



Sparebank 1 Markets 2022 Energy Conference

Oslo, March 3, 2022



Cautionary Statement

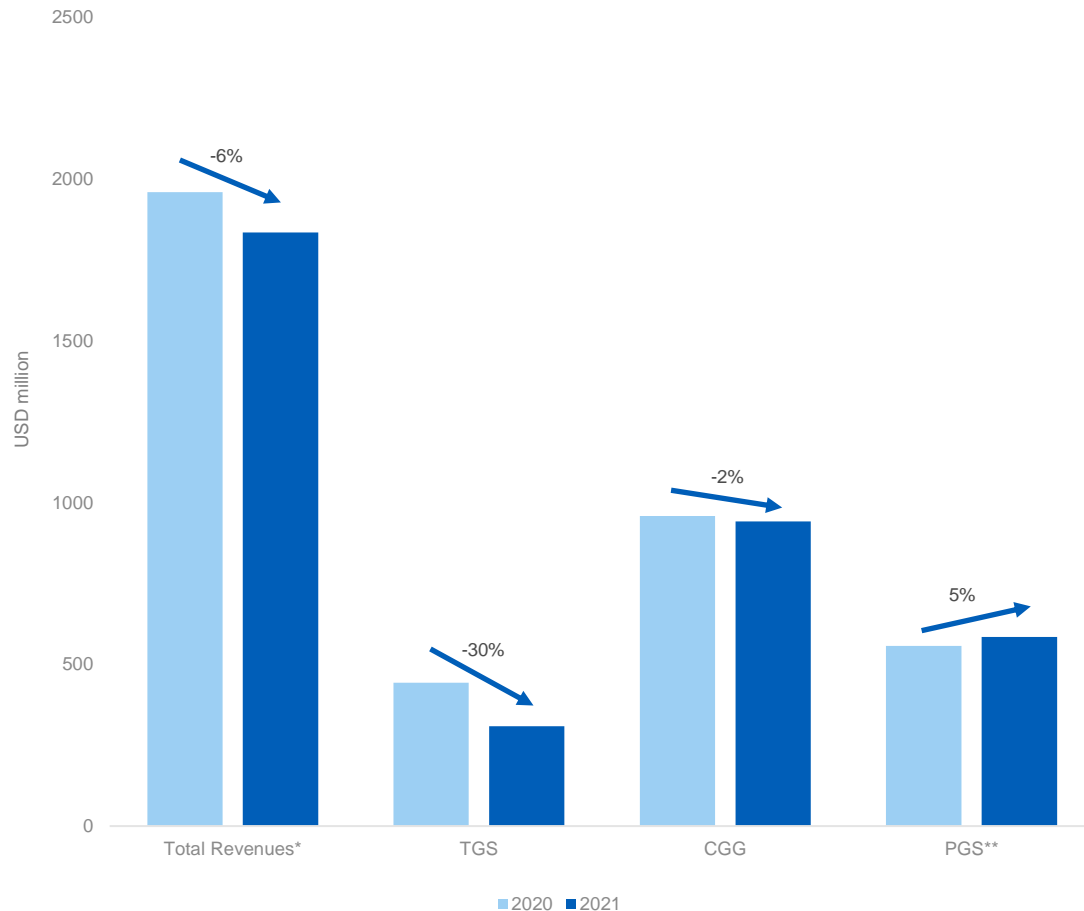
- This presentation contains forward looking information
- Forward looking information is based on management assumptions and analyses
- Actual experience may differ, and those differences may be material
- Forward looking information is subject to significant uncertainties and risks as they relate to events and/or circumstances in the future
- This presentation must be read in conjunction with other financial disclosures

Full Year 2021 Takeaways: Improving Competitive Position in a Gradually Improving Market



- Higher revenues compared to 2020 when adjusted for Covid-19 related government grants
- 42% increase in contract revenues
 - Overweight of capacity allocated to contract
 - Significant rate increase in 2H
 - Benefit from more near-field exploration and increasing 4D demand
- Mixed development of MultiClient market
 - Reduced industry revenues and investments vs. 2020
 - Increased market share for PGS with strong late sales growth and adequate pre-funding on reduced MultiClient investment
- Established New Energy
 - Already generating meaningful CCS MultiClient revenues and contract order book
- Winter season more challenging than expected
 - Healthy booked position for summer season
- Returned to positive net cash flow generation
- Slower market recovery than assumed in business plan for the 2020 debt rescheduling
 - Will have to address in coming quarters

