



Statoil Technology Conference 20th April 2017



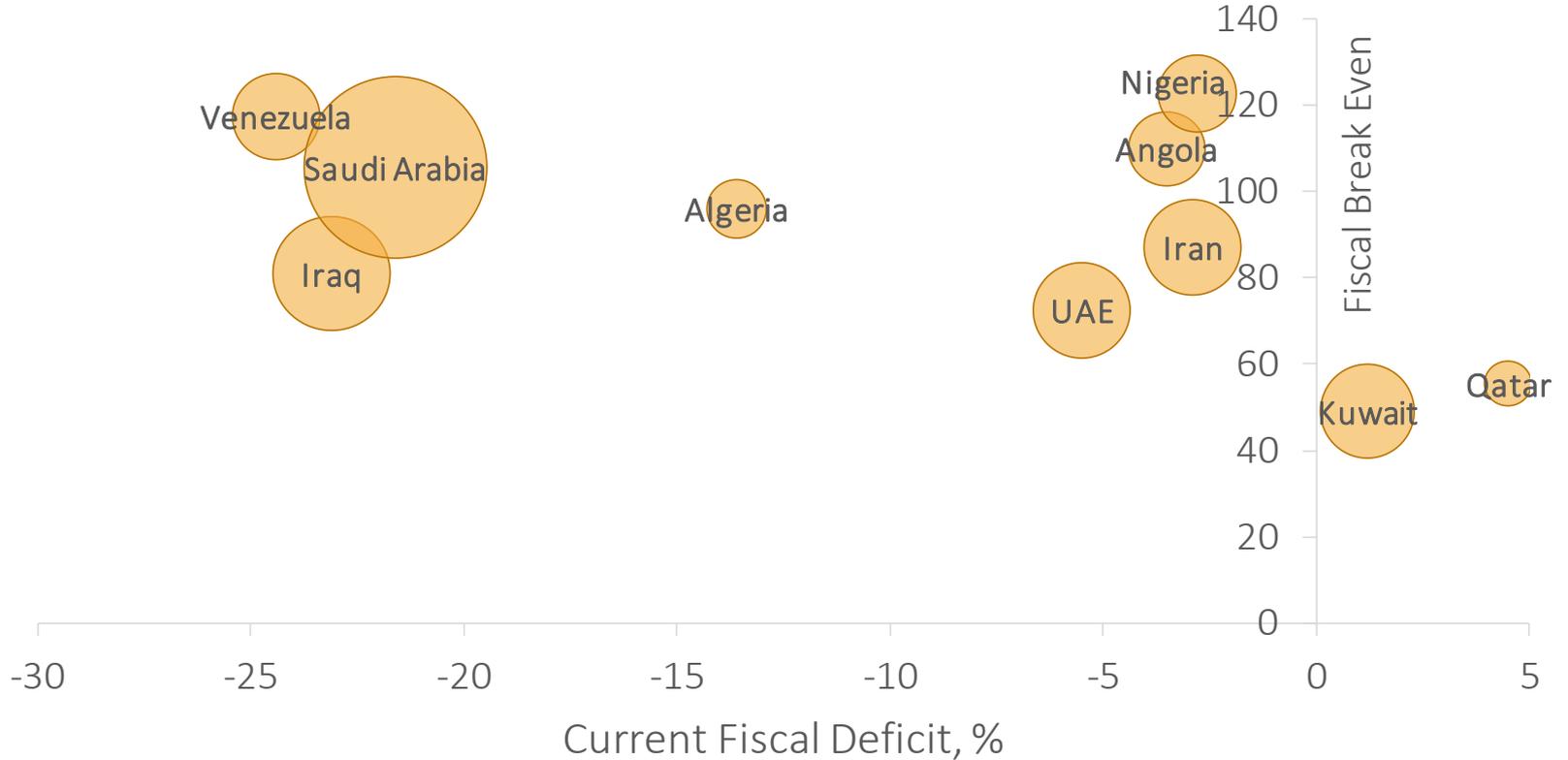
Why are we here

- Introduce Energy Ventures Private Equity (EVPE)
- Technology is fundamental to EV strategy
- Explain how EVPE can help create value for companies
- Elaborate on our investment criteria
- Put ourselves forward as the growth-enabling investor of choice for companies seeking for growth capital

Backdrop

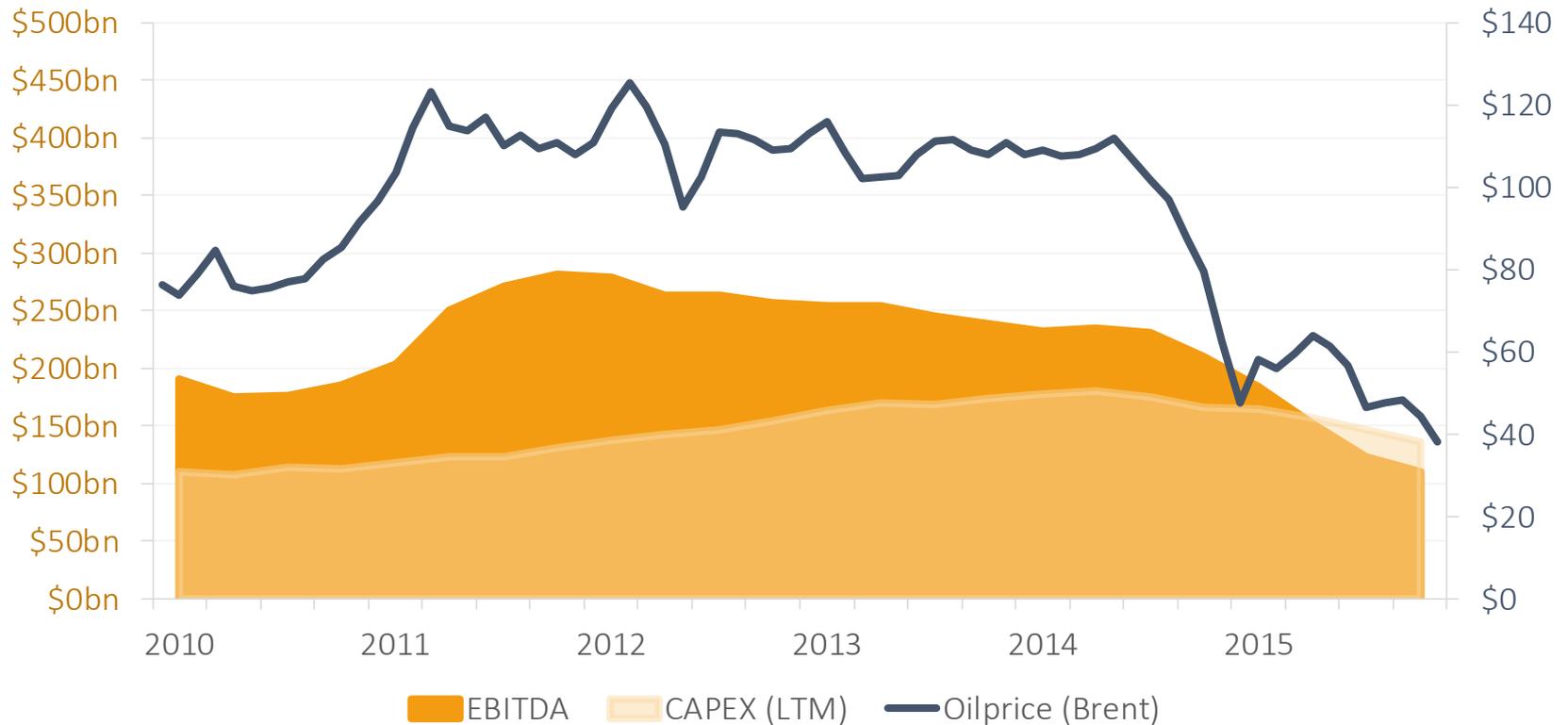
Current oil price not sustainable for OPEC

