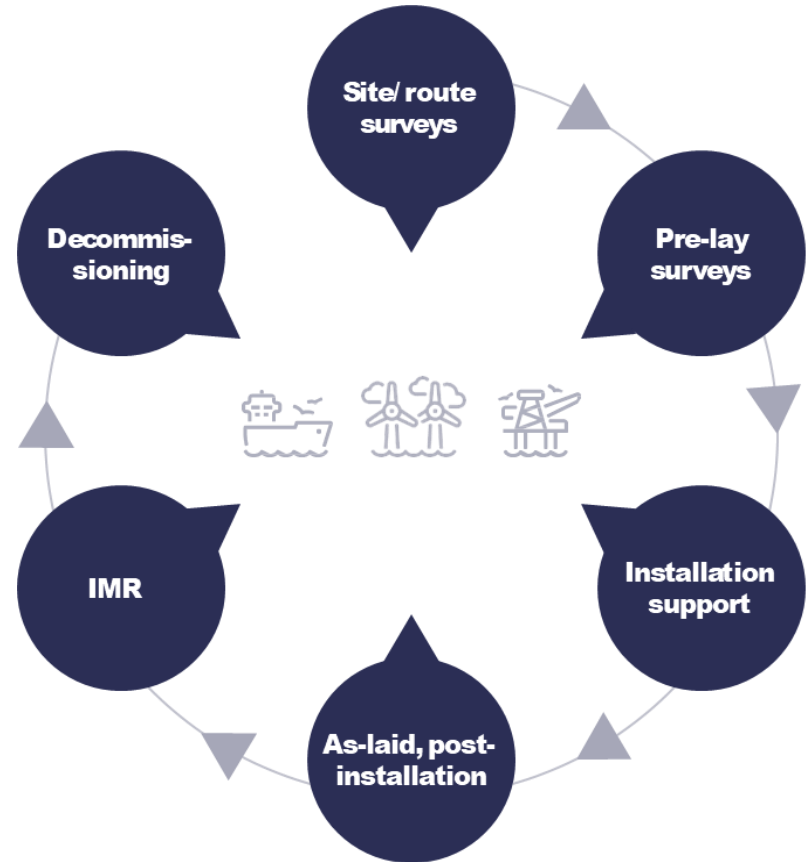


Positioned for future growth

- Capture opportunities in new geographical areas
- Investments in future technologies and methods

Reach Subsea in brief

- Subsea services for all types of offshore assets through the whole lifecycle
- We provide clients with Data and Solutions for their subsurface assets
- Our services are delivered from a subsea vessel, utilizing the right technology, managed by our skilled people
- Developed for the oil & gas sector, our services are increasingly adopted by other sectors of the blue economy



Offshore operations



Installation of suction anchors



Deployment of seismic bottom nodes in high speed

Serving strong customer base across sectors

Oil & Gas

Structural decrease in new installations, but ageing installed base requires increasing maintenance

Clients transitioning to offshore wind



Offshore Wind

Structural growth market

Technology and solutions from oil & gas applicable for several parts of the value chain



