

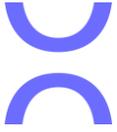
CARBON
TRANSITION

Carbon Transition

Q1 2023

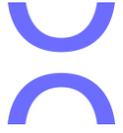
10 May 2023





Disclaimer

- The information in this presentation has been prepared by Carbon Transition ASA (the “Company”). By attending the meeting where this presentation is made, or by reading the presentation slides, you agree to be bound by the following limitations and provisions:
- This presentation has been prepared by the Company based on information available as of the date hereof. By relying on this presentation you accept the risk that the presentation does not cover all matters relevant of an assessment of an investment in the company.
- No representation or warranty (expressed or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and, accordingly, none of the Company, any advisor or any such persons’ officers or employees accepts any liability whatsoever arising directly or indirectly from the use of this presentation. The information herein is subject to change, completion, supplements or amendments without notice.
- The presentation is based on the economic, regulatory, market and other conditions as in effect on the date hereof, and may contain certain forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they reflect the Company’s current expectations and assumptions as to future events and circumstances that may not prove accurate. It should be understood that subsequent developments may affect the information contained in this document, which neither the Company nor its advisors are under an obligation to update, revise or affirm.
- This complete presentation is for informational purposes only and does not constitute an offer to sell shares in the Company. This presentation is not a prospectus, disclosure document or offering document and does not purport to be complete. Nothing in this presentation should be interpreted as a term or condition of the Transaction. The presentation is strictly confidential and may not be reproduced or redistributed, in whole or in part, to any other person.
- This presentation has not been reviewed or approved by any regulatory authority or stock exchange. The (re)distribution of this presentation and/or any prospectus or other documentation into jurisdictions other than Norway may be restricted by law. This presentation does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire any securities offered by any person in any jurisdiction in which such an offer or solicitation is unlawful. Neither this presentation nor anything contained herein shall form the basis of any contract or commitment whatsoever. Persons into whose possession this presentation comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such restrictions.
- The contents of this presentation are not to be construed as legal, business, investment or tax advice. Each recipient should consult with its own legal, business, investment and tax adviser as to legal, business, investment and tax advice.
- Any investment in the Company involves inherent risks and is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of the investment. Investors should carefully review the summary of risk factors set out in the following slides before making any investment decision.
- The presentation and any purported liability in connection with it is subject to Norwegian law and is subject to the exclusive jurisdiction of the Norwegian courts.

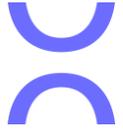


Quarterly highlights

- Fair value of multi-client library USD 35.9 million
- Fair value of investment portfolio USD 7.6 million
 - Net gain of USD 0.8 million
- Revenue from reprocessing Utsira represented USD 2.4 million and from multi-client late sales Utsira USD 0.5 million
- Available liquid funds of USD 13.0 million*
- Cash earnings USD 0.3 million for the quarter
- Net asset value NOK 2.15 per share

* Bank deposits, trade receivable and marketable securities



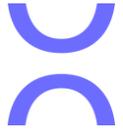


New name announced – Aquila Holdings

Revised seismic and investment strategy

- Attractive seismic multi-client business
 - Multi-client library and related seismic assets represent approximately three quarters of total assets
 - Will consider expansion opportunities
- Investment arm
 - Select investments in listed and unlisted securities
 - Currently targeting opportunities in energy and industrial sectors
- Meet the criteria for risk and return set by the board of directors

