



DNB Investor Conference

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aqualis.no



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Aqualis at a glance – A leading global energy consultancy

OFFSHORE OIL & GAS



- Global presence with established market position
- Marine consultancy and engineering services
- Clients: Offshore asset owners, oil companies, EPC contractors, financial institutions, insurance companies, investors

AQUALIS
OFFSHORE

OFFSHORE RENEWABLES



- Active in Europe, the US & Asia
- Engineering & project management consultancy
- Clients: Offshore wind farm developers, utilities, vessel owners, financial institutions, insurance companies, investors

OFFSHORE
WIND
CONSULTANTS

19x offices in 15x countries

Leading niche player with strong track record

Strong financial position

ISO 9001 & OHSAS 18001

Listed on Oslo Stock Exchange



Global service offering

Quality

Flexibility

Experience

2018 Highlights

Growth continues - Led by offshore renewables



Revenue growth led by offshore renewables

- Revenues of USD 36.2m in 2018, up 16%
- Offshore renewable revenues up 37%
- Oil & gas revenues up 13%



Strengthened market position and expansion

- Gaining market share in a flat O&G market
- New offices opened
- New recruitment ongoing



Improved profitability

- Adjusted EBIT of USD 2.4 million in 2018 vs USD 1.7 million in 2017
- Robust results across the group



Strong operational performance

- Billing ratio of 83%¹
- Solid HSEQ performance



Return of cash to shareholders

- Dividend of NOK 0.90 per share in 2018
- The Board of Directors will propose a dividend of NOK 0.10 per share for AGM

(1) Billing ratio for Technical Staff including subcontractors

Expansion of Global Footprint 2018/19

Aqualis has opened 3 new offices in 2018/19

- Perth, Western Australia - to support oil & gas and renewables developments
- Taipei, Taiwan – to support offshore renewables
- Boston, Mass., USA – to support offshore renewables



Offshore Oil & Gas

- Service offering covering the life cycle of offshore assets

Marine project / asset life cycle



Aqualis Offshore services

Engineering (niche-focus):

Basic / conceptual design / FEED
 Modifications and upgrades of drilling rigs / FPSOs / FSOs / lift-boats
 Transportation & installation analysis

Construction yard supervision:

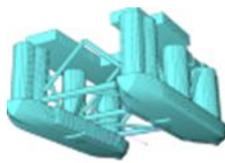
Site attendance on behalf of owners, shipyards, financial institutions, 3rd parties
 Conversions, upgrades & New-builds
 Due diligence / compliancy; financial community focus

Marine operations:

Transport and installation services; "moving of offshore assets"
 Rig moving
 Float-overs
 Site attendance & procedure management

Inspection & approvals:

Marine warranty services
 Mooring analyses
 Condition and suitability surveys / audits
 DP inspections and audits
 Jack-up site assessments