OPEC Production, Break Even oil price and Fiscal deficit



Super majors struggled from 2014

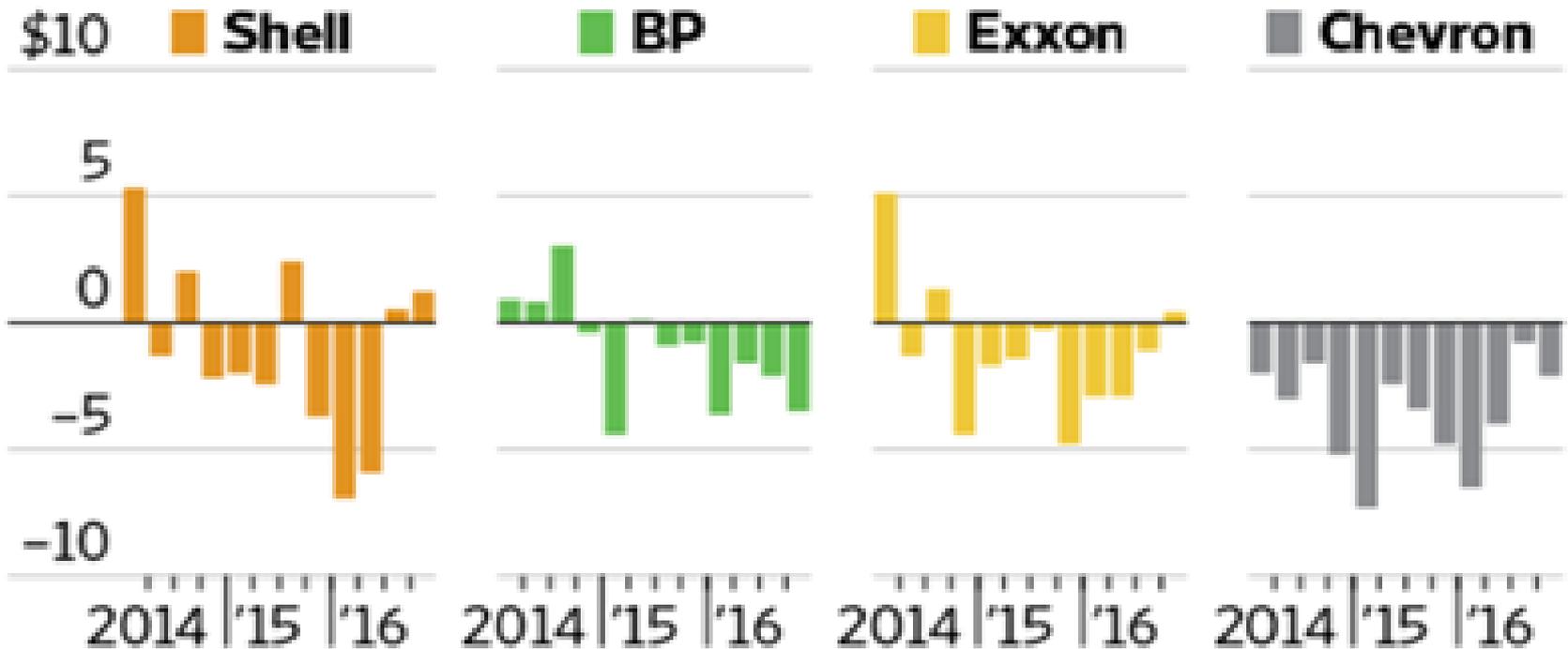
Cash flow negative before dividend
Conoco Phillips, Total, ExxonMobil, Shell, Chevron and BP



but are generally now improving

Big oil companies are struggling with cash conversion, largely reflective of the global oil & gas market

Cash from operations less dividend payments and capital expenditure, in billions



Sources: S&P Global Market Intelligence (profit, debt); S&P and the companies (cash flow); WSJ Market Data Group (Brent)

Conclusion

1

The boom years since 2000 made the industry complacent

2

Rumors of the oil industry's death are greatly exaggerated

3

No more room for supply chain squeeze, current levels may not be sustainable

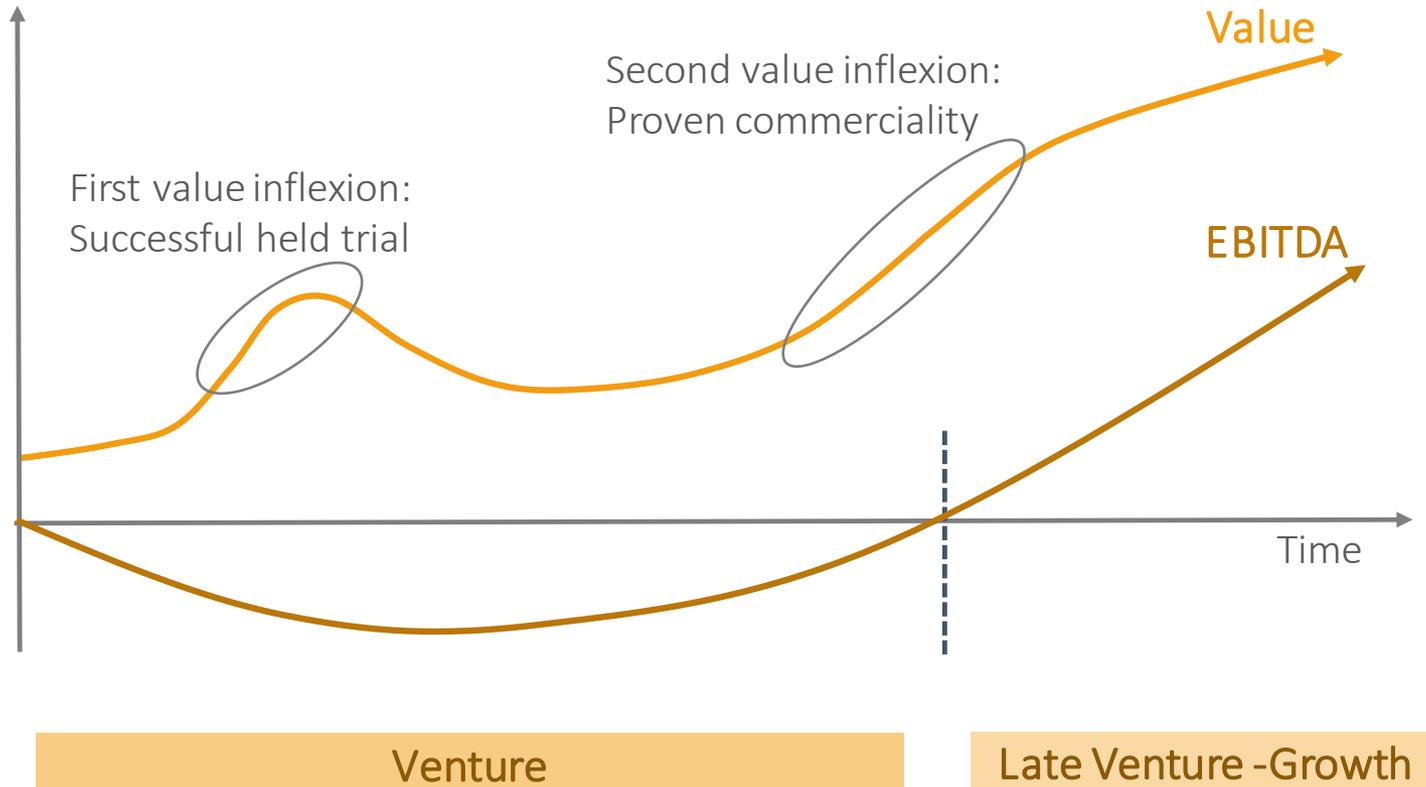
4

Longer term investment in supply is required to meet \$1 trillion capex deferment by industry to meet future supply challenges

5

Technology that reduce cost, reduce risk and improves productivity are key

Investment value and risk paradox



EV's focus is on high growth energy technology companies
with **proven commerciality**

EVV

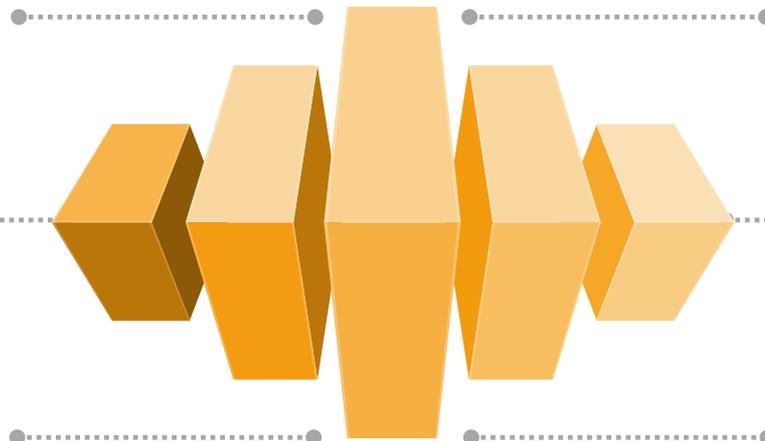
Energy Ventures Private Equity

Technology growth equity investments in Upstream Oil & Gas

- Tech focused Small to Mid-market private equity firm focused on IBO/MBO and growth capital to the upstream oil & gas sector

- Focus on businesses that lower risks/costs and increase productivity

- 39 platform investments made on a global basis
- 17 investments in the UK



- Significant global presence and network through offices in Stavanger, Aberdeen, and Houston

- Excellent investment track record over five funds since 2002

- 23 exits to strategics, PE, and public markets

Approx. \$1bn assets under management

Unique Senior Network of Industry Experts

Provide **global reach, board leadership and expert opinions** on future macro trends in the oil & gas industry

