

A composite background image for the slide. On the left, there are several wind turbines against a blue sky. In the center, there is an aerial view of a large industrial facility, possibly a refinery or chemical plant, with various structures and pipes. On the right, there is an offshore oil rig or platform in the ocean. The entire image has a blue color scheme with a diagonal yellow-green line separating the different sections.

The **Energy & Marine** Consultants.

## **ABL Group acquires AGR**

20<sup>th</sup> March 2023

[abl-group.com](http://abl-group.com)

## Brief summary of announcement

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- ABL Group has entered into an agreement to acquire 100% of AGR
- The transaction is financed through issue of shares to sellers Akastor, as well as AGR's lending banks DNB and Nordea
- All interest bearing debt in AGR is settled as part of transaction, creating a strong financial platform for growth
- Add Energy's 'Wells' business and AGR to form new AGR branded 'vertical' in ABL Group
- The transaction is expected to close mid-April 2023
- Both groups of companies will continue to operate independently until closing



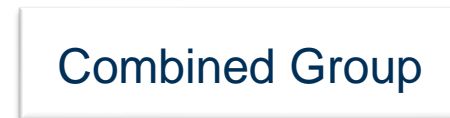
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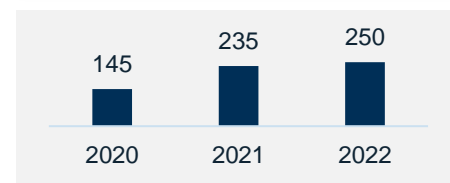
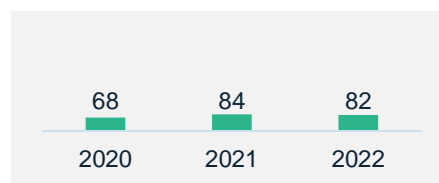
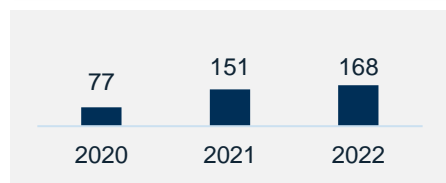
# ABL Group to acquire AGR



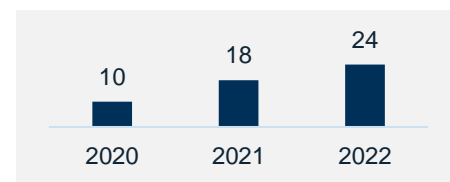
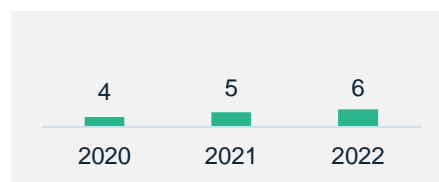
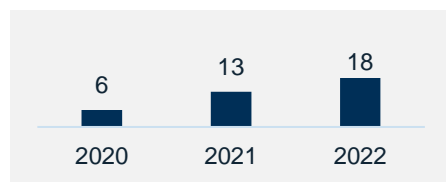
# AGR and ABL Group's pro forma combined financial profile



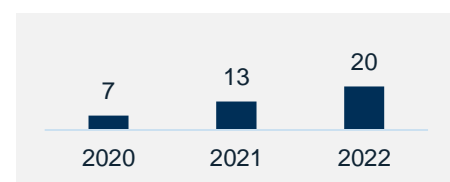
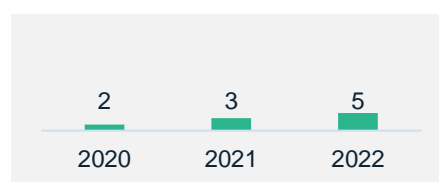
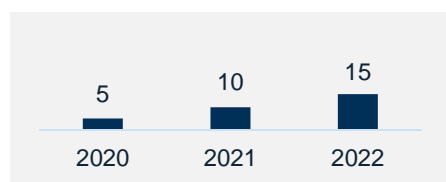
Revenue <sup>1,2</sup>  
(USDm)



Adj. EBITDA<sup>3</sup>  
(USDm)



Adj. EBIT<sup>3</sup>  
(USDm)



4

1. AGR financials converted to USD based on Norges Bank FX rates (yearly averages)
2. AGR revenues include some larger non-recurring items in 2021 (NOK 11m loss on shares in SpotOn WM UK) and 2022 (NOK 21m gain on shares in Føn Energy and NOK 4m in performance bonus).
3. Adjusted EBITDA and EBIT for AGR are based on mgmt. adjusted EBITDA, but we add back operational lease adjustment to be comparable to ABL Group on IFRS16. Adj. EBIT is adjusted for impairment of goodwill in 2021.