Aqualis' key competencies cover both offshore opex and capex cycles

Offshore Oil & Gas

– Blue Chip Client base

NOCs / IOCs



Offshore contractors / shipyards



Rig / vessel owners

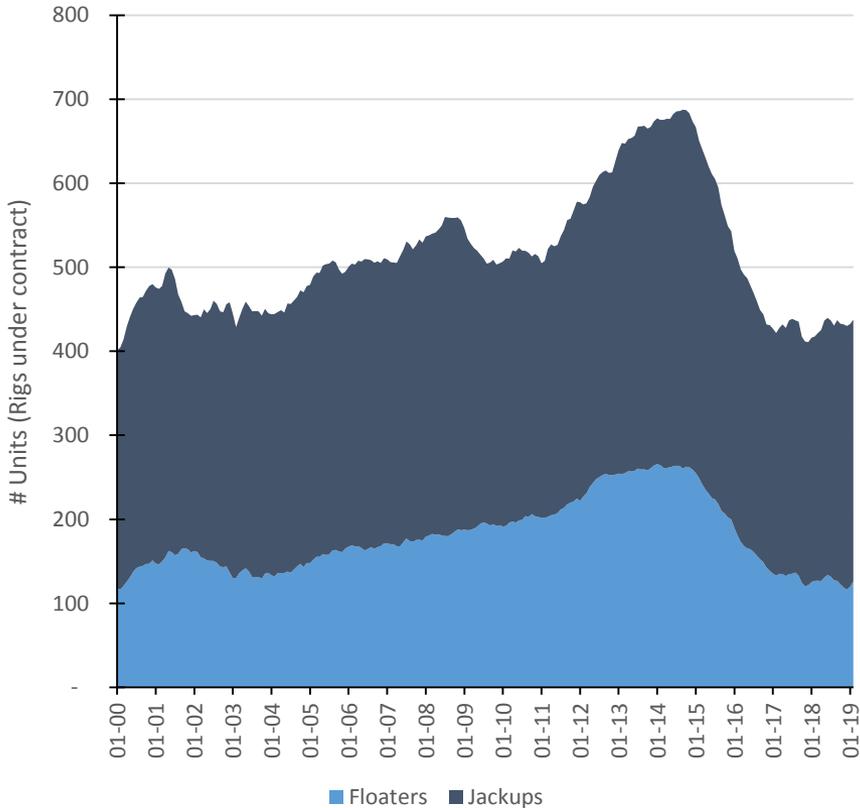


Underwriters / financial institutions



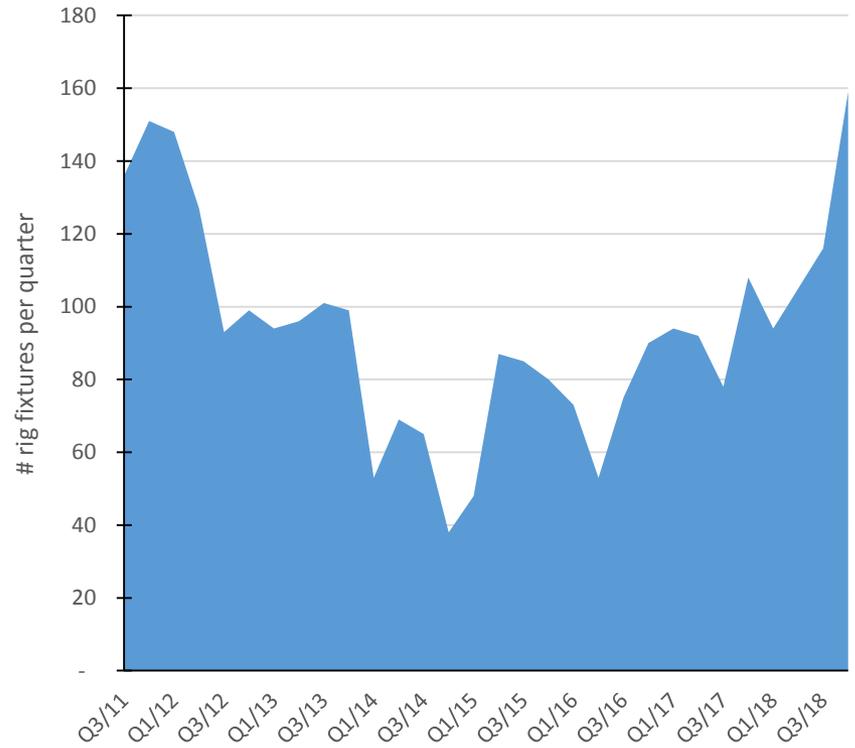
Rig market development

Working offshore rig count



Source: SpareBank 1 Markets & IHS Markit, Jan 2019

Rig contracting activity



Source: SpareBank 1 Markets & IHS Markit, Jan 2019

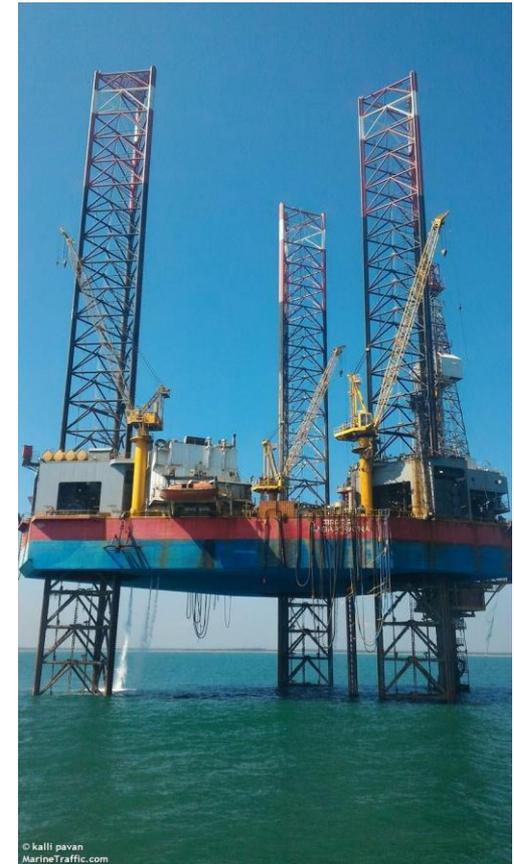
2000th Jack Up Rig Move attendance

Aqualis Offshore attends of approximately 20% of the global jack up fleet during rig moves. Main areas of focus are:

- India
- Middle East – KSA / Qatar / UAE / Egypt
- Asia Pacific – Malaysia / Thailand / Brunei
- Mexico
- North Sea

Scopes of work include provision of:

- MWS
- Towmasters
- Client Reps
- Geotechnical
- Site Specific Engineering



Bahrain LNG Terminal Project

– multi faceted loadout/marine installation operation completed

- Loadout of the 7200 MT topside took place in Thailand onto a smaller installation “Giant 5” barge
- Barge and topside piggy backed onto a large self propelled dry transportation HLV
- Topside and installation barge discharged offshore Bahrain
- Topside installed by floatover within shallower water terminal area
- Installation of the jacket, fabricated in South Korea, was engineered and managed by Aqualis in May 2018



Egina FPSO Station Keeping

- Samsung Heavy Industries was awarded the Engineering, Supply, Construction and Commissioning of the EGINA FPSO Unit.
- As part of this scope SHI transported the FPSO from Geo-Je, South Korea to Lagos, Nigeria and later towed out to the EGINA field to hook-up the FPSO to pre-installed moorings where it was held on station while the facility is being moored
- Egina FPSO is spread moored on 16 lines (4x4). Located approx. 200km off coast of Nigeria in water depth ~1470m
- Station keeping used 4+1 tugs with 24/7 Station keeping masters provided by Aqualis Offshore



FPSO P-67 Dry Transportation China-Brazil



- MWS for the dry transportation of FPSO P-67 from China to Brasil and inshore mooring at Rio de Janeiro.



- Largest ever cargo transported by a Heavy Transport Vessel at 80,000 MT and 288m length

Wind Turbine Installation Vessel – Construction supervision

- Aqualis completed the construction supervision of Ouyang Offshore's new-build self-elevating wind turbine installation vessel, OuYang 1, at Dayang Offshore Equipment yard in Jiangsu, China. The delivery ceremony was held in January 2019
- Construction supervision for Ouyang Offshore's second wind turbine installation vessel, OuYang 2, is ongoing
- A wind turbine installation vessel can rapidly raise its hull clear of the water to provide a stable platform for offshore construction and O&M works



GOM - MP261JP Platform Decommissioning Project

- Removal of jacket and Topside using Versabar's VB 10000 twin truss crane



OWC Provides Advisory Services Across the Market



Offshore Wind Developers

SWancor
MACQUARIE
Ørsted
VATTENFALL
IBERDROLA

Supply Chain

seacocks
SENVION
A2 SEA
SIEMENS

Investors, Financial and Regulatory Institutions

ifm
European Investment Bank
ofgem
DTC

Projects

Development, Engineering, Commercial, Technical & Project Management Support over Whole Lifecycle

Transactions

Technical Due Diligence Advisory

Business Intelligence

Market & Technology Studies & Strategy



Experience Snapshot In Some Segments



27 GW
(50 projects)

Of projects

We have worked on many projects world wide since 2011

19 GW

Geotech & engineering

We have experience of soil conditions world wide. We also optimise, reduce costs and reduce uncertainty of substructure concepts

6.5 GW

Due Diligence

We have undertaken peer reviews & TDD at many critical stages of projects

13 GW

Subsea cables

We design & evaluate risks of cable routes, determine or evaluate installation methodologies & advise on O&M & repair issues

5.1 GW

Project management

We have realised full projects & support developers during pre-construction & construction

