



Q4 2022

Financial results

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Consistent strong performance along strategic path

Record strong fourth quarter in solid market

+84%
Revenue Y/Y

+170%
underlying* EBIT Y/Y

+7 x
order backlog Y/Y

Set for continued profitable growth and value creation



Expanding vessel capacity, offering 7 subsea spreads in the upcoming season



Excellent operational performance and project execution



Successful integration of iSurvey and Octio, expanding service offering within data and surveys



Attractive dividend yield:
Proposed 2022 dividend NOK 0.18, in line with previous year

Complete service offering following strategic acquisitions in 2021 and 2022

IMR, ROV, survey, construction support and decommissioning services within the renewable and oil and gas industry



Engineering and project management



Inspection, maintenance & repair



Asset integrity / pipeline inspection



Construction support



Survey and data processing



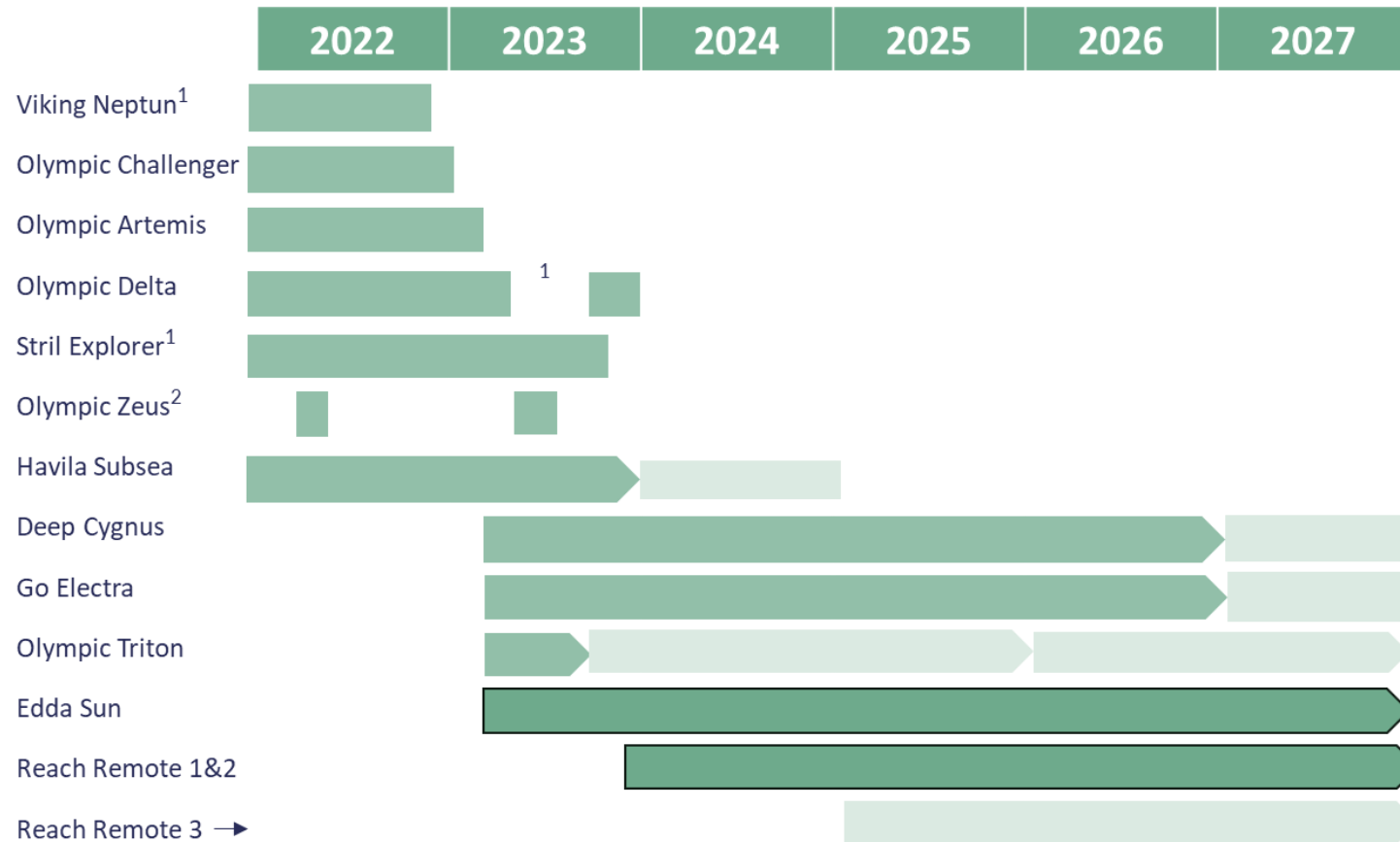
Geophysical monitoring



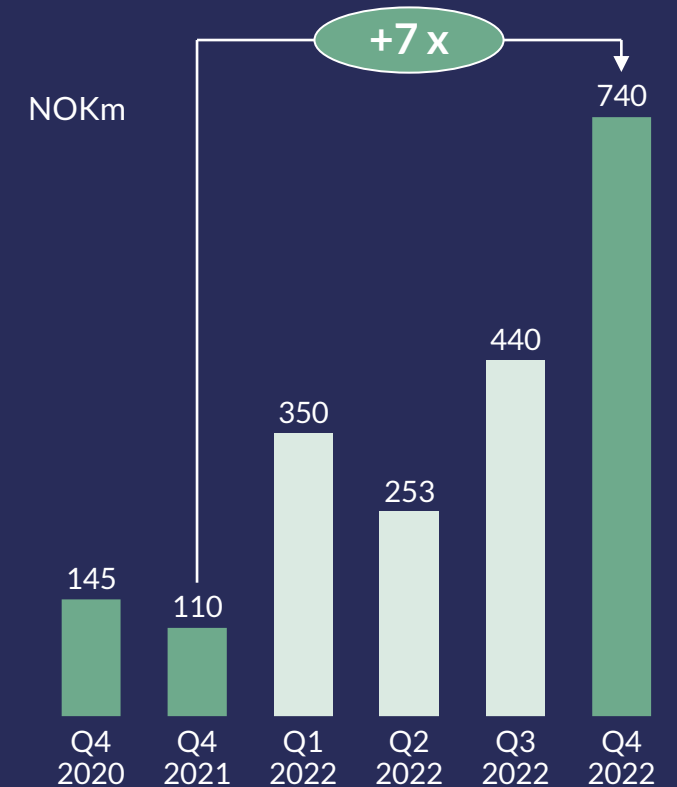
Environmental monitoring

Everything is within REACH!

Expanding capacity to serve strong demand and increasing back log



Strong growth in order book as per Q4 2022



New assets perfectly suited to Reach Subsea offering

Combining owned and chartered vessels to meet increasing demand

- Clients requesting longer term contracts also want assurance that Reach Subsea have access to key assets
- New vessels are highly capable, versatile assets that will enable Reach Subsea to execute its current and targeted project pipeline

Edda Sun, Go Electra and Olympic Triton offers the most cost-efficient solutions

- TC-in cost rising and tightening market fundamentals – previously “pay-as-you-go”, now fixed
- Average TC-in rate for chartered vessels, and implied rate for Edda Sun, highly competitive vs. offered market rates for similar vessel

Edda Sun



Go Electra



Olympic Triton



Global expansion enabled with Reach Remote

Recent contracts in new geographies Australia and Brazil



- 2022 achievements:
 - Strategic partnership with large offshore company in Brazil
 - First international contract for OCTIO in Australia

Reach Remote is an ideal platform for further global expansion

We are taking a leading position in marine robotics and are ready for global expansion



Reach Remote – a strong business case is getting even stronger

The next steps in subsea operations

Technology is enabling a radical redesign of how ROV operations are performed: shifting from a capital- and personnel-intensive setup operated from larger, energy-intensive offshore vessels towards a lean remote and autonomous platform, with certified personnel located onshore.