# Transaction overview

- ABL Group acquires 100% of shares in AGR AS from a subsidiary of Akastor ASA at EV NOK 262.5 million
  - Settled through issuance of 18.2 million new ABL Group shares and existing cash
  - Certain minority stakes including Føn Energy Services carved out prior to transaction and retained by seller
  - AGR is acquired debt free - existing debt from Akastor, Nordea and DNB settled as part of transaction
- After completion, each of Akastor, DNB and Nordea will own approximately 1/3 of the consideration shares
  - Consideration shares will represent 14.8% of outstanding shares
  - Akastor, DNB and Nordea have entered into a 12 month lock-up agreement for the consideration shares
- Completion of acquisition expected on or about 18 April 2023
  - Subject to approval of equity issue at ABL Group EGM
  - Shareholders representing 40% of shares in ABL Group ASA have committed to voting in favour

## Purchase price and settlement

Enterprise value	262.5	Share consideration	272.5
Net cash and excess NWC	90.4	Cash consideration <sup>1</sup>	80.4
<b>Purchase price<sup>1</sup></b>	<b>352.9</b>	<b>Total settlement<sup>1</sup></b>	<b>352.9</b>

## Indicative timeline

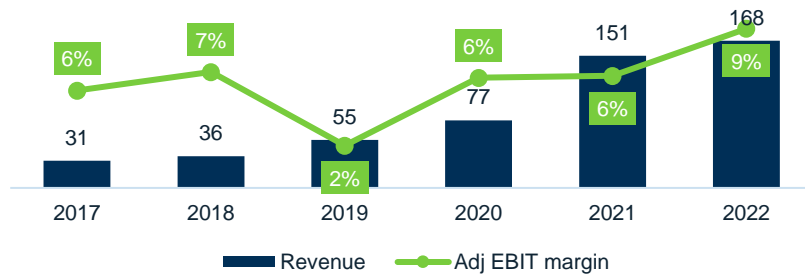
Event	Estimated date
ABL Group EGM	12 April 2023
Completion of acquisition	18 April 2023
Issuance of consideration shares (separate ISIN)	25 April 2023
Publication of listing prospectus	Late May / Early June

# ABL Group – growth snapshot

## Overview

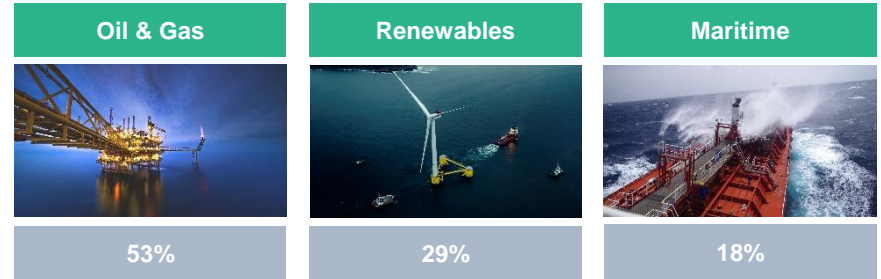
- **ABL Group** offers independent energy and marine consultancy to the global renewables, maritime and oil and gas sectors
- Clients include insurance companies, financial institutions, owners of offshore installations and vessels, utilities, O&G companies and EPC contractors
- Global office network consisting of 62 offices in 38 countries
- 1,098 employees (incl. subcontractors)
- Listed on Oslo Stock Exchange since 2014

## Key Financials<sup>1</sup> (USDm)



- (1) LOC consolidated from 1Q21, Add Energy from 3Q22  
 (2) Based on 2022 revenue as reported, Add Energy consolidated from 3Q22