Offshore Cables

Structural growth market as the world electrifies

Subsea service assets widely used for survey, installation, and maintenance



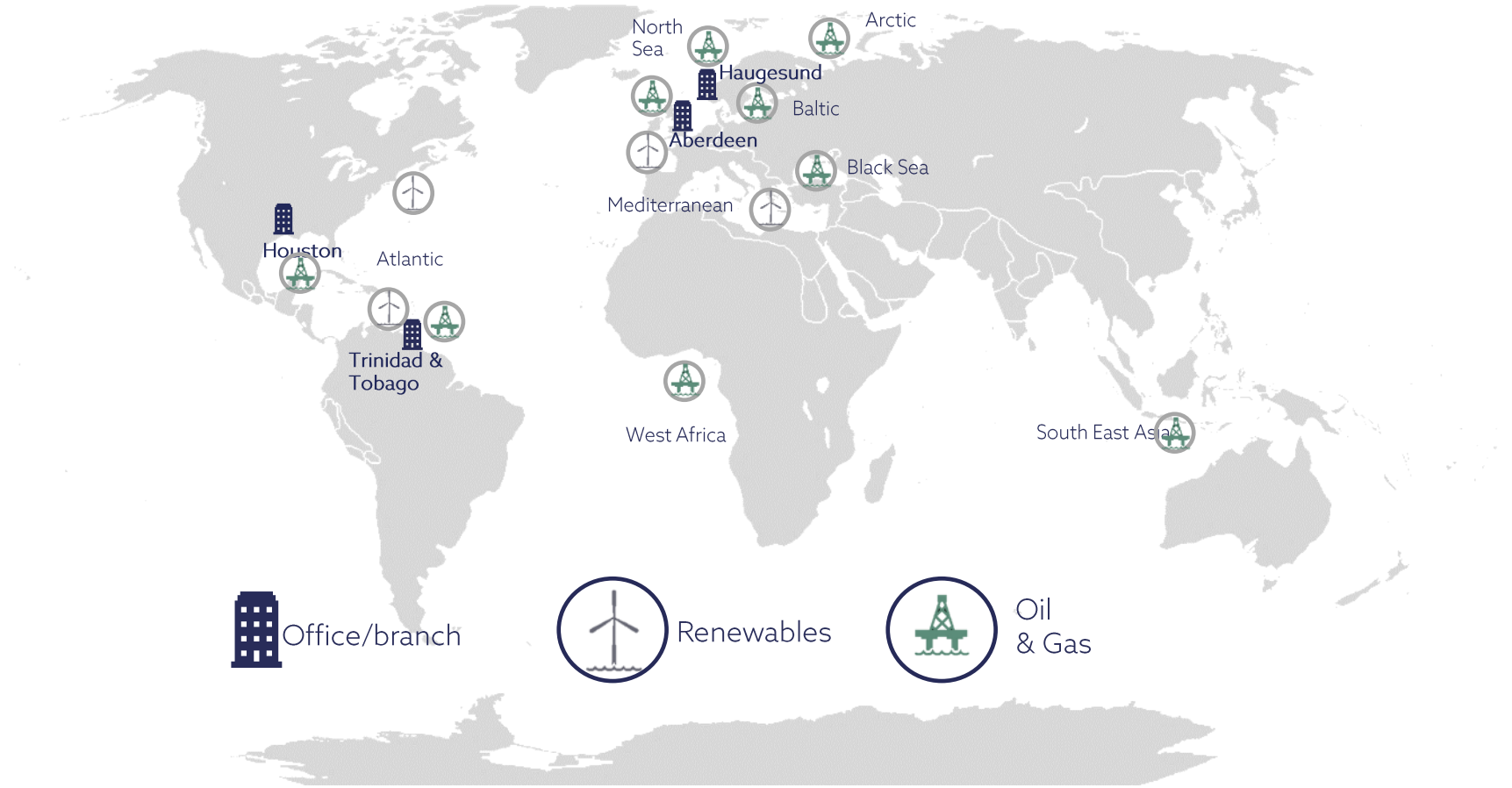
Emerging sectors