65%

Lower
CAPEX

65%

Lower
Daily OPEX

90%

Lower
emissions

Delivery of the first vessel indicated to be late 2023

Financial



Financials

Q4 2022 Highlights

- High activity, 99% vessel utilization, and improved pricing drives profitability to record levels
- Improved ROV utilization of 73% in full year 2022, compared to 70% in full year 2021
- Strong market in the oil and gas segment driven by high energy prices, and structural growth in renewables



Revenue

NOK 327 million (191 million)



EBIT

NOK 35 million (26 million, 13 million underlying*)



Pre-tax profit

NOK 19 million (23 million, 10 million underlying*)



Cash and cash equivalents

NOK 192 million (149 million)



Cash positive position, net interest-bearing debt, excl IFRS 16 leases

NOK -164 million (-118 million)

*) Q4 2021 EBIT and Pre-tax profit included NOK 13 million badwill gain from Octio acquisition

Shareholder friendly and robust business model

31%

return on capital
employed

Proven business model and operational excellence generate attractive return on capital

61%

equity ratio

Strong balance sheet and net cash position provides a robust position for growth

4%

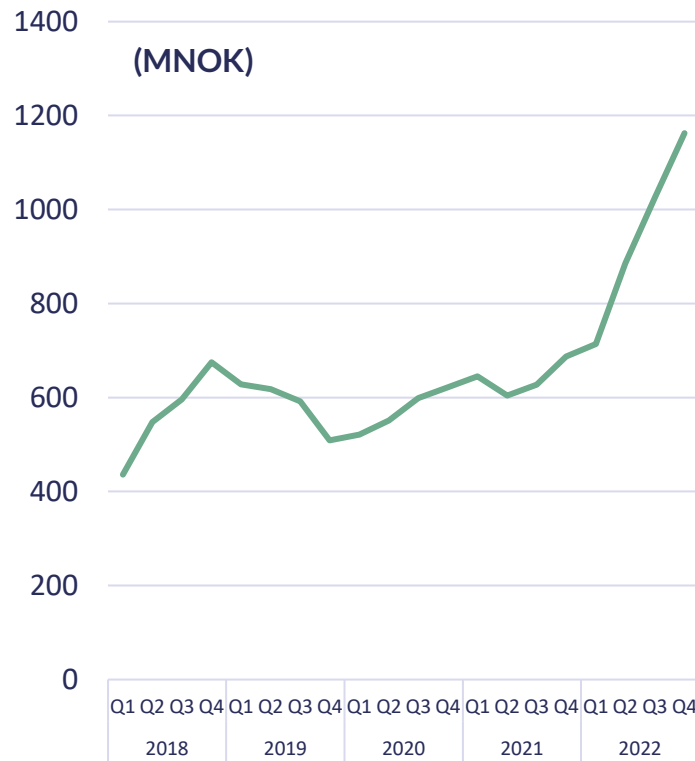
dividend yield

Disciplined capital allocation

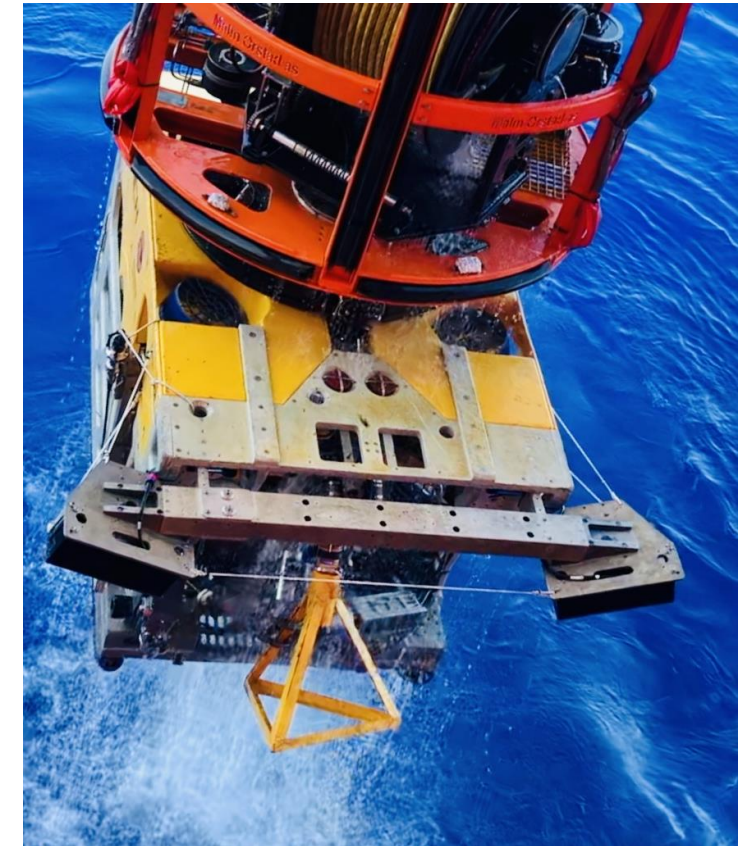
Revenue and profits raised to record levels