## Main market sector and revenue split<sup>2</sup>



## Geographical set-up



# AGR positioned for growth within the ABL Group

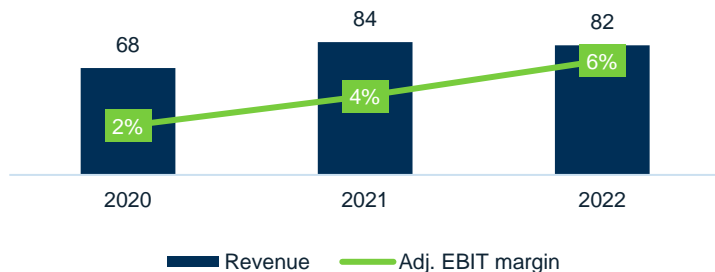
Revenue split

EBITDA split

## Overview

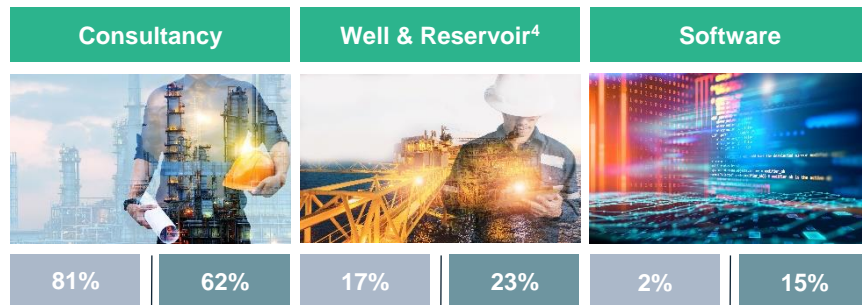
- **AGR** is a multi-disciplinary engineering consultancy and software provider focused on:
  - Well management
  - Specialist multi-disciplinary resource solutions provider ('consultancy')
  - Reservoir management
  - Wellsite & operations geology
  - iQx™ software suite
- Clients include E&P, chemical & energy companies, financial institutions
- 5 offices in Norway, UK, and Australia
- 370 employees (incl. subcontractors)

## Key Financials (USDm)<sup>1,2</sup>



1. Adjusted EBITDA and EBIT for AGR are based on mgmt. adjusted EBITDA, but we add back operational lease adjustment to be comparable to ABL Group on IFRS16. Adj. EBIT is adjusted for impairment of goodwill in 2021.
2. AGR financials converted to USD based on Norges Bank FX rates (yearly averages)
3. Based on 2022 preliminary financials. Segment's share of total are based on financials gross of eliminations.
4. Well & Reservoir' is AGR's Wellsite & Operations Geology, Well Management and Reservoir Management offerings combined. The three 'business streams' represented reflect the different business models of each; recruitment/secondment, consultancy services and software.