Operating Partners

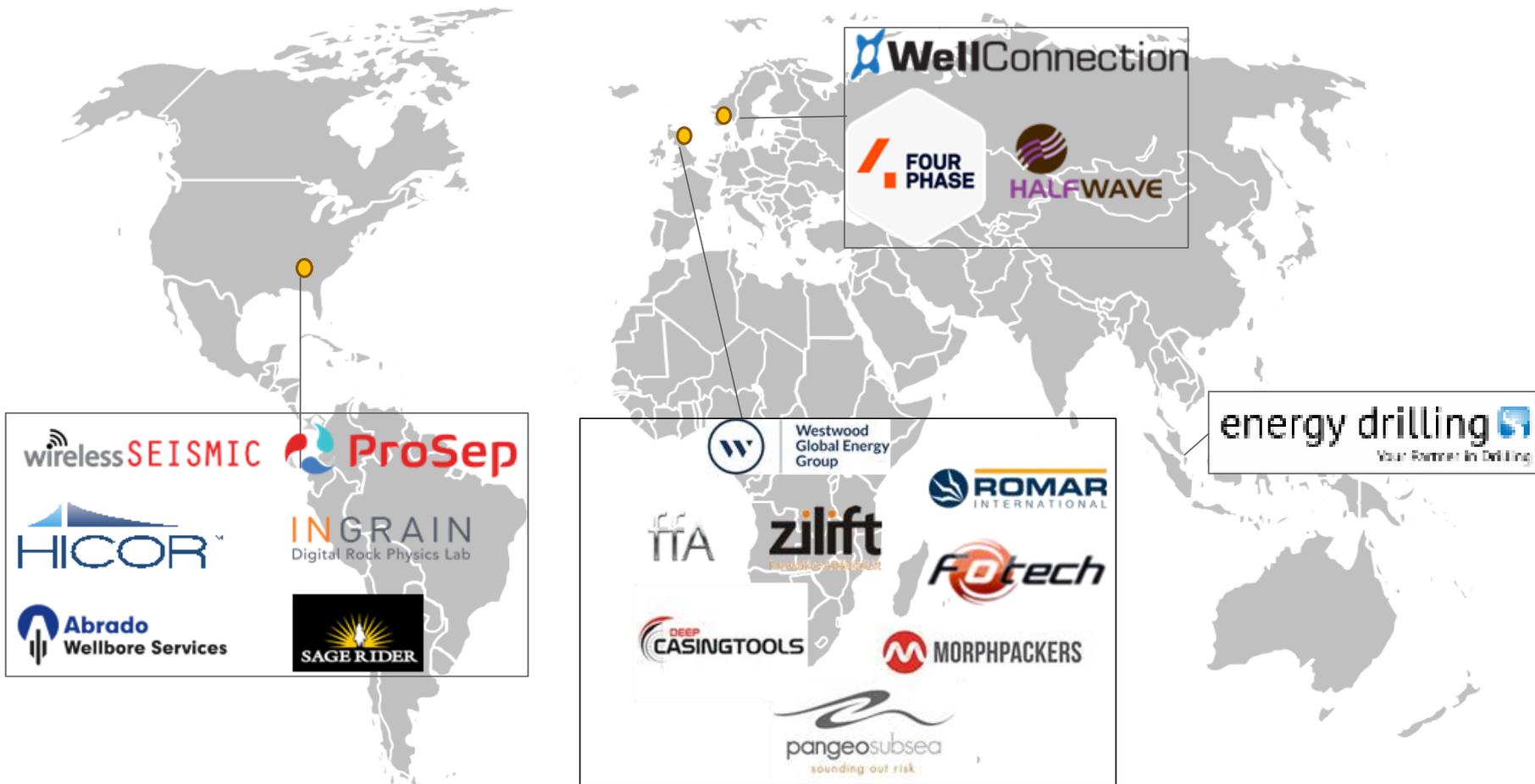
Gavin Prise		Former CEO of Expro	
Andrew Boland		Former MD, Research at Peters & Co. Limited	
Saad Bargach		Former senior executive at Schlumberger and Partner in Lime Rock Partners	

Advisory Board

Paul Ching		Former VP R&D, Shell E&P	
Karl Johnny Hersvik		CEO, Aker BP	
Sergio Martinez-Burgos		Director, Investments, Temasek	
José Formigli		Former Chief Exp. & Prod. Officer & Executive Board Member, Petrobras	
Dr. Vikram Rao		Exec. Director, RETC; Former CTO, Halliburton	
Dr. Ram Shenoy		Former CTO, ConocoPhillips; Former VP Research, Schlumberger	
Richard Spears		MD, Spears & Associates	
Carl Trowell		President & CEO of Ensco plc; Former President, Schlumberger IPM & SPM	

Global Experience

EVPE has experience of managing companies worldwide



Supported by Experienced EVPE Team

Deep industry and PE experience is fundamental to EVPE strategy

	Name	Sectors	PE	O&G	Prior Roles		Name	Sectors	PE	O&G	Prior Roles
	 Kjell Jacobsen Exec Chairman	 	8	35	President & CEO, Seadrill; President & CEO, Smedvig		 Anoop Poddar Senior Partner	 	10	20	VP, Simmons & Co; Drilling Engineer, Schlumberger
	 Helge Tveit M. Partner	 	13	27	Exec. Advisor, BP Norway; Strat. Planning Director, Amoco		 Shantanu Agarwal Partner	 	6	15	Co-founder, Oscomp; Associate, McKinsey; BD Manager, Schlumberger
	 Einar Gamman Senior Partner	 	15	30	Deputy MD, Smedvig; BD Manager, ABB; Project Engineer, Tentech	HOUSTON	 Matt Anstead Partner	 	7	16	VP, Simmons & Co.; Field Engineer, Schlumberger
STAVANGER	 Rune Jensen Senior Partner	 	10	35	Managing Partner, Progressus; CEO, Alliance		 Espen Strøm Director	 	8	11	Financial Analyst, Exxon Mobil
	 Per Arne Jensen Senior Partner	 	9	25	Managing Partner, Progressus; CEO, Figgjo	 Atif Ali Senior Analyst		4	4	PPHB, Duff & Phelps	
	 Pelle Bildtsén CFO		14	16	Corporate Advisor, Melberg; Associate, Procuritas	 Greg Herrera Senior Partner	 	11	25	VP, Simmons & Co.; HydriL; Founde of Rototec	
	 Kjetil Norheim Analyst		2	2	MSc -HEC Lausanne	 Tomas Hvamb Inv. Director	 	3	11	VP, Barclays Bank	
					ABERDEEN	 Karem Kobayashi Senior Associate		3	10	BG Group	
						 Rajat Maheshwari Analyst	 	2	5	Sales and Field Geophysicist, Schlumberger	

Reservoir Evaluation
& Exploration

Drilling & Well
Construction

Intervention,
Completion & Lift

Field Development,
Facilities & HSE

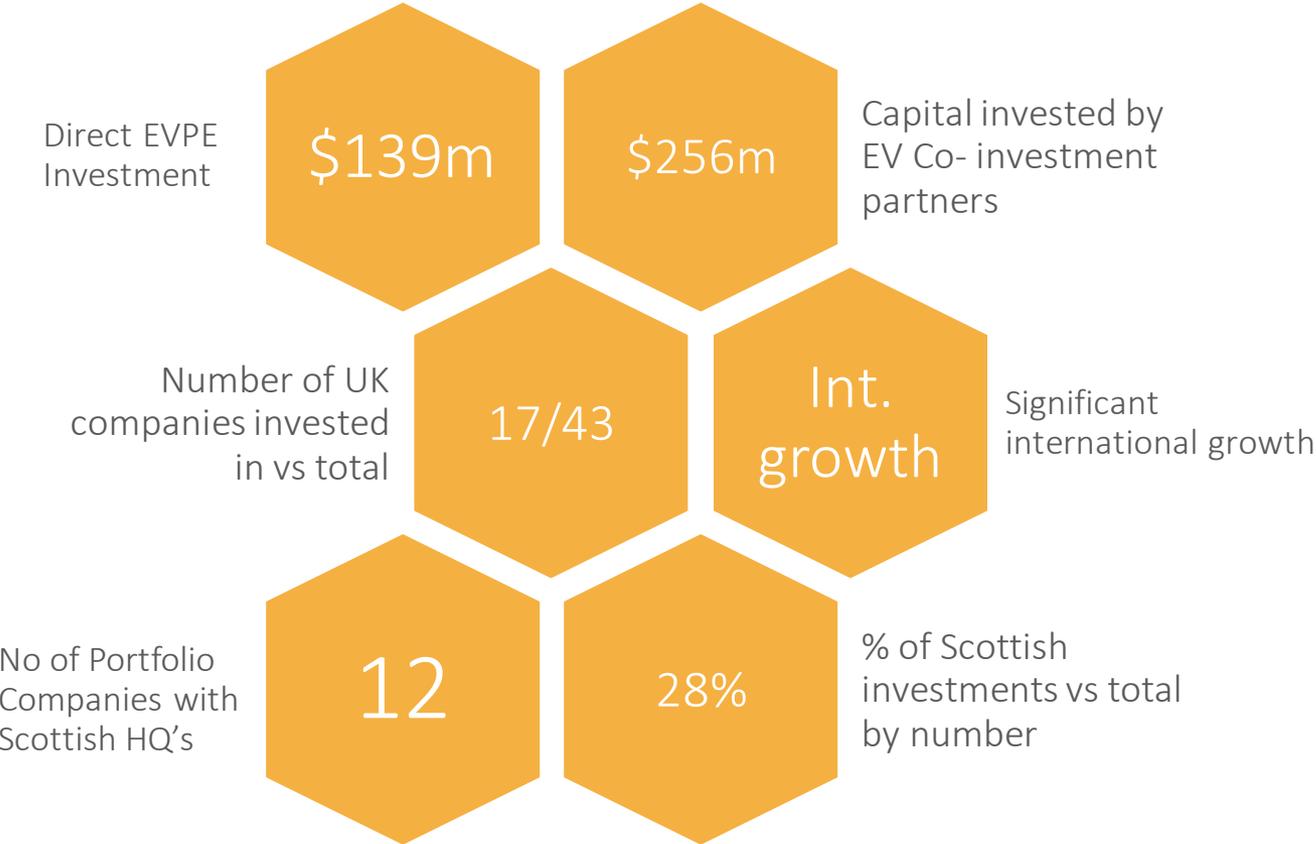
Others (Finance/IT)