Revenue close to doubled last 24 months, EBIT surpassed NOK 100 million

Last 12 months Revenue (MNOK)

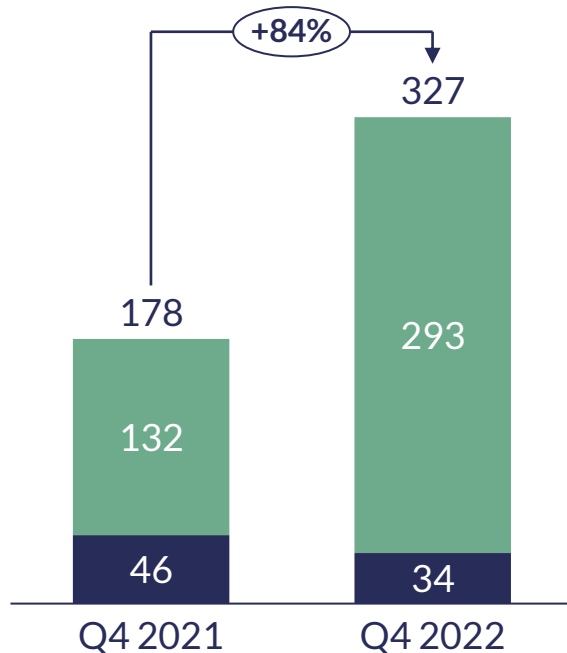


Last 12 months EBIT and Pre tax profit



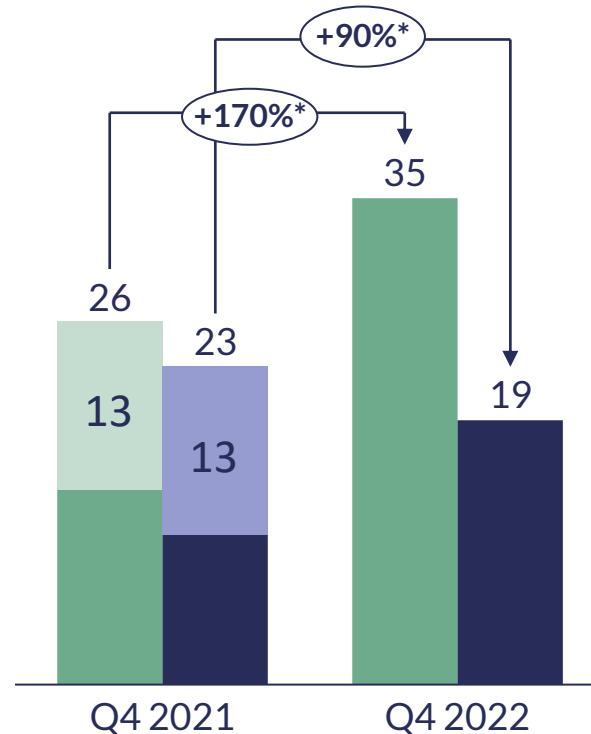
Q4 2022 key developments

Revenue mix Q4 (MNOK)



Oil and gas
Renewables and others

Higher project activity and profit (MNOK)