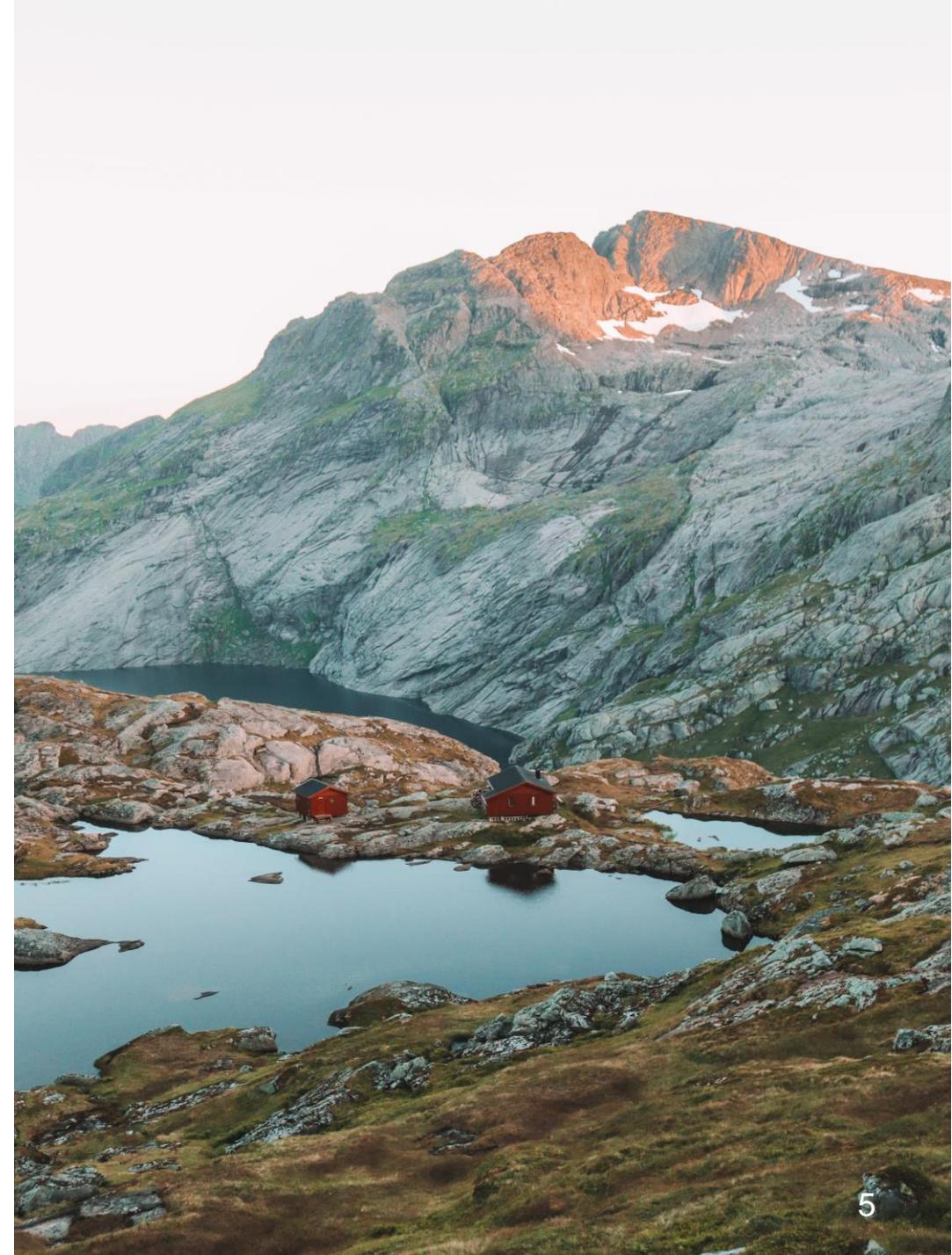


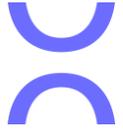


Seismic business

World shifting towards energy security

- Revised strategy with more emphasis on traditional energy assets
- Optimize revenues from seismic assets
- Evaluate new investments within seismic domain
- Potential expansion opportunities
- Low-cost operation



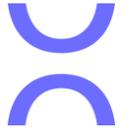


Multi-client strategy

OBN seismic data for near-field exploration

- Multi-client library fair value of USD 35.9 million
- Generating robust revenue
- Expect additional late sales in 2023 from both Norway and Egypt
- Seismic demand picking up and market is tightening
 - Seismic contracts being converted to multi-client projects can open new opportunities for attractive investments
- The company holds significant knowledge and experience in the seismic market from its legacy operations which can be utilized for growth





Multi-client portfolio

Norway and Egypt – prolific hydrocarbon basins

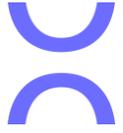
Utsira

- Reprocessing identifies new drillable prospects in mature areas
- State of the art technology through collaboration with CGG
- Delivering priority area in Q3 2023
- Reprocessing project is on schedule and at cost
- New products will expand overall value of Utsira library
- Ongoing client discussions reveal robust demand

Gulf of Suez

- Actively marketing Gulf of Suez data to Egyptian clients
- Upcoming bid rounds will spur further interest in area
- Increasing drilling activity
- M&A activity may generate change of control revenues