2021 Seismic Market Lower Than 2020 - with Positive Contract Development

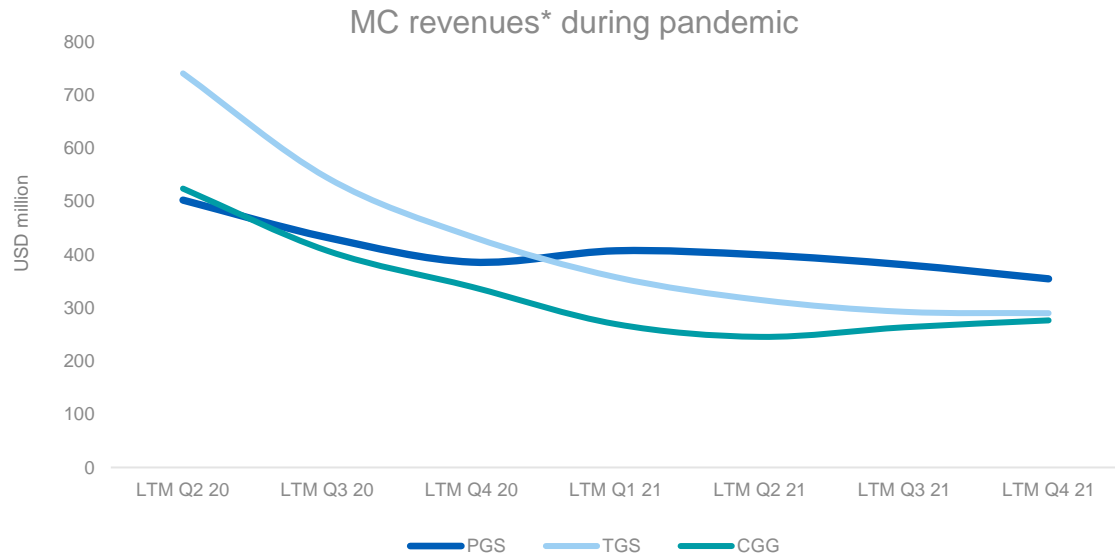


- The seismic market declined ~6%* in 2021 vs. 2020
- Energy companies are increasingly focusing on near-field exploration and 4D
- PGS increased revenues in 2021 by allocating more capacity to contract work where rates are improving
 - Diversified MultiClient library mostly in mature basins

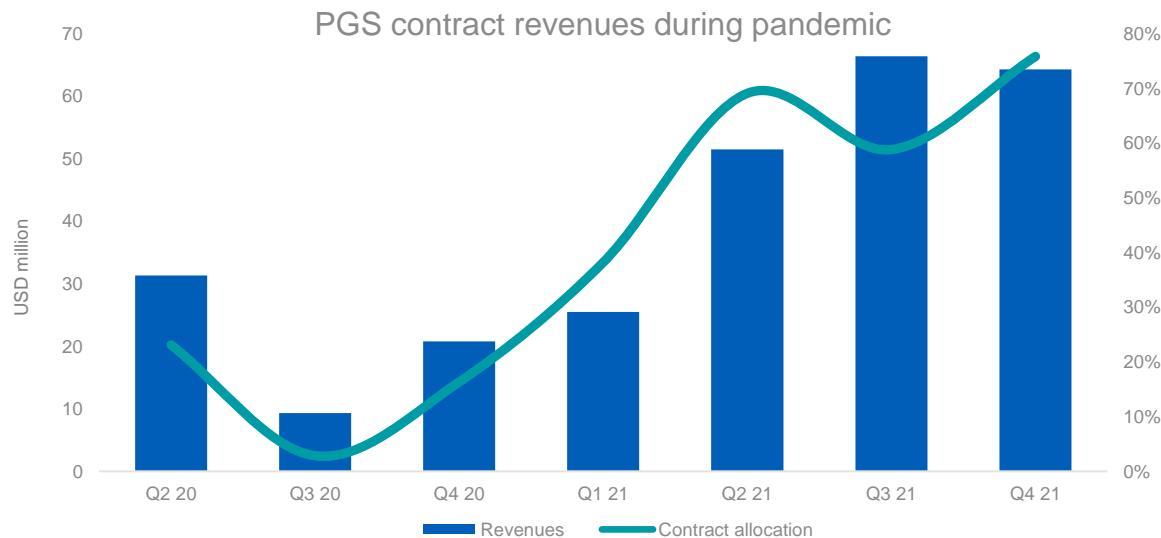
*Based on major seismic companies with publicly reported numbers.