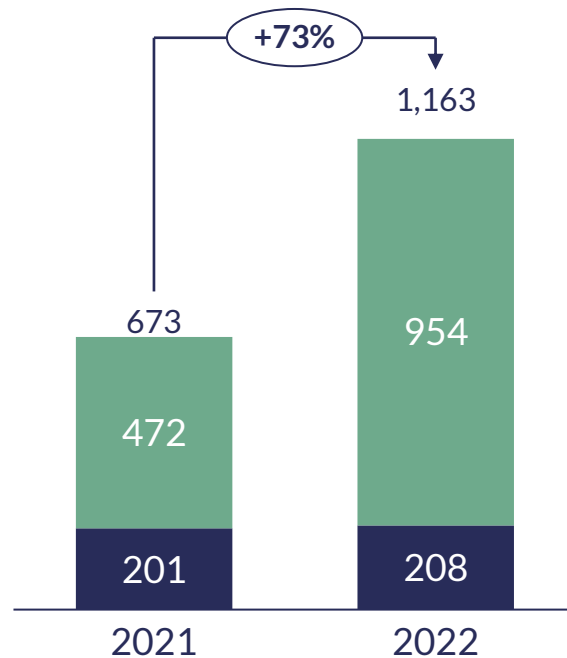


EBIT
Pre-tax profit

- 84 percent revenue growth
 - High number of project days sold
 - Higher pricing
 - Acquisitions of iSurvey and Octio
- 170 percent growth in underlying* EBIT
 - Q4 2021 included NOK 13 million badwill gain

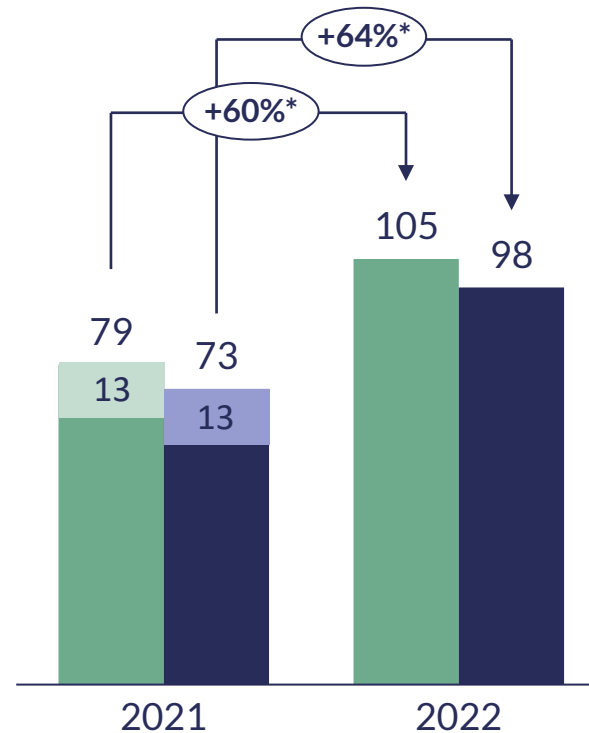
Full year 2022 key developments

Revenue mix 2022
(MNOK)



Oil and gas
Renewables and others

Higher project activity and profit
(MNOK)