## Main business streams and revenue & EBITDA split<sup>3</sup>



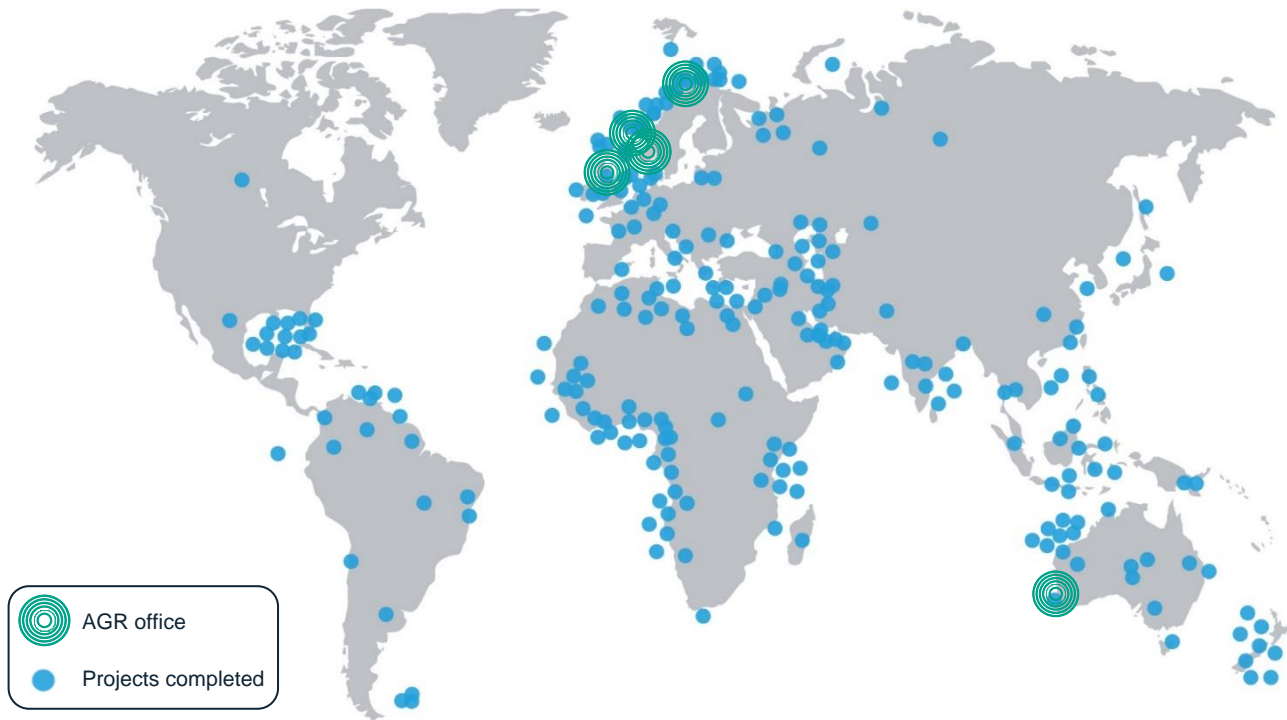
## Geographical set-up





# AGR brings a world of **expertise & experience**

A globally recognised brand within well consultancy, scalable through ABL Group's global reach