Offshore fish farming, subsea mining, environmental surveillance

Subsea service solutions applicable in many aspects, at the right cost

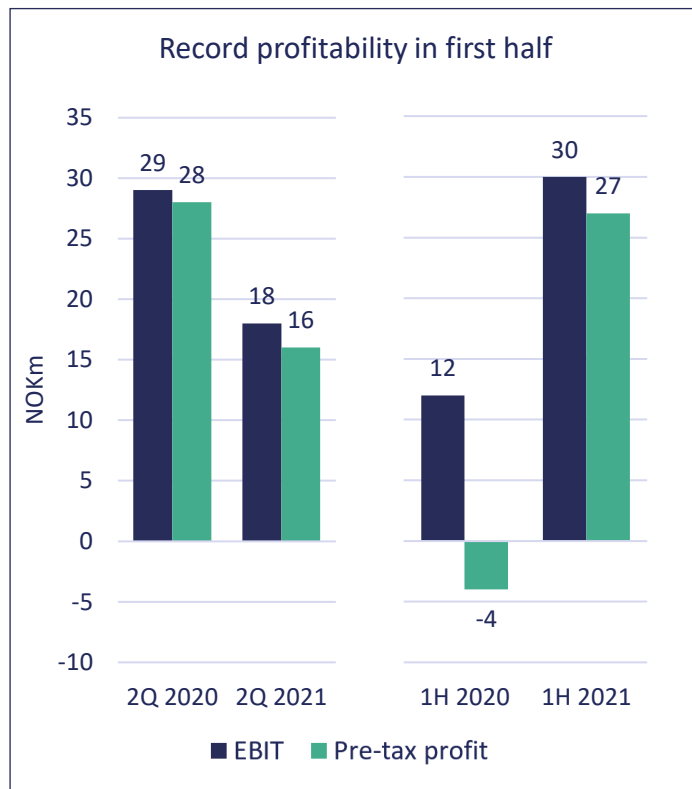
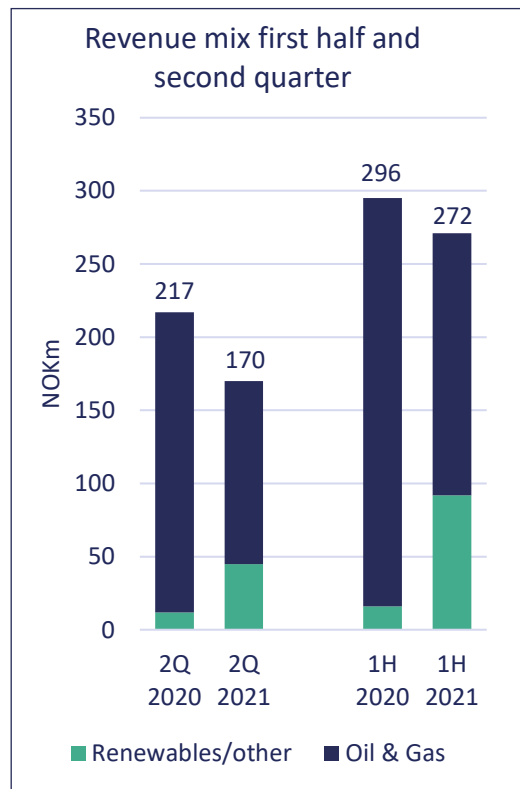