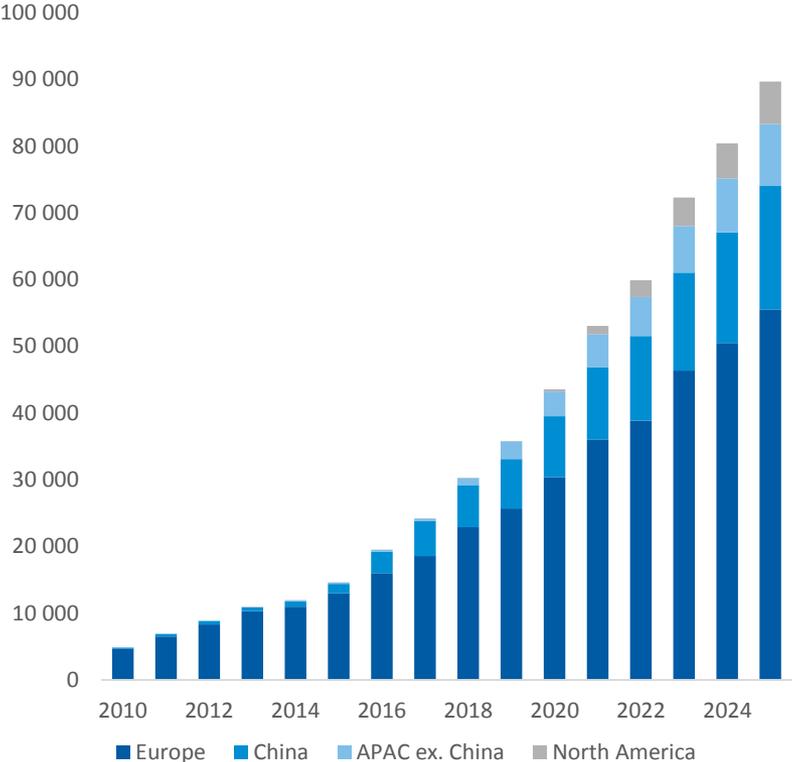
3 GW

Offshore substations

We can advise on specification, siting, procurement & construction of offshore & onshore transmission assets

Global offshore wind market development

Offshore wind capacity development



Source: SB1M June 2018, 4C offshore, WindEurope 2017

Comments

- Industry analyst expect the global offshore wind market to grow at 17% compound annual return from 2018 to 2025
- Strong growth both in Europe and in emerging markets. Europe’s share of global offshore wind capacity expected to fall from 76% in 2018 to 62% in 2025
- China expected to constitute 21% of the global installed base in 2025

Triton Knoll Offshore Wind Farm



Triton Knoll offshore wind farm is a 90 x 9.5 MW Offshore Wind Farm of 860 MW in the UK.

- OWC were contracted to provide specific specialist **project management services** for Innogy's flagship offshore wind project
- This award followed on from supporting Innogy (RWE) on previous projects such as Gwynt y Môr, Nordsee Ost and Galloper offshore wind farms
- OWC carried out the work with personnel from its office in London, UK