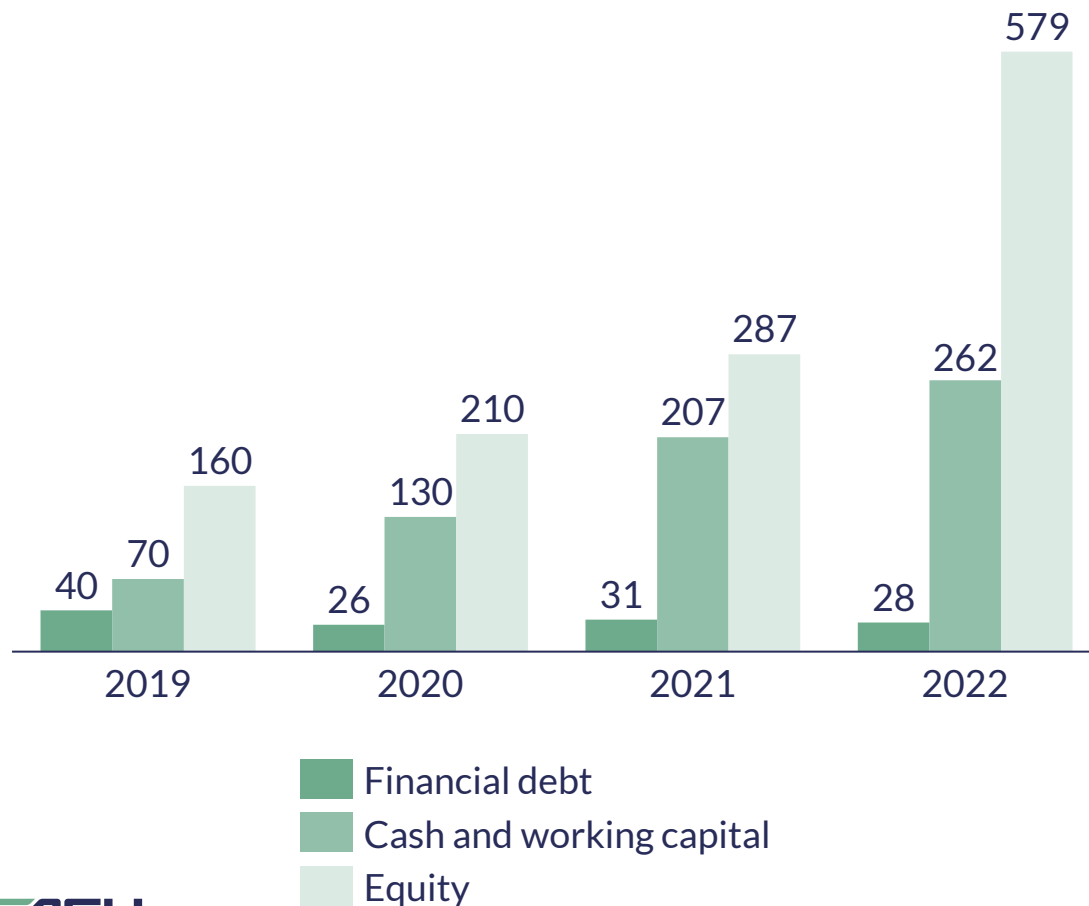


EBIT
Pre-tax profit

- 73 percent revenue growth
 - High number of project days sold
 - Higher pricing
 - Acquisitions of iSurvey and Octio
 - Organic growth of 37%
- Milestone reached with EBIT exceeding NOK 100 million
 - Sub-standard Q1 recouped during the year
 - 60 percent growth in adjusted EBIT
 - 2021 included NOK 13 million badwill gain

Positioned for growth

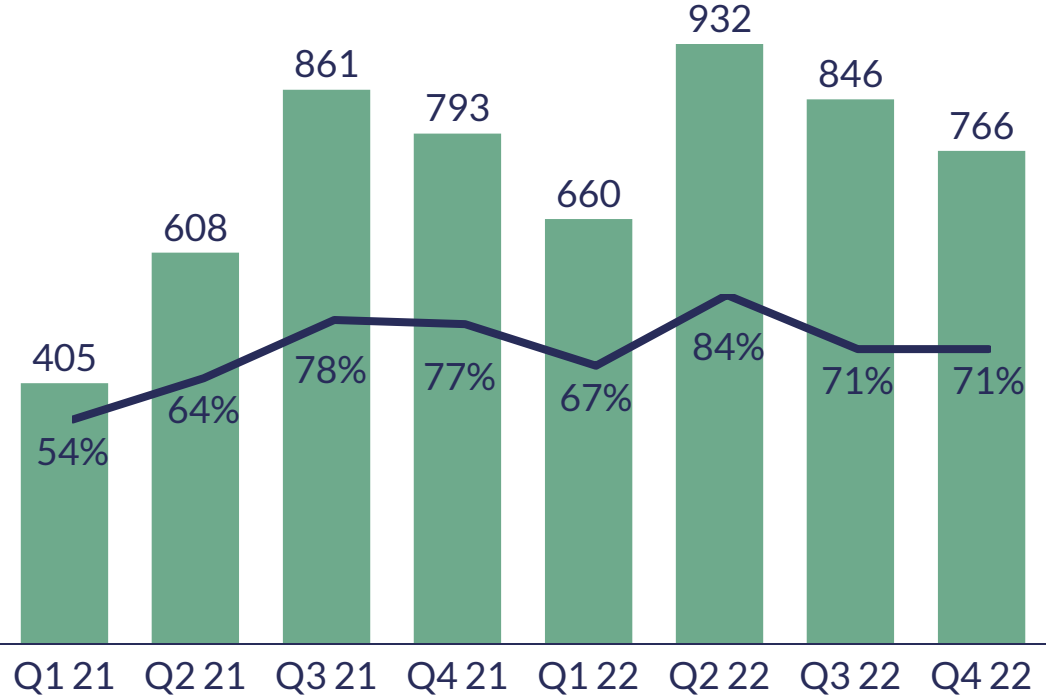
Solid financial position (MNOK)