**560+**  
well projects  
delivered across 6  
continents

**200+**  
wells  
decommissioned

**2500+**  
wells reviewed for  
pore pressure  
stability



# AGR's capabilities



## Drilling Project Management & Well Engineering

Outsourced Drilling department with HSEQ management

Ad-hoc well engineering

Well Integrity & Assurance

Regulatory submissions

560+ well projects delivered across 6 continents



## Decommissioning

P&A, Decommissioning Project Management across entire supply chain

200+ wells plugged & abandoned



## Integrated Supply Chain

People and materials movement

Procurement and project cost control

Flexible contracting models

Supply Base set up

80+ remote operations



## Reservoir Management & Asset Evaluation

G&G and reservoir engineering

Industry recognised asset evaluator

Average experience level of team members 20+ years

1,500+ peer reviews delivered



## Consultant & Permanent Hires

Staffing & Recruiting services in multi-disciplinary roles

Database of 7,000+ candidates

4,000 candidates placed in 70 locations



## Operations and Wellsite Geology

Largest pool of experts on NCS with 45+ operations & wellsite geologists

Coaching

2,500+ wells reviewed for Pore Pressure stability



## Low carbon solutions

CCUS

Geothermal

Hydrogen

Seabed minerals



## Drilling Software





Cloud-native

Connects to other systems via OpenAPI

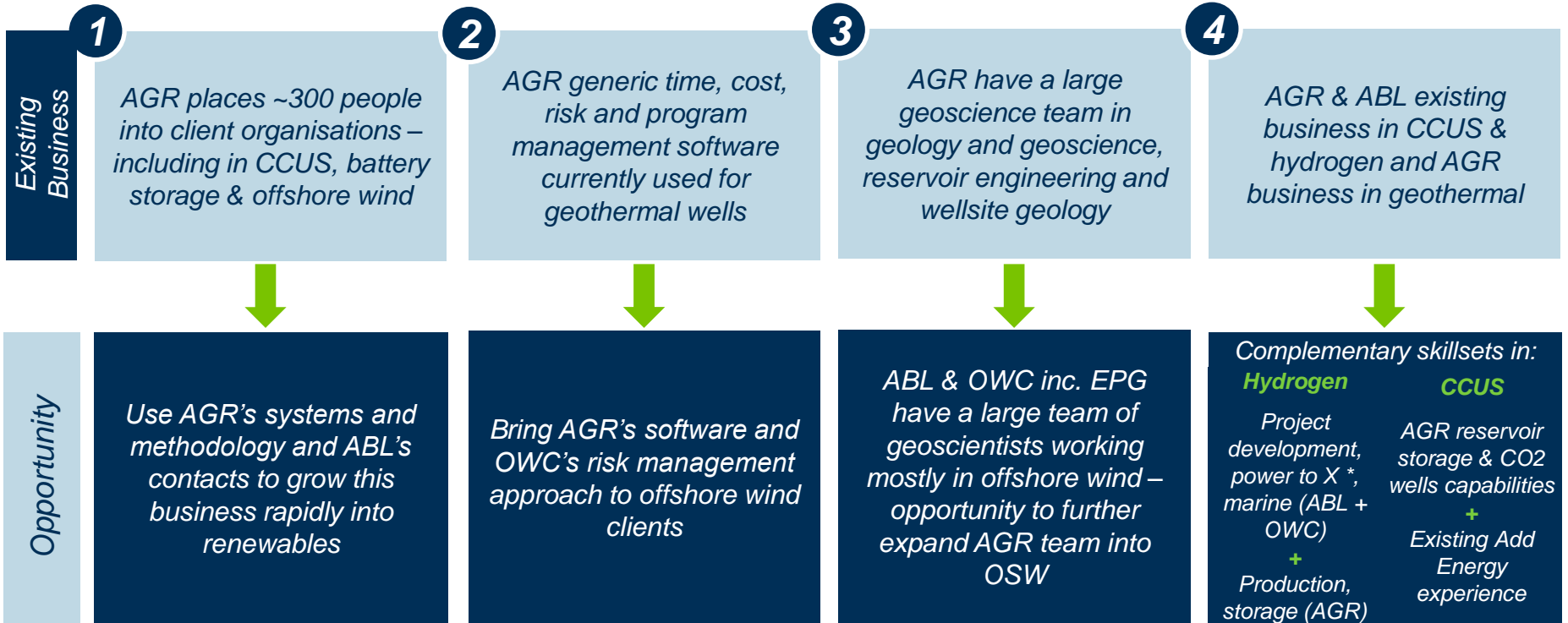
Functionalities:

- increased automation & workflow efficiency in well delivery (cost & time planning, tracking, saving lessons learned, rig scheduling)

# Potential to grow and globalise services through ABL Group's global network

			 
<b>Well Management</b>	Active In Australia	Globally recognised brand, leading position in Australia	Strengthen current position. Globalise through ABL Group's network
<b>Resource Solutions</b>	Strong niche position in 'high end' O&G resourcing in Australia. Limited position in 'high end' RE resourcing	Leading position in "high end" O&G resourcing in Norway and Australia and active in other markets	Strengthen current position and globalise. Accelerate growth into renewables
<b>Reservoir Management</b>	No presence	Leading position in Norway	Positioned for growth via ABL Group's global network
<b>CCUS</b>	Active in a number of early projects, leveraging world leading well integrity expertise	Active in several early projects, leveraging wells & reservoir expertise	Consolidate competencies into broader global offering
<b>Software</b>	Fragmented software development	Fully commercialised software division, limited by lack of global sales network	Consolidated software development with global sales network
<b>Wellsite &amp; Ops. Geology</b>	Not present	Leading position in Norway	Positioned for growth via ABL Group global network
<b>Well Control</b>	Global leading position	Not present	Maintain position as global leader

# AGR acquisition facilitates accelerated organic growth in the energy transition



# Benefits to all stakeholders



## Customers

- ✓ New capabilities and broader suit of services offered
- ✓ Increased scale and wider global footprint helps the company to efficiently meet customers' evolving needs
- ✓ Limited overlap and compelling customer benefits with comprehensive service and software product offering and wide service network