Active in fast-growing markets worldwide



Finance

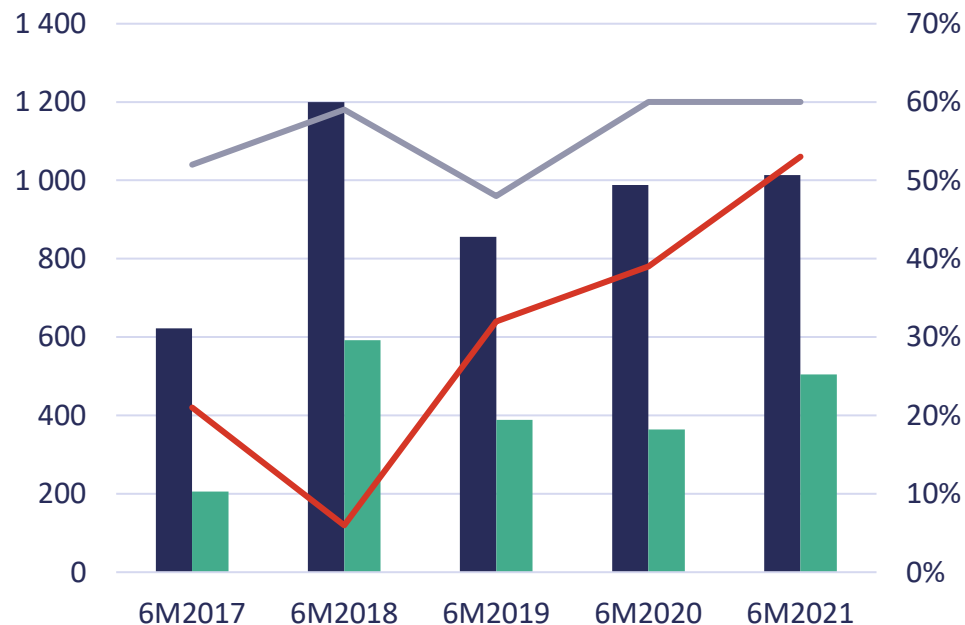
2Q 2021 key developments



- Another strong quarterly result and the best first half result in Reach Subsea's history driven by continued high utilization and successful project execution
- 2Q2021 EBIT was NOK 17.8 million (NOK 29.0 million), while pre-tax result was NOK 15.9 million (NOK 27.6 million). EBIT for the first six months of 2021 ended at NOK 30.0 million (NOK 12.3 million), while pre-tax result was NOK 27.2 million (NOK -4.3 million).
- High activity in renewables segment with 33 % and 52% of project days generated from non-oil & gas clients for 2Q2021 and year-to-date, respectively. Activity driven by major survey projects in the offshore wind sector.

¹⁾ "Project days" is defined as "Total number of days that a subsea spread is sold to projects, including ROV, personnel and/or vessel."

Positive trend driven by utilization and solid execution



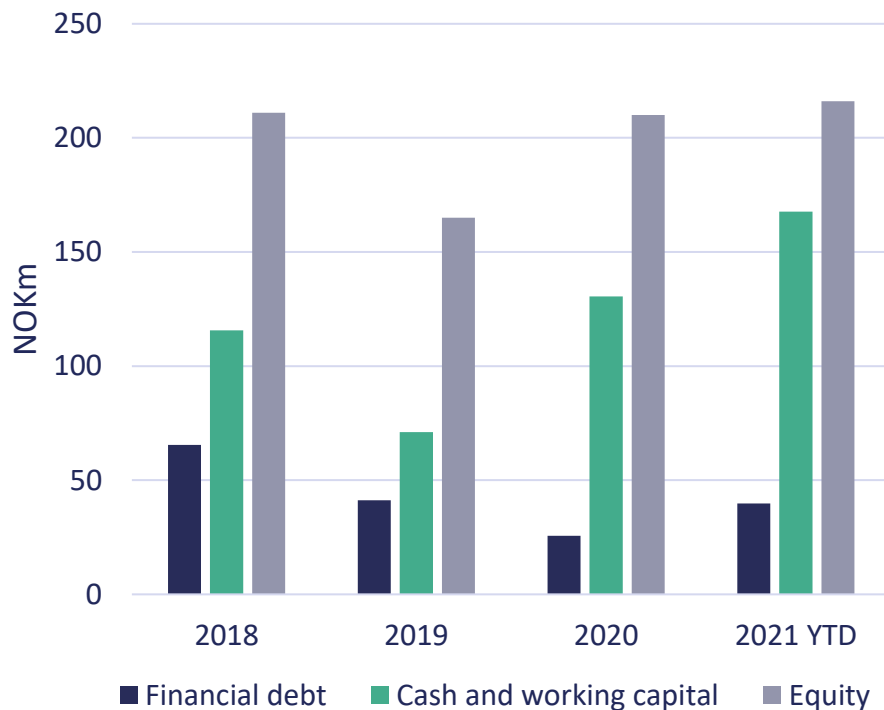
■ ROV days sold ■ Vessel days sold
— ROV utilization — EBITDA margin

Operational figures and order book

- Reduced turnover in 2Q 2021 compared to 2Q 2020 related to project complexity (turnover).
- High vessels utilization secures profitability. Vessel flow through contracts reduces revenue, but also risk.
- Order book: NOK 253 million (NOK 290 million 30.06.2020)
- Tender volume: NOK 2.0 billion (NOK 2.1 billion 30.06.2020)