Rifle Shot Upstream Focus

Broad expertise enables investments across the industry

	RESERVOIR EVALUATION & EXPLORATION	DRILLING & WELL CONSTRUCTION	INTERVENTION, COMPLETION & LIFT	FIELD DEVELOPMENT, FACILITIES & HS
Exited				
Current				

A leading OFS investor in Scotland

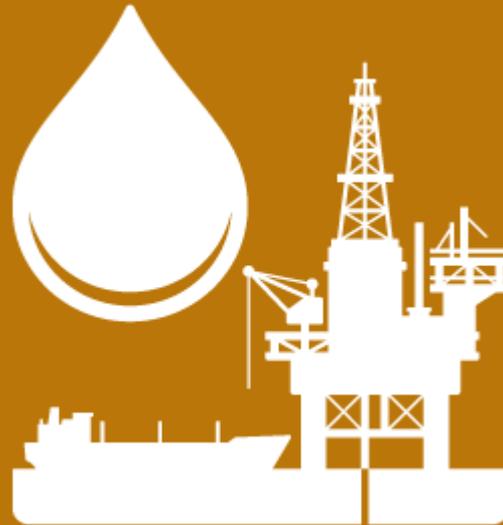


Lessons Learned

EVV invest in attractive growth business that reduces cost/risk or improves productivity

Venture Investments

- Adoption risk
- Cash consumption
- Challenging valuation metrics for acquirer/investor
- Scaling of the businesses is expensive and risky



Growth investments

- Transition risk from Venture org to commercial org.
- Global customer /adoption risk
- Ability to deploy more capital
- Potentially closer to exit...

Overview of Most Recent Investments

Proven technology & Small to Mid-Market Focus

	 ¹	 ¹	 ¹	 ²	 ²
Investment Date	Q3 2013	Q2 2014	Q4 2014	Q1 2015	Q3 2015
Strategy	Technology c and Buy-and-Build	Techy/Organic	Tech/Organic/ Buy-and-Build	Buy-and-Build	Buy-and-Build
2016 Sales	Annual sales ranging from \$10m to \$40m				
What does it do?	Completion and optimization technologies capitalizing on shale plays	De-sanding technology for production and intervention management	Magnetic separation, fluids handling and environmental services	Specialist Energy, Software, Information & Analytics Platform	Leading provider of IMR services on NCS
HQ	Houston, USA	Os, Norway	Aberdeen, UK	Aberdeen, UK	Stavanger, Norway
#of Bolt-on Acquisitions	3	0	0	4	4

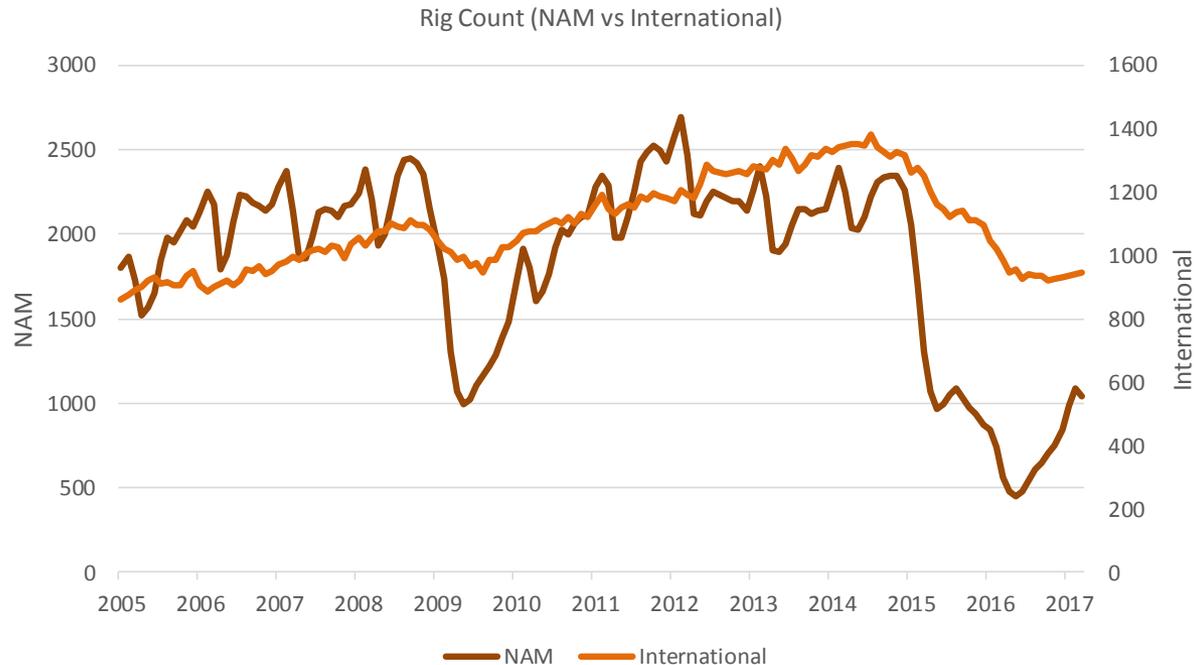
¹ EV Fund IV Investment; ² EV Fund V investment

\$150m of committed capital into businesses

Current investment Backdrop Key Industry KPI's & M&A

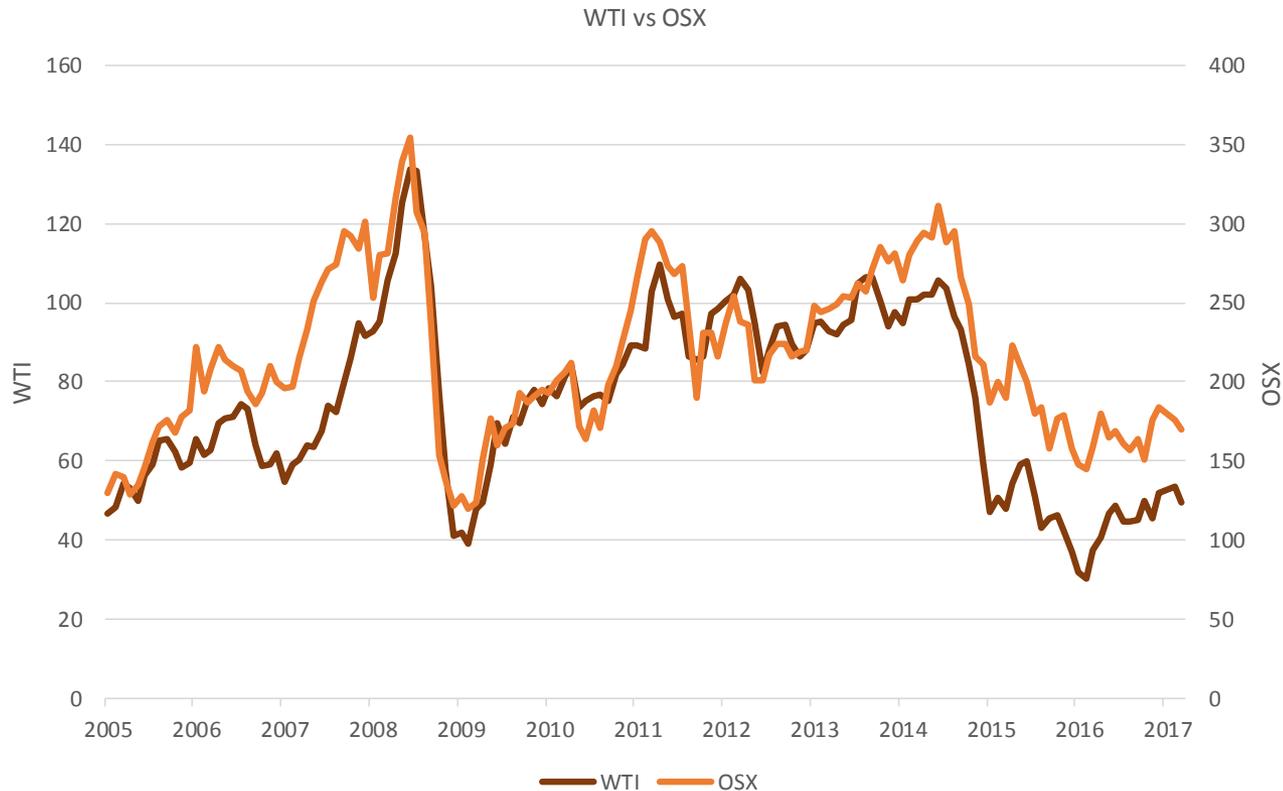
We seem to have “bottomed”