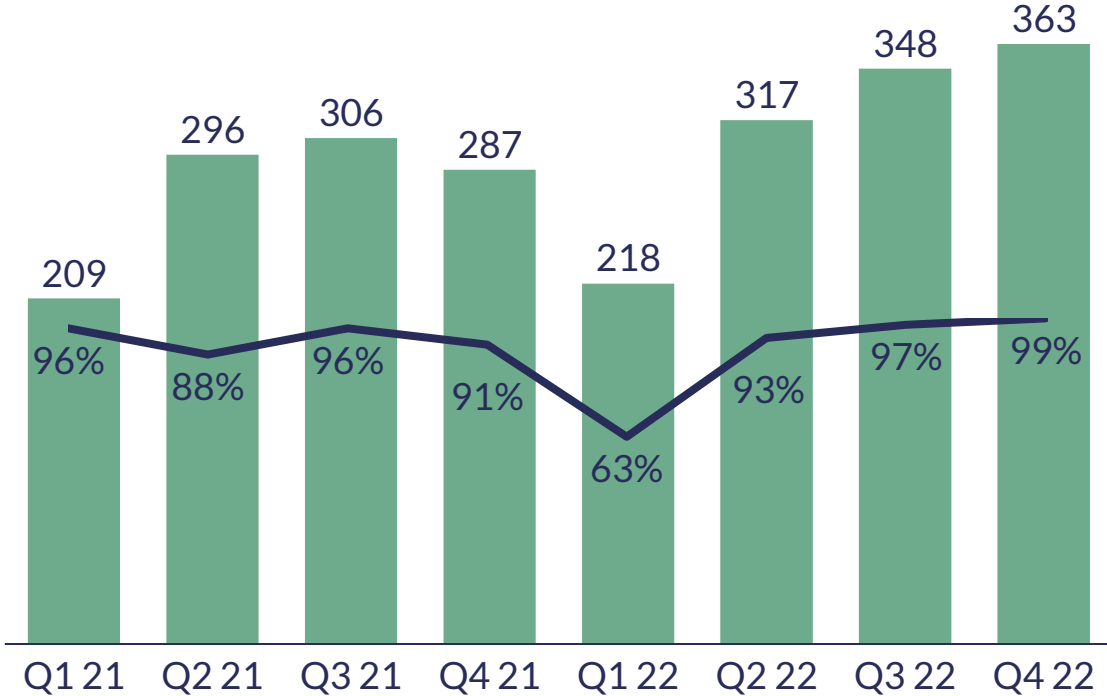
- Strong liquidity and equity positions
- Positioned for remaining Reach Remote investment of NOK 280 million
 - Debt financing of NOK 200 million
- Edda Sun: NOK 29 million pre-paid in 2022
 - Remaining investment of NOK 320 million, includes equipment, upgrades and mobilization
 - Debt financing of NOK 170 million
 - Agreement with strategic vessel co-owner nearing completion

Steady growth in ROV and vessel activity and utilization

ROV days sold and % utilization



Vessel days sold and % utilization



Progress on achieving ESG targets – Q4 status

Environment

Increase activity within non-Oil&Gas segment to 50% (project days)

Not achieved

Reduce COE emissions compared to activity levels

Achieved

Zero major spills of hazardous materials to the sea

Achieved

Increase use of remote operations

Achieved

Invest in Unmanned Surface Vessels

Achieved

Participate in Ocean Cleanup campaign

Achieved

Employees

Work-related sick leave at low level (less than 1.0%)