Positioned for growth

Solid financial position



Strong balance sheet

- Liquidity and equity positions are strong
- Compliant with bank covenants
- Delivered on dividend policy
- Positioned for Reach Remote investment

Good progress on achieving ESG targets

<p>Increase activity within non-Oil&Gas segment to 50%</p> <p>☐ Achieved</p>	<p>Reduce CO2 emissions compared to activity levels</p> <p>☐ Achieved</p>	<p>Zero major spills of hazardous materials to the sea</p> <p>☐ Achieved</p>
<p>Increase use of remote operations</p> <p>☐ Achieved</p>	<p>Invest in Unmanned Surface Vessels</p> <p>☐ Ongoing</p>	<p>Participate in Ocean Cleanup campaign</p> <p>☐ Ongoing</p>
<p>Work related sick leave at low level (less than 1.0 %)</p> <p>☐ Achieved</p>	<p>Implement campaign with focus on mental and physical health</p> <p>☐ Ongoing</p>	<p>Further develop REACH-ED with new e-learnings</p> <p>☐ Ongoing</p>
<p>Zero work related injuries</p> <p>☐ Achieved</p>	<p>Increase percentage of female employees in offshore employment categories</p> <p>☐ Achieved</p>	<p>Maintain turnover below 8%</p> <p>☐ Achieved</p>
<p>Maintain customer satisfaction score at 4 and higher</p> <p>☐ Achieved</p>	<p>Develop REACH-ED to include e-training for suppliers</p> <p>☐ Achieved</p>	<p>Maintain technical uptime at 99% or higher</p> <p>☐ Achieved</p>

Environment

Employees

Responsible business

Reach Remote

Diversifying portfolio into unmanned vessels



From manned to unmanned

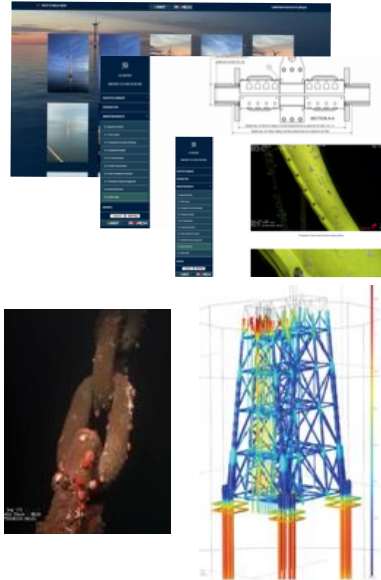
Survey & inspection service today



Operational parameters:

- 80-meter vessel with 70-80 berths
- 30-50 personnel offshore
- Comprehensive HSEQ regime
- 8,000 tons in annual CO2 emissions

End product



Survey & inspection service tomorrow



Operational parameters:

- 25-meter vessel – unmanned
- All personnel onshore
- Simple HSEQ regime
- 90-100% reduction in emissions

Shifting from a capital- and personnel intensive set-up to a lean, remote and autonomous platform

Reach Remote: timing adjusted to market conditions

- **Ongoing process for verification and certification**

Working with national and international Maritime Authorities in parallel to ensure recognized «certificates» when ready for operation.

- **Adjusting commissioning to global supply chain situation**

Global supply chains disrupted. Important to adjust to material reality before commissioning.

- **Encouraging market response**

Strong interest from clients and potential partners across the world.

- **Project timeline adjusted**

Moving target from mid-2022 to early 2023, adding confidence to project success

Haugesund district subsea cluster strengthened with National Test Center



Reach Remote: well positioned for success



Strong tailwinds

- Explosion in ESG awareness
- Market is ready to adopt new solutions from suppliers



Reach capabilities

- Access to large client base
- Strong project execution track record
- Subsurface operations know-how



The right partners

- Kongsberg a market leader in remote & autonomous technology for maritime applications
- Massterly a frontrunner in adopting remote & autonomous technology for maritime operations



Economics and environment

- Virtual elimination of carbon footprint
- Both high ROI for Reach, and lower cost for clients