Project Management Consultancy

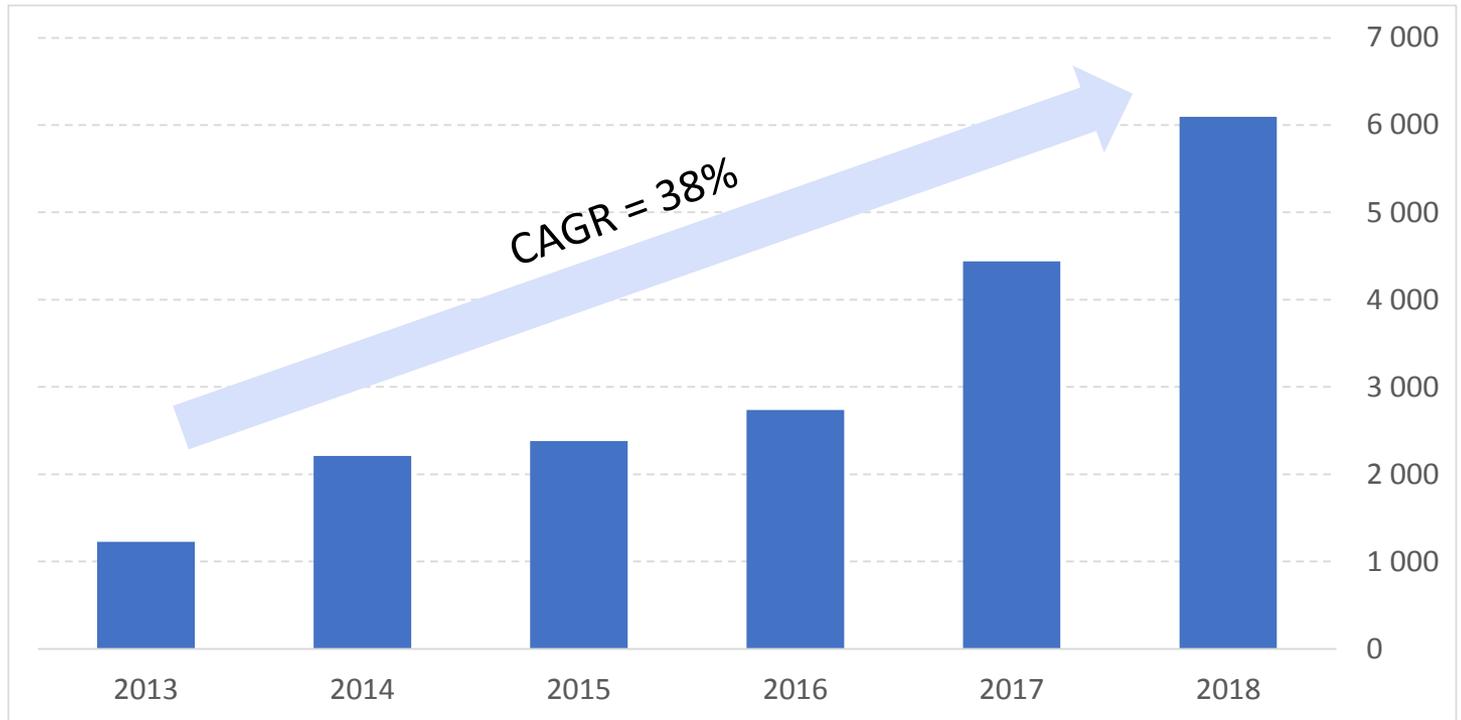


- **The project:**
 - Confidential Taiwan Offshore Wind project
 - **c400 MW project**
 - Circa **EUR 2.3 BN** of CAPEX
 - Jacket-foundation project in a highly seismic area
- **Client:** Confidential
- **OWC Scope:**
 - We are embedded into the project team – 16 roles including: EPC Director, Foundation Package Manager, Site Conditions Manager, Geotechnical Engineers, Risk Manager, Interface Manager, Transportation and Installation Team, GIS Engineer, Permitting/Environmental Support
 - We are using its experience across Europe to advise the Client, help set up controls to understand risk, and reduce CAPEX/DEVEX
 - Site Investigation (managed by OWC) completed in 2018
 - Design/Certification process ongoing, as well as contract negotiation
 - ***OWC brings deep OW experience, local regulatory knowledge and APAC supply chain knowledge (via Aqualis Offshore, group company)***

Offshore Wind Consultants – offshore wind focus

Development in Revenues¹ (USDk)

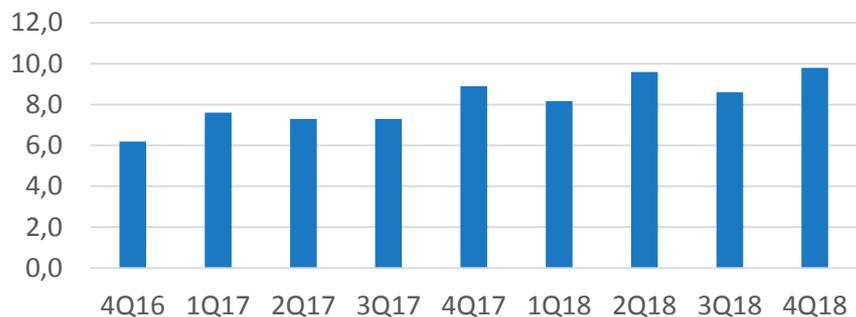
- OWC was established in 2011
- Initial focus on UK market
- Acquired by Aqualis in July 2014
- Opened office in Germany (2015) and Taiwan (2018)
- Assessing expansion opportunities in other emerging markets