Achieved

Zero work-related injuries

Not achieved

Implement campaign with focus on mental and physical health

Achieved

Increase percentage of female employees in offshore employment categories

Achieved

Further develop REACH-ED with new e-learning for employees

Achieved

Maintain turnover below 8%

Achieved

Responsible business

Develop and implement audit plan for suppliers

Achieved

Maintain customer satisfaction score at 4 and higher

Achieved

Develop REACH-ED with new e-trainings for suppliers

Achieved

Maintain technical uptime at 99% or higher

Achieved

Summary

In the sweet spot for continued growth and value creation

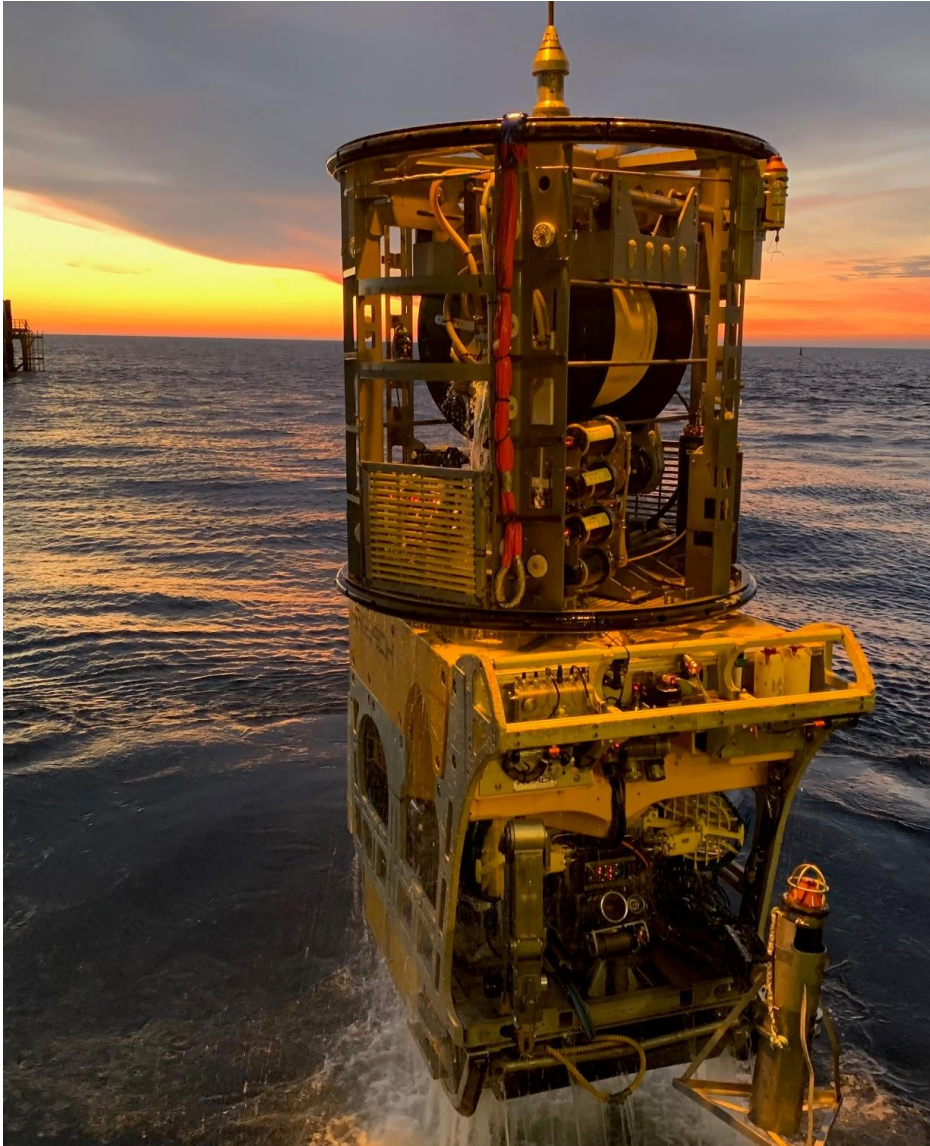
Proven commercial track record with strong execution

Record high revenue and profitability in 2022

Record high order backlog: Strong market outlook for oil & gas and renewables

Secured increased vessel capacity at attractive terms.

Strong financials with attractive dividend yield and disciplined approach to investments



Q&A

The logo features the word "REACH" in a bold, white, sans-serif font. The letter "E" is highlighted in a vibrant green color. A thin green horizontal line is positioned above the "R" and "E". Below "REACH", the word "SUBSEA" is written in a smaller, white, sans-serif font.

REACH
SUBSEA