- NAM rig count has seen a significant improvement from H2 2016 (which is normally a lead market indicator of a broader market recovery)
- International rig count has remained flat from H2 2016, but hopefully we’ll see some improvement on the back of re-bouncing onshore rig count activity



But public markets remain uncertain for OFS

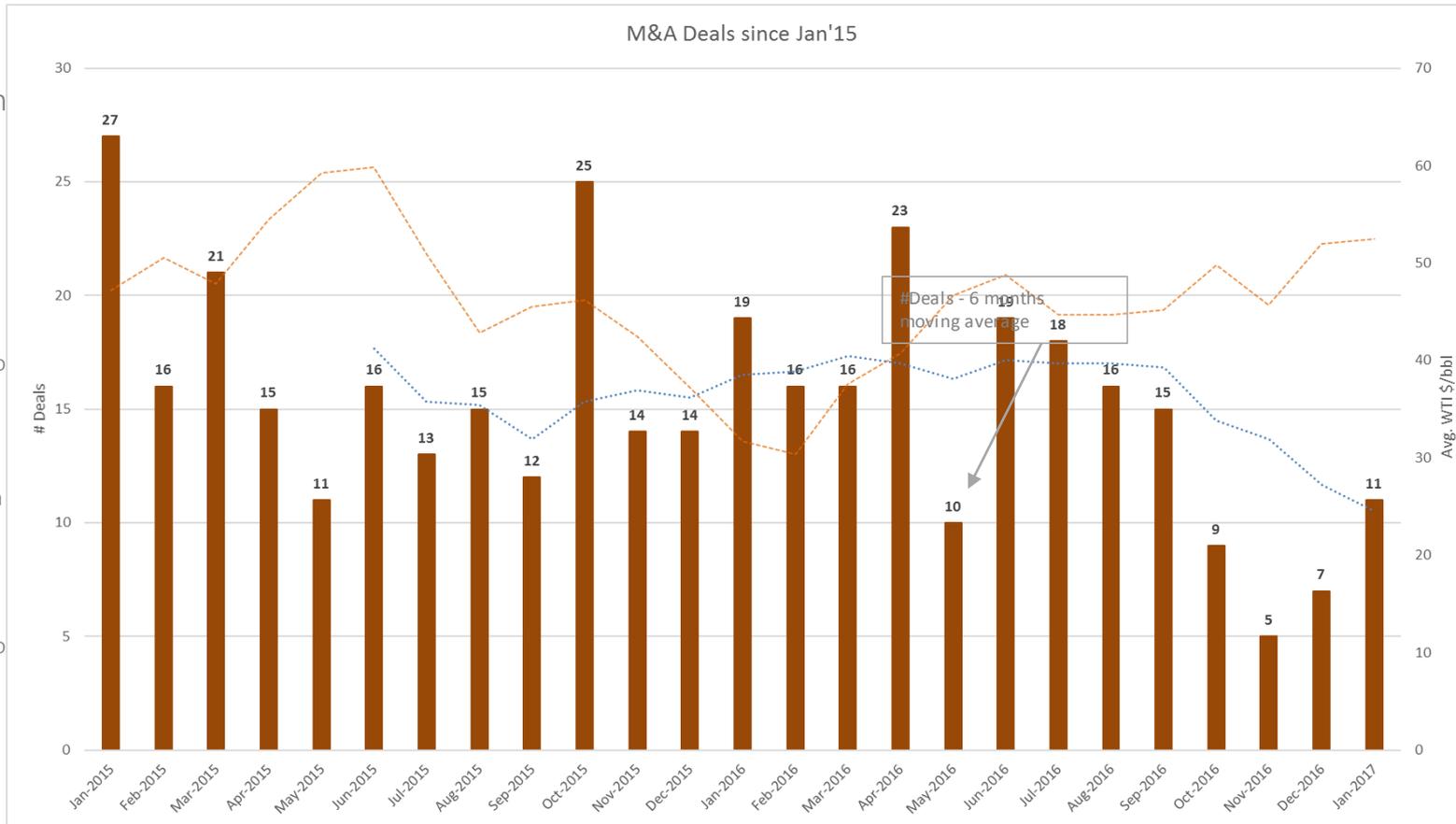
- Oil price recovered continues to hover around \$50/bbl
- OSX appears range bound between 150 and 180.



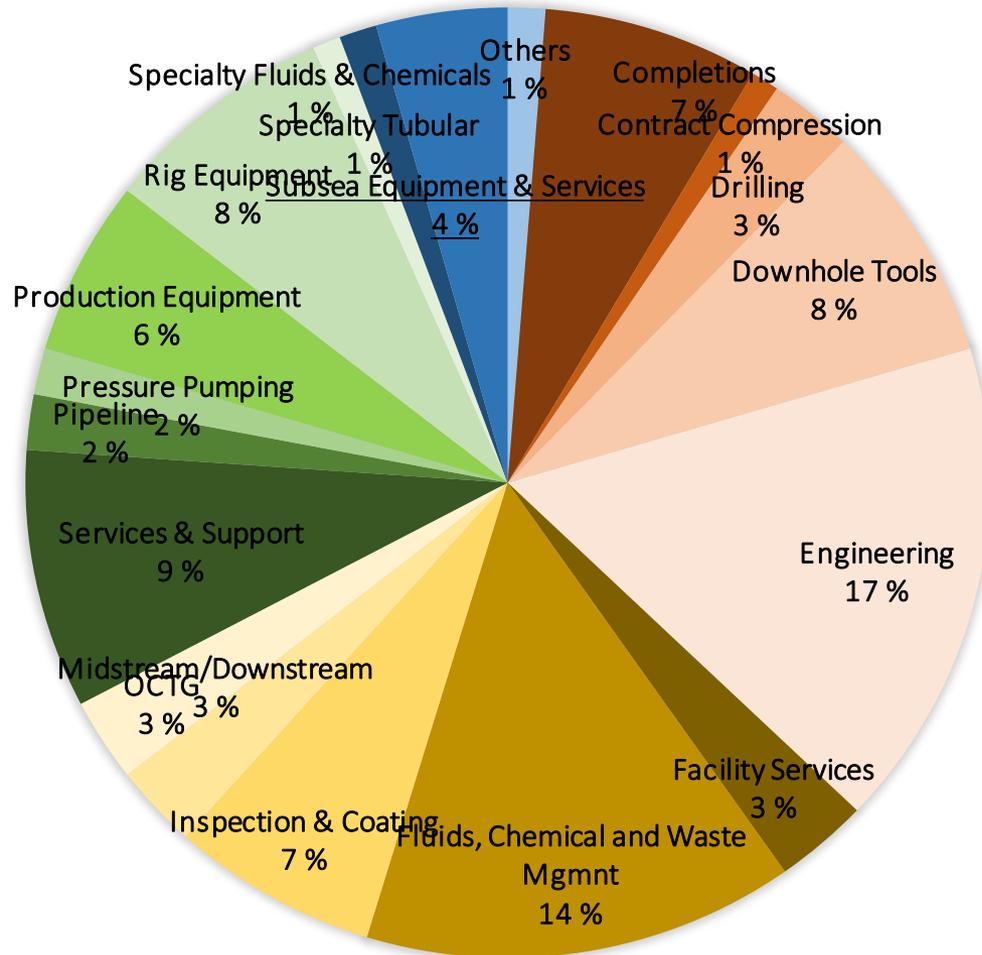
Resulting in recent weak M&A, now improving