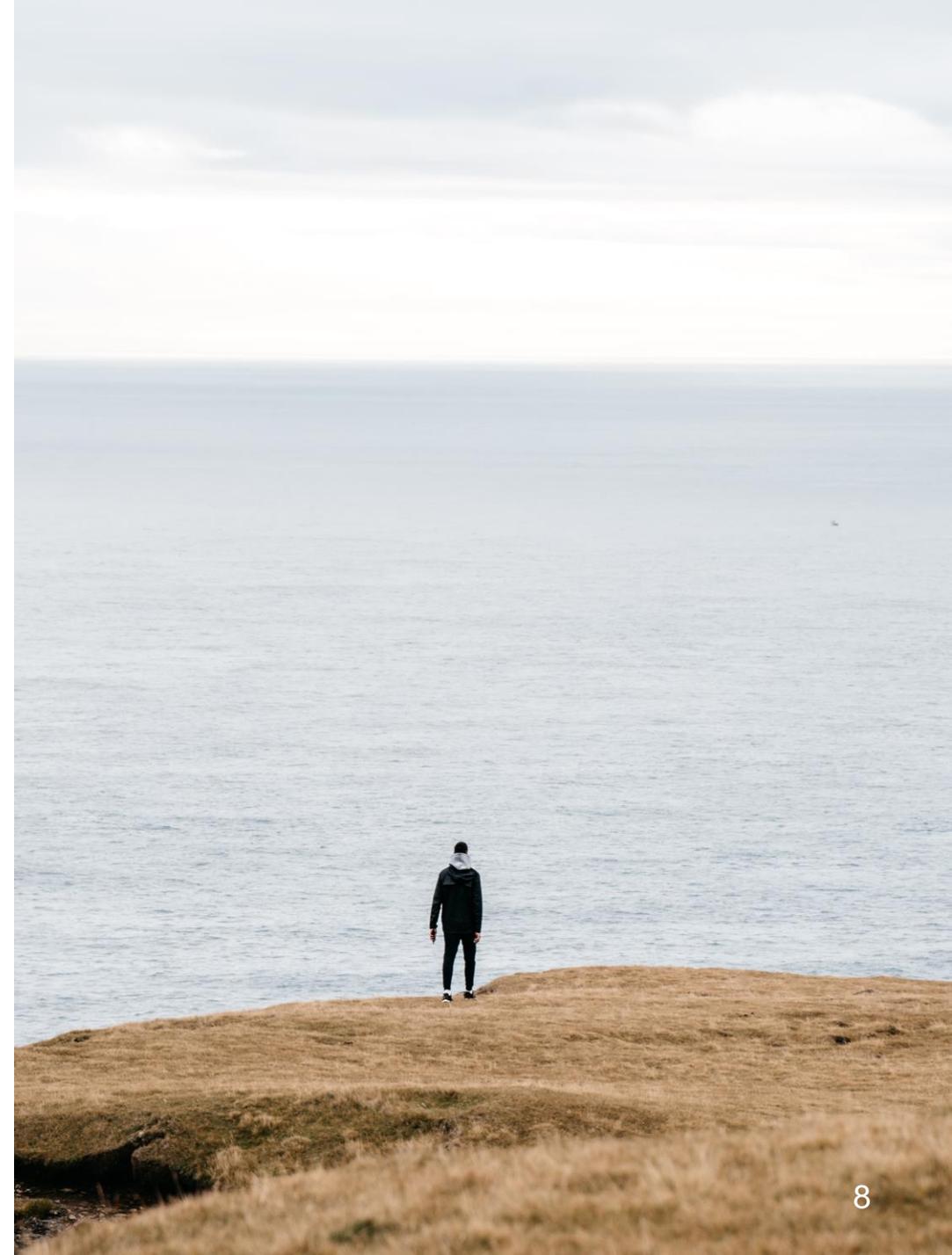


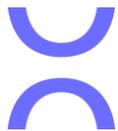


Investment arm

Select investments in securities

- Select investments in listed and unlisted securities
- Current focus on energy and industrial sectors
- Fair value of investment portfolio USD 7.6 million
 - Capsol Technologies USD 5.1 million
 - Dolphin Drilling USD 2.3 million





Net asset value

Summary NAV per share review

	USD millions	NOK per share
Multi-client library	35.9	1.67
Financial assets	3.0	0.14
Seismic business	38.9	1.81
Investments	7.6	0.36
Net current liabilities	(0.4)	(0.0)
Net asset value	46.2	2.15

Observations

- Seismic business represents largest share of NAV
 - Multi-client investments
 - Node equipment earn-out agreement
- Investment portfolio; focusing more broadly



Comprehensive income

USD millions

Comprehensive income	Q1 2023	Q1 2022
Revenue	2.9	1.4
Changes in fair value of investments (loss)	0.8	(1.3)
Other gains and (losses)	-	0.7
Cost of sales	(2.1)	(0.3)
Selling, general and administrative expenses	(0.5)	(0.9)
Amortization multi-client	(1.6)	(0.5)
Reverse impairment multi-client	-	5.6
Depreciation & impairment	-	(0.6)
Operating profit (loss)	(0.5)	4.1
Net financial income (loss)	0.1	(0.0)
Income tax (expense)	0.0	0.3
Profit (loss) for the period	(0.4)	4.4