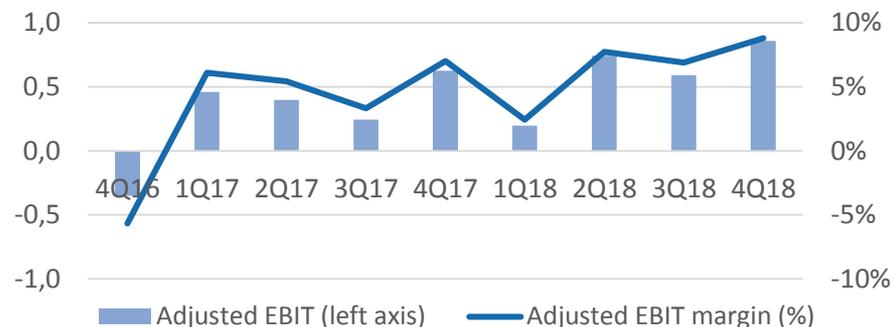
(1) Unaudited pro forma figures

Revenues and adjusted EBIT trend

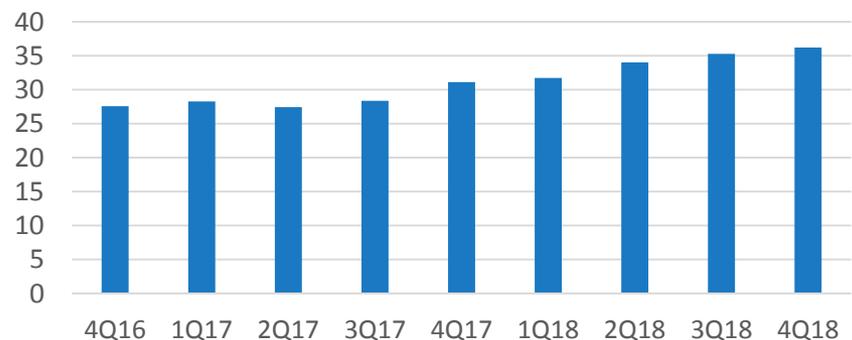
Revenues (USDm)



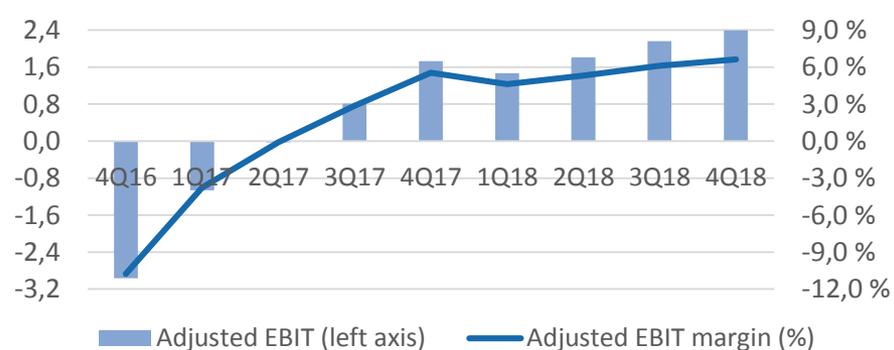
Adjusted EBIT¹ development (USDm, %)



Revenue LTM (USDm)

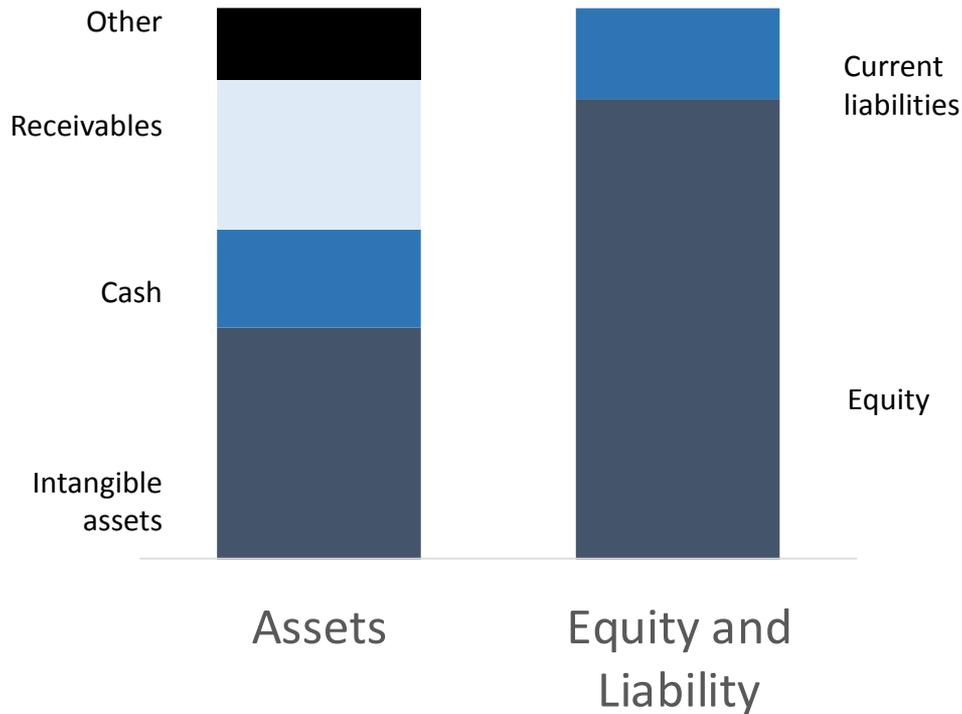


Adjusted EBIT¹ LTM (USDm, %)