## Employees

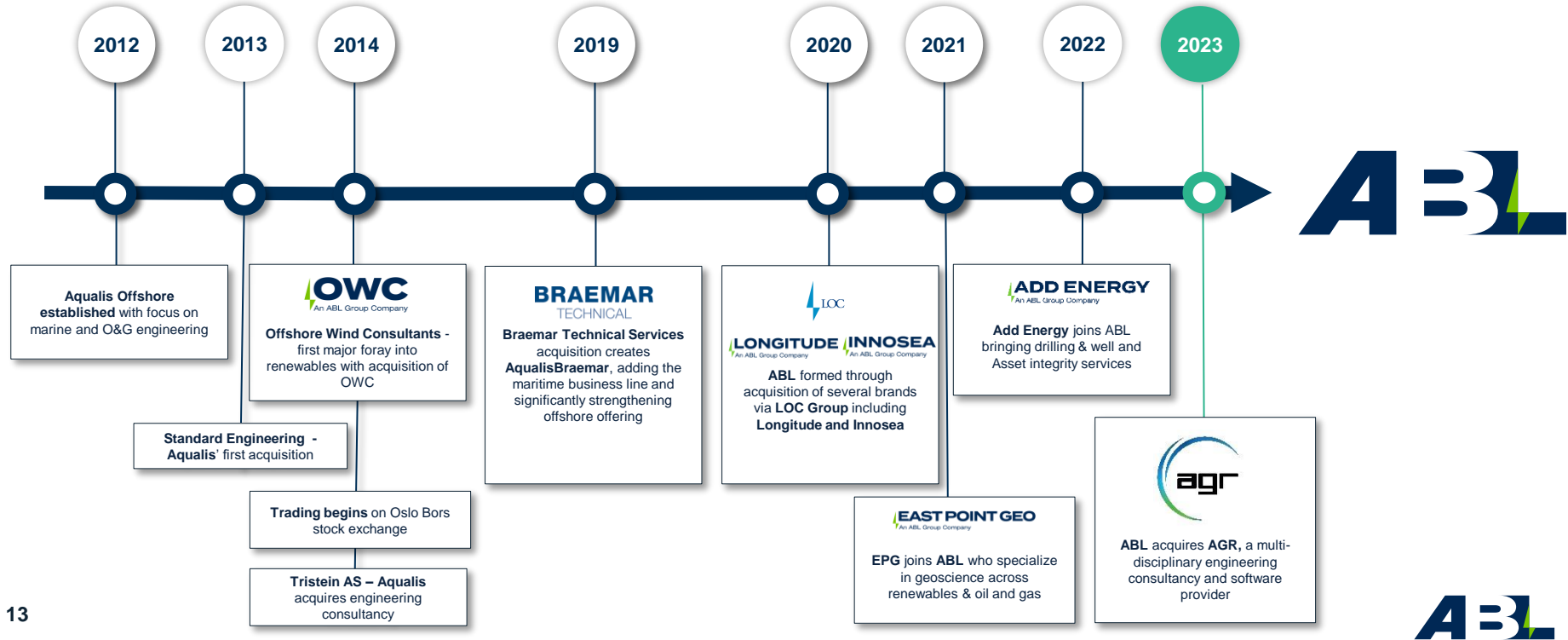
- ✓ Better career prospects at a larger, global and more diversified company more exposed to the energy transition
- ✓ Additional renewables/energy transition capabilities for us to grow
- ✓ Increased professional development and international career opportunities
- ✓ Access to larger pipeline of work and challenging projects with greater opportunity for innovation across market sectors

## Shareholders

- ✓ Accretive acquisition with strong industrial rationale
- ✓ Significant revenue synergies in combining AGR's unique capabilities and strong brand with ABL Group's global platform
- ✓ Improved platform for growing scalable software and digital services

# A track record of successful consolidation

Through targeted acquisition and organic growth, we have built a comprehensive family of **Energy** and **Marine** consultancy companies who are renowned in their field offering services that are both complementary and interconnected. Together we are **ABL Group**.



# ABL Group to acquire AGR





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**ABL**

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