Observations

- **Revenue** Utsira late sales USD 0.5 million, Utsira reprocessing USD 2.4 million
- **COS** Utsira reprocessing represents USD 2.0 million
- **SG&A** includes approximately USD 70 thousands nonrecurring
- **Amortization** Utsira of USD 0.9 million and Gulf of Suez of USD 0.7 million
- **Net financial income** of USD 84 thousands
- **Income tax revenue** - Received cash for previous paid WHTax in India USD 7 thousands
- **Cash earnings** of USD 0.3 million



Financial position

USD millions

<u>Assets</u>	<u>31.03.2023</u>	<u>31.12.2022</u>
Multi-client library	35.9	37.5
Investments	7.6	6.8
Financial assets	3.0	3.0
Trade receivables	1.7	-
Other current assets	0.3	3.2
Bank deposits, cash in hand	3.9	2.2
Total assets	52.5	52.8

<u>Equity and Liabilities</u>	<u>31.03.2023</u>	<u>31.12.2022</u>
Equity	46.2	47.7
Trade payables	0.1	0.1
Taxes payables	2.3	2.3
Other current liabilities	4.0	2.8
Total equity and liabilities	52.5	52.8

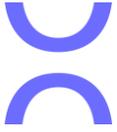
Observations

- **MCL Utsira** USD 27.3 million, Gulf of Suez USD 8.6 million
- **Financial assets** of USD 3.0 million - NPV node equipment earnout
- **Trade receivables** related to late sales and reprocessing
- **Other current assets** from Utsira reprocessing and prepaid costs
- **Taxes payable** is related to Egypt taxes
- **Other current liabilities**
 - Egypt taxes USD 2.1 million
 - Accrual Utsira reprocessing USD 1.0 million
 - VAT USD 0.9 million

Ratio analysis

- **Equity ratio** 87.9%
- **Net asset** value per share of NOK 2.15
- **Available liquid funds** of USD 13.0 million*

*Bank deposits, trade receivables and marketable securities



Cash flow

USD millions

Cash flow	Q1 2023	Q1 2022
Profit (loss) before tax	(0.4)	4.1
Taxes (paid)/ received	0.0	0.3
Depreciation and amortization	1.6	(4.5)
Changes in fair value of investments	(0.8)	1.3
Changes in other gains and losses	-	(0.7)
Interest expense	0.0	0.1
Share based payment cost	0.0	0.0
Other working capital changes	2.4	(0.8)
Cash flow from operating activities	2.8	(0.2)
Disposal of property, plant and equipment	-	0.5
Cash flow from investment activities	-	0.5
Repayment of interest bearing debt	-	(0.9)
Investment in own shares	(1.1)	-
Interest paid	-	(0.0)
Cash flow from financial activities	(1.1)	(0.9)
Net change in cash	1.7	(0.6)
Cash and cash equivalents balance per March	3.9	3.4

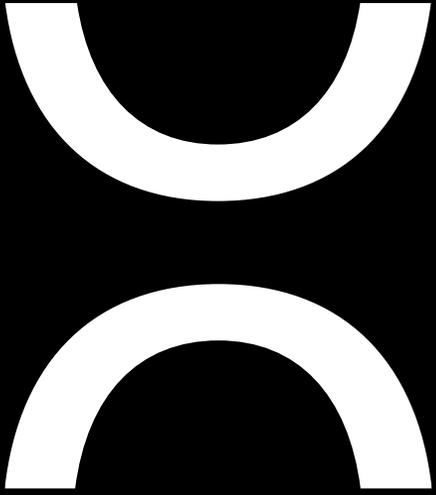
Observations

- **Amortization** of Utsira and Gulf of Suez USD 1.6 million
- **Gain in fair value of investments** unrealized with USD 0.8 million
- **Increase in working capital** with USD 2.4 million
- **No investment in the quarter**
- **Purchase of own shares** with USD 1.1 million



Outlook

- Volatility in the energy sector expected to continue given global market uncertainty
- Current energy prices support capital investment by oil companies
- Overhang of past underinvestment and growing need for energy security contribute to increased capital expenditures
- Despite robust industry fundamentals, timing of multi-client late sales is unpredictable
 - Should expect sales to be lumpy
 - Does not speak to long-term underlying multi-client values and future sales potential
- We will continue to evaluate new investment opportunities in line with our broader strategic focus
 - Potential opportunities within seismic business
 - Select investments in securities
 - Risk profile and investment decisions evaluated with the board
- Distributions to shareholders or share repurchases will be considered to the extent this is believed to be the best allocation of capital



Investing in a
sustainable future.

Askekroken 11
0277 Oslo
Norway

carbn.no
Copyright © 2021
Carbon Transition