(1) Adjusted EBIT: Earnings before interest and taxes adjusted for goodwill impairments, share of net profit / (loss) from associates and impairment of loan to and investment in associates

Strong balance sheet



- Figures as of Q4 2018
- Cash balance of USD 5.5 million
- No interest bearing debt
- Equity ratio of 83%

Top 20 shareholders

#	Name	Shares	%
1	Gross Management AS	7 367 996	17,4
2	Carnegie Investment Bank AB	2 453 386	5,8
3	Tigerstaden AS	1 886 663	4,5
4	Danske Bank A/S	1 702 046	4,0
5	Mp Pensjon PK	1 463 128	3,5
6	Lgt Bank AG	1 402 923	3,3
7	Oma Invest AS	1 400 000	3,3
8	Saxo Bank A/S	1 264 743	3,0
9	Nordnet Bank AB	1 238 872	2,9
10	Badreddin Diab	1 001 302	2,4
11	Dnb Nor Markets, Aksjehand/Analyse	971 735	2,3
12	Philip Alan Lenox	830 583	2,0
13	Magne Gislerød	800 000	1,9
14	Acme Capital AS	637 500	1,5
15	Six Sis AG	631 192	1,5
16	Alsto Consultancy Ltd	598 122	1,4
17	Andreas Theofanatos	512 188	1,2
18	Ian Dennis Bonnon	508 260	1,2
19	Kula Invest AS	504 362	1,2
20	Kim Magnus Boman	500 000	1,2
	Top 20 shareholders	27 675 001	65,4

Source: VPS, 13.02.2019

Appendix



Alternative Performance Measures

The European Securities and Markets Authority (ESMA) issued guidelines on Alternative Performance Measures (“APMs”) that came into force on 3 July 2016. The Company has defined and explained the purpose of the following APMs:

EBITDA

Management believes that “EBITDA” which excludes gain (loss) on disposal of interest in associates, depreciation, amortisation and impairments is a useful measure because it provides useful information regarding the Company’s ability to fund capital expenditures and provides a helpful measure for comparing its operating performance with that of other companies. A reconciliation between reported operating profit (loss) (EBIT) and EBITDA is shown below. EBITDA may not be comparable to other similarly titled measures from other companies.

Adjusted operating profit (loss)

Management believes that “Adjusted operating profit (loss)” which excludes gain (loss) on disposal of interest in associates and impairments of goodwill is a useful measure because it provides an indication of the profitability of the Company’s operating activities for the period without regard to significant events and/or decisions in the period that are expected to occur less frequently. A reconciliation between reported operating profit (loss) (EBIT) and adjusted operating profit (loss) is shown below.

Adjusted profit (loss) after taxes

Management believes that “Adjusted profit (loss) after taxes” which excludes gain (loss) on disposal of interest in associates and impairments of goodwill is a useful measure because it provides an indication of the profitability of the Company’s operating activities for the period without regard to significant events and/or decisions in the period that are expected to occur less frequently. A reconciliation between reported profit (loss) after taxes and adjusted profit (loss) after taxes is shown below.

Order backlog

Order backlog is defined as the aggregate value of future work on signed customer contracts or letters of award. Aqualis’ services are shifting towards “call out contracts” which are driven by day-to-day operational requirements. An estimate for backlog on “call out contacts” are only included in the order backlog when reliable estimates are available. Management believes that the order backlog is a useful measure in that it provides an indication of the amount of customer backlog and committed activity in the coming periods.

Working capital and working capital ratio

Working capital is a measure of the current capital tied up in operations. The amount of working capital will normally be dependent on the revenues earned over the past quarters. Working capital may not be comparable to other similarly titled measures from other companies. Working capital ratio provides an indication of the working capital tied up relative to the average quarterly revenue over the past two quarters.

AQUALIS