Reach Remote – a sneak peak into the maritime future

Animation video of Reach Remote

Summary

Reach Subsea – investment highlights

- Solid track record of profitable growth, strong and diversified customer base
 - Large customer base consisting of several energy supermajors
 - Highly experienced management and operational team
- Asset-light growth strategy and robust financial profile
 - Solid balance sheet, cash flow and attractive dividend profile
 - Flexible asset base with limited long-term vessel lease obligations
 - Well-positioned to capture growth opportunities and develop new technology
- Well-positioned for the green energy transition
 - Continuous operational improvements to enhance efficiency and reduce environmental impact
 - Natural increase in revenue from non-oil and gas clients and sectors in the years ahead
 - Reach Remote: Innovative technology for low emission- and cost-efficient operations
- ESG is part of Reach Subsea's DNA
 - Stringent HSEQ standards and united safety culture with a solid safety track record
 - High ESG reporting in accordance with GRI Standards

Q&A

Appendices

Key figures

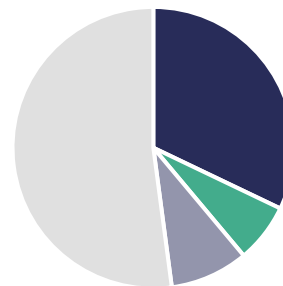
	2Q 2021 <i>unaudited</i>	2Q 2020 <i>unaudited</i>	6M 2021 <i>unaudited</i>	6M 2020 <i>unaudited</i>	12M 2020 <i>audited</i>
Revenue (NOKm)	170	217	272	296	628
EBIT (NOKm)	18	29	30	12	51
Pre-tax profit (NOKm)	16	28	27	-4	43
Cash and cash equivalents (NOKm)	73	57	73	57	105
Net working capital (NOKm)	94	41	94	41	25
Net interest bearing debt, incl IFRS 16 leases (NOKm)	40	116	40	116	-64
Equity (NOKm)	216	163	216	163	210
Order backlog (NOKm)	253	290	253	290	145
Outstanding tender value (NOKbn)	2.0	2.1	2.0	2.1	2.1
Number of ROV days sold	608	734	1 013	988	2 388
Number of ROV days available	946	875	1 695	1 645	3 250
Technical uptime on ROVs	99 %	99 %	99 %	99 %	99 %
Number of offshore personnel days sold	3 121	5 549	5 518	8 071	15 780
LTIs	0	0	0	0	0
Number of vessel days sold	296	268	505	364	956

Shareholders

20 largest shareholders as per 30.06.2021

	Shares	Stake
NORTH ENERGY ASA	46 126 567	32.1 %
JOSO INVEST AS	7 564 589	5.3 %
HOLME HOLDING AS	6 125 000	4.3 %
VERDIPAPIRFONDET EIKA NORGE	5 781 083	4.0 %
JT INVEST AS	5 529 539	3.9 %
SOBER AS	5 000 000	3.5 %
NORMAND DRIFT AS	5 000 000	3.5 %
DANSKE INVEST NORGE VEKST	2 820 462	2.0 %
LION INVEST AS	2 380 000	1.7 %
STAVA INVEST AS	2 300 000	1.6 %
CORUNA AS	2 250 000	1.6 %
RMS INVEST AS	2 000 000	1.4 %
TEOMAR AS	2 000 000	1.4 %
A-Å INVEST AS	1 938 725	1.4 %
SMS INVESTERING AS	1 652 366	1.2 %
NÆRINGSLIVETS HOVEDORGANISASJON	1 635 991	1.1 %
BARRUS CAPITAL AS	1 510 090	1.1 %
FREEMAN SHIPPING & OFFSHORE AS	1 387 457	1.0 %
TEM INVEST AS	1 250 000	0.9 %
CASTEL AS	1 248 517	0.9 %
Total 20 largest	105 500 396	73.5 %
Others	38 105 612	26.5 %
Total	143 606 008	100.0 %

Shareholder structure



- North Energy
- Board members
- Management & Employees
- Other