- OFS M&A volume decreased through Q4 but is showing some signs of recovery

- In 2016 EV had 3 exit including sale of Meta to SLB and Read Cased Hole to Norvestor
- Other notable technology sales in the last quarter include Darcy sale (to HAL), Peak Oil Services sale (to SLB), Axiom sale (to NOV), Fjords Processing (NOV), and Caledyne (to Baker Hughes)



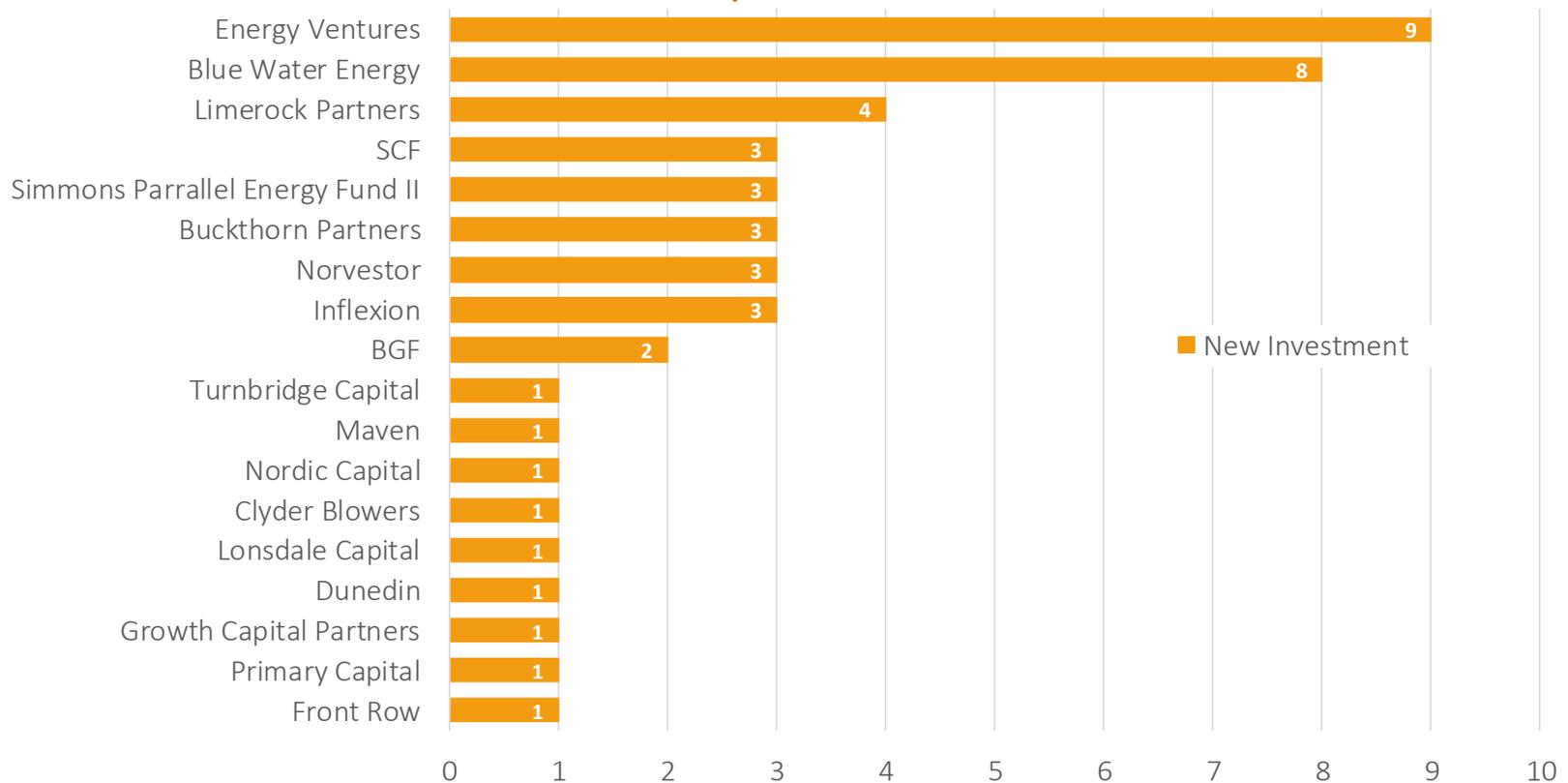
And diversified M&A interest



Select North Sea OFS PE Landscape

EVPE remains one of the most active PE investor in the OFS space in the North Sea

OFS PE Activity – Jan'15 to Mar'17



Investment Criteria and how we add value

Investment criteria

Businesses helping customers find and produce oil and gas in more **efficient, cost-effective and environmentally-friendly** ways

Targets

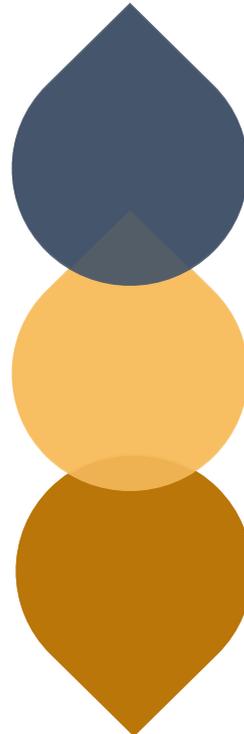
- Higher growth companies in the global upstream oil and gas industry
- Software, hardware and service companies
- Sales and rental business models

Investment

- \$5m – \$25m equity (sweet spot) with potential to deploy up to \$60m over the ownership period of each investment
- Typical holding 40% - 80% of equity
- 10+2 years life span

Geography

- Worldwide, but with Western Europe and North America as main focus areas



Management

- Support high quality management teams
- Upgrade boards and management teams where required

Investment Strategy

Growth equity investments in EBITDA positive companies to support:

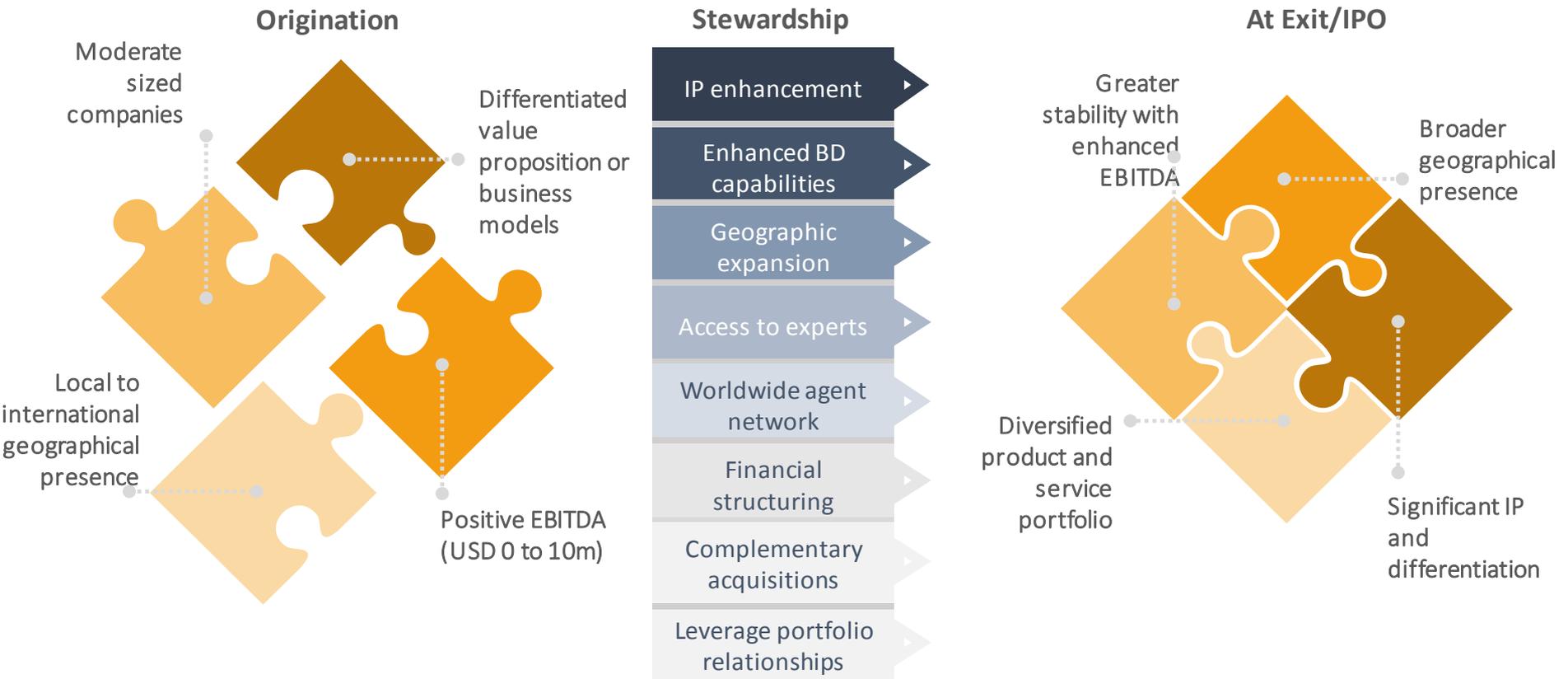
- Buy and build
- ***Differentiated technology commercialisation***
- Internationalisation and Organic growth