**Excluding government grants.

Maintaining Attractive MultiClient Business while Growing Contract Segment

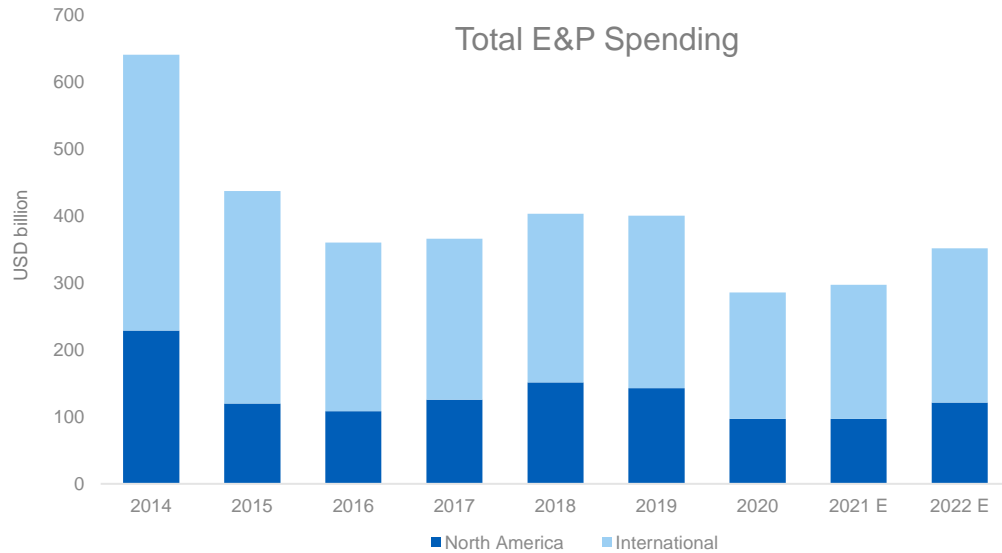


- PGS has the highest MultiClient revenues since Q2 2020 and the lowest investment level
 - Most of the MultiClient library is in mature and producing basins
- Increasing capacity allocation towards the recovering contract market
 - Energy companies focus on near-field exploration and 4D



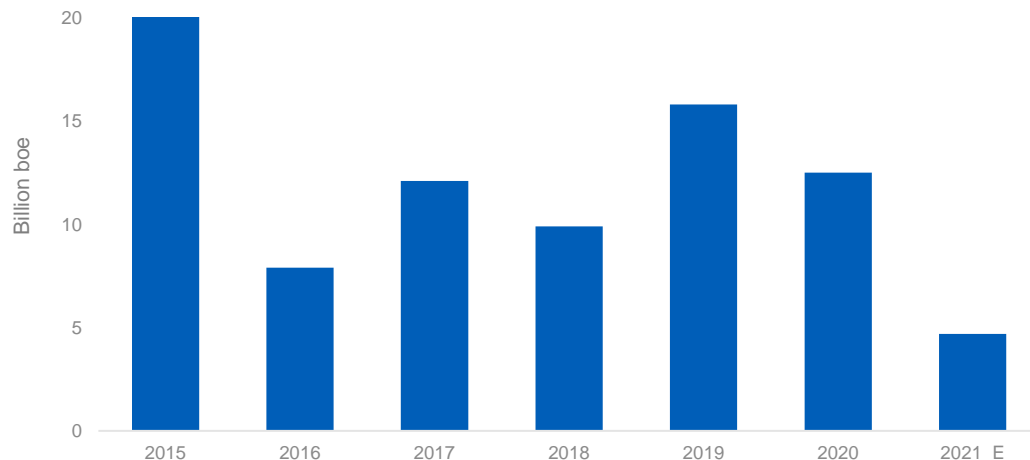
*LTM - Total revenues for the last twelve months.

Under-investments and Conventional Oil Decline Creates an Energy Challenge



Source: Barclays 37th annual E&P spending report

Total volume of oil and gas discoveries each year



Source: Rystad Energy

- Global E&P spending declined approximately 55% from 2014 to 2020
 - Reduced approximately 30% from 2019 to 2020
 - Flattish from 2020 to 2021

- Expect higher exploration and production spending in 2022

- Projected increase in investments among energy companies echo clients' feedback regarding seismic plans