Transaction

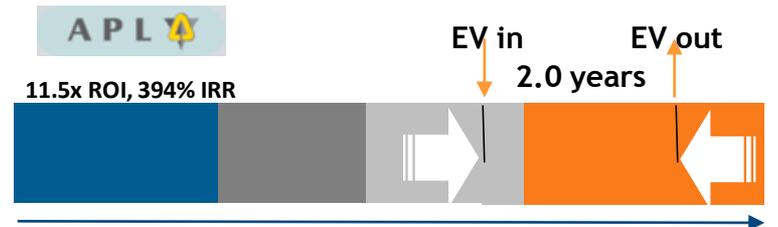
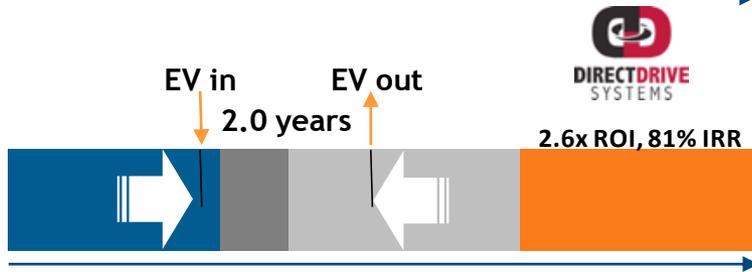
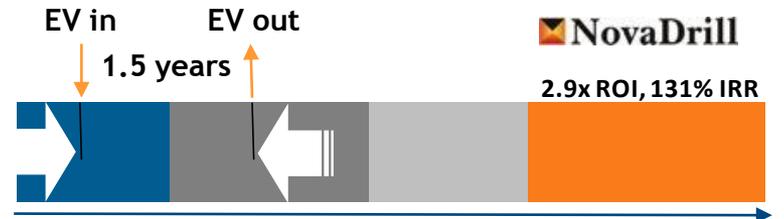
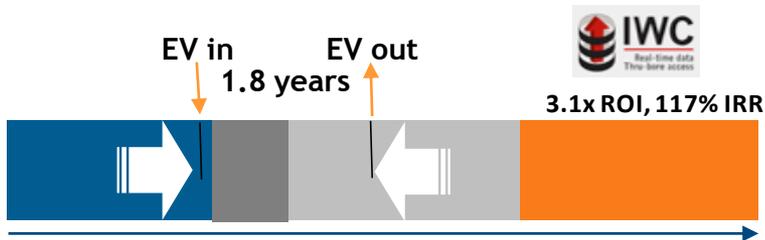
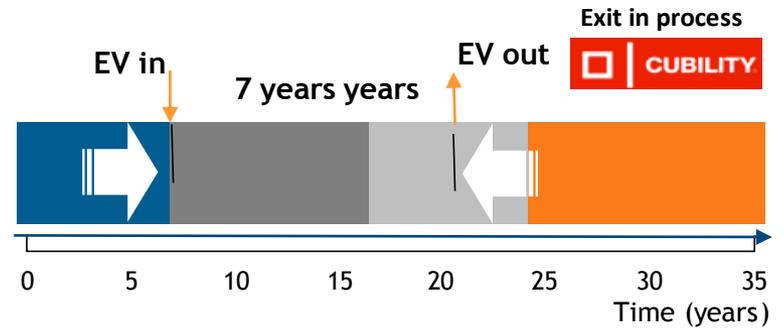
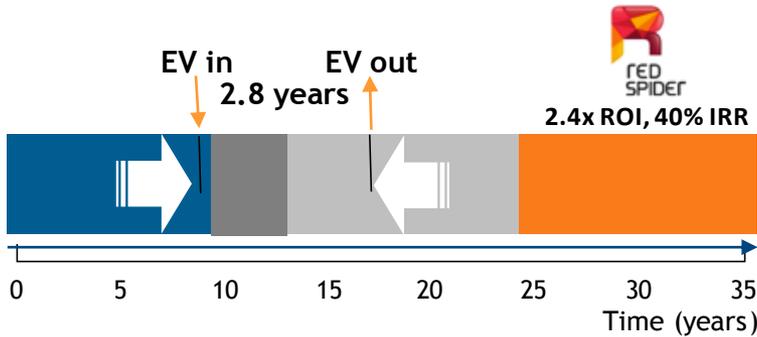
- Board position and influence a pre-requisite
- Agreement on growth plan
- Partnering model

How We Create Value

Partner with management and owners to build fundamentally better companies



The “Proof in the pudding”



Energy Ventures portfolio companies are significantly accelerated through technology adoption cycle

- Idea to prototype
- Prototype to Field test
- Field Test to Commercial
- Commercial to standard

The EV Partnering Differentiator

- 3900+** Relevant deals evaluated
- 250+** Years of combined Oil and Gas industry experience
- 90+** Years of combined Private Equity experience
- 500+** Senior VP / CEO-level OFS specialists in direct network
- 23** Companies exited
- 45** Different companies grown under direct/indirect control
- 100+** Technologies commercialized
- 15** Co-investments with major E&P companies such as BP, Total, ConocoPhillips, Chevron and Statoil



- Unique Competitive niche
- Best-in-class team
- Un-paralleled network
- Global presence
- Proven track record

Summary

- We work in a partnership model with stakeholders
- We believe that we have the experience, expertise, and geographical reach that would enable rapid growth of subsea businesses
- We have capital to invest in new platforms and “add-on” acquisition to existing portfolio companies
- We would like to have an opportunity to discuss your strategic funding need

Thank you

- EVPE Contacts:
 - Greg Herrera, Senior Partner (gh@evpe.com)
 - Per Arne Jensen, Senior Partner (pf@evpe.com)
 - Anoop Poddar, Senior Partner (ap@evpe.com)

For purposes of these disclaimers, the terms “Energy Ventures Private Equity Funds” or “the Funds” shall refer collectively to Energy Ventures IS, Energy Ventures II KS, Energy Ventures II BIS, Energy Ventures III LP and Energy Ventures IV LP and Energy Ventures Private Equity V LP

DISCLAIMERS

This is a draft document and the information presented herein is strictly confidential and intended exclusively for the use of the person to whom it was delivered. The recipient, by accepting delivery of this document, agrees to keep confidential all matters herein and to return this document promptly upon the request of Energy Ventures Private Equity. Except as otherwise provided in a written agreement between the recipient and Energy Ventures Private Equity or its affiliates, if the recipient receives a request under any applicable public disclosure law to provide, copy or allow inspection of this document or other information regarding or otherwise relating to the Energy Ventures Private Equity Funds or any of its affiliates, the recipient agrees to (i) provide prompt notice of the request to Energy Ventures Private Equity, (ii) assert all applicable exemptions available under law and (iii) cooperate with the Funds and its affiliates to seek to prevent disclosure or to obtain a protective order or other assurance that the information regarding or otherwise relating to the Funds or any of its respective affiliates will be accorded confidential treatment.

This document is not an offer to sell nor a solicitation of an offer to purchase interests in any of the Energy Venture Funds. Offers and sales will be made only pursuant to confidential private placement memoranda, complete documentation of the relevant vehicle and in accordance with applicable securities laws. Summaries contained herein of the underlying documents (if any) are qualified in their entirety by reference to the complete text of such documents, and in the event of any conflict between this document and such documents, such documents will govern.

The information presented herein was prepared by Private Equity and may be based, in part, on information from third parties believed to be reliable and/or assumptions that later prove to be invalid or incorrect. The information contained herein is not intended to be relied upon as the basis of an investment decision, and is not, and should not be assumed to be complete. Private Equity disclaims any obligation to update this document.

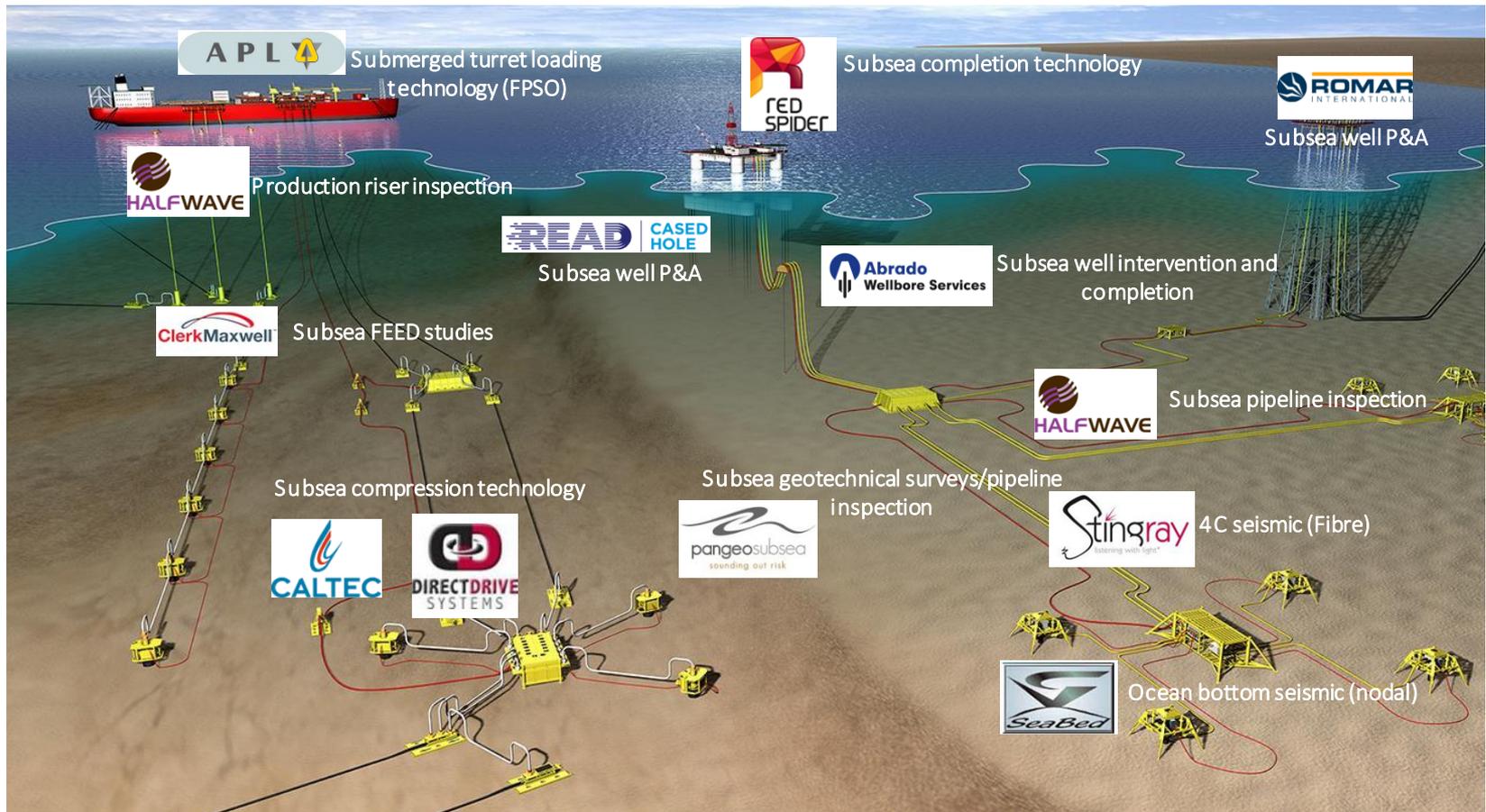
In considering any performance information contained herein, recipients should bear in mind that past performance is not necessarily indicative of future results, and there can be no assurance that the Funds or investments by the respective Funds, as the context requires, will achieve, or will continue to achieve, comparable results or that projected returns, if any, will be met. There can be no assurances or guarantees that (i) the Funds’ respective investment objectives will be realized, (ii) the Funds’ respective investment strategies will prove successful or (iii) investors will not lose all or a portion of their investment in a Fund. Please refer to the respective Confidential Private Placement Memorandum(s), as the same may be supplemented and/or amended from time to time, and the agreement of limited partnership of the respective Energy Ventures Private Equity Funds, as the same may be amended from time to time for an explanation of the calculation methodology and the definitions of terms used herein that are not otherwise defined.

Prospective investors must be aware that investments in funds such as the respective Energy Ventures Private Equity Funds are speculative and involve substantial risk of loss. This document does not, and does not purport to, contain an exhaustive list of potential risks related to an investment in a Fund. Prospective investors in any of the Funds should carefully review the applicable Fund(s)’ respective Confidential Private Placement Memorandum, as the same may be supplemented and/or amended from time to time, particularly the section entitled “Investment Considerations and Risk Factors.” As some or all alternative investment programs may not be suitable for certain investors, any persons subscribing for or maintaining an investment must be able to bear the risks involved and must meet the suitability requirements relating to such investment. Among the risk factors that each prospective investor should consider are the risk factors set forth in this paragraph. An investment in an Energy Ventures Private Equity Fund is speculative and involves substantial degrees of risk. An investor in a Fund could lose all or a substantial amount of its investment. The Fund’s returns and operating cash flows will depend on many factors, including the performance of its investments, the availability and liquidity of investment opportunities falling within the Fund’s investment objective and policy, the level and volatility of interest rates and commodity prices, conditions in the financial markets, the financial performance of borrowers, and the Fund’s ability to successfully operate its business and execute its investment strategy. Although, the General Partner and Investment Advisor have endeavored to ensure that the principal members of their management teams are suitably incentivized, their retention cannot be guaranteed. Furthermore, in the event of a departure of a key employee of the General Partner or Investment Advisor, there is no guarantee that the General Partner or the Investment Advisor would be able to recruit a suitable replacement or that any delay in doing so would not adversely affect the performance of the Fund. Changes in legal, tax and regulatory regimes may occur during the life of the Fund which may have an adverse effect on it or its investments. The tax treatment of an investment in the Fund is complex. Potential investors are urged to consult their tax advisors with respect to their particular tax situations and the tax effect of an investment in the Fund. Investments in unquoted companies can be difficult to realize. At the termination of the Fund such investments may be distributed in specie so that investors may then become minority shareholders in unquoted companies. There will be no public or private market for the interests in the Fund and none is expected to develop. In addition, the interests in the Fund are not transferable except with the consent of the General Partner, which may be withheld by the General Partner in its sole discretion, and subject to the terms and conditions of the Partnership Agreement. Limited Partners may not withdraw capital from the Fund. Consequently, Limited Partners may not be able to liquidate their investments prior to the end of the Fund’s term. The Funds’ respective fees and expenses may be substantial, and may offset their respective investment profits. The Funds’ investments will be subject to the risks inherent in the ownership and operation of energy-related assets. General risks include but are not limited to unforeseen shift in the oil and gas supply-demand balance, resulting in changes to commodity prices that would negatively impact the pricing and liquidity of the Fund’s prospective investments. Local, regional or worldwide economic or political changes, as well as regulatory changes or administrative practices over which the Funds have no control, including the regulatory environment, interest rates; currency fluctuations; exchange controls; inflation; liquidity of markets; tax policies; environmental legislation and other political, social and economic developments that may occur in the jurisdictions in which the Funds’ respective assets operate. The development of new technology is associated with significant uncertainty concerning both the quality of the end result, the financial and human resources needed and the time required. Product development is frequently associated with cost overruns and delays as well as technical problems. There is no guarantee that when the technology development is completed and ready to be introduced to the market that the technology is competitive and that there are customers that are willing to purchase products based on the technology at fair prices. The world has a substantial requirement for energy that is expected to persist into the foreseeable future. It is likely that oil and gas will remain the primary source for satisfying this demand. However, other energy sources may develop to the detriment of the oil and gas industry in its current form.

Additional information about Energy Ventures Private Equity, the Energy Ventures Private Equity Funds, their respective affiliates and the information contained herein is available upon request.

Subsea

We believe in Subsea - EV Experience



Assisted in significant tech development

eMotion VeriClean® ART Scan™
Sub-Bottom Imager™
Powerball CSM-1000™ ZeroTime™
Acoustic Corer™
SS2000 CASE System CASE eNode
STL™ SCR1000™
EZ-CLEAN eRED-FB
OptaSeis™ SS1000
CASE 4DNode MAG-TRAPS™
Magnogrid I-SEP® SAL™
MUDVIPER™
Medusa™ VSeRED
THRU-TUBING MAG-TRAPS™



Outlook - somewhat countercyclical

- Global OFS sales bottom in 2016, down > 50% (\$450bn → \$220bn) from 2014 peak. 2017 up by 8%
- For global OFS sales of offshore focused products/services, 2016 is down c. 50% (\$250bn → \$130bn), while 2017 continues flat to down
- Subsea industry conditions and near-term outlook are still challenging
- Oil price has improved over the last 10 months (supply and demand becoming more balanced?)
- Lower project costs are causing operators to review their future projects
- 2017 likely to be the bottom of the market with slow recovery starting in 2018
- Now is the opportunity to re-position, re-structure, optimise, and prepare for the upturn and EVPE would like to partner in helping subsea companies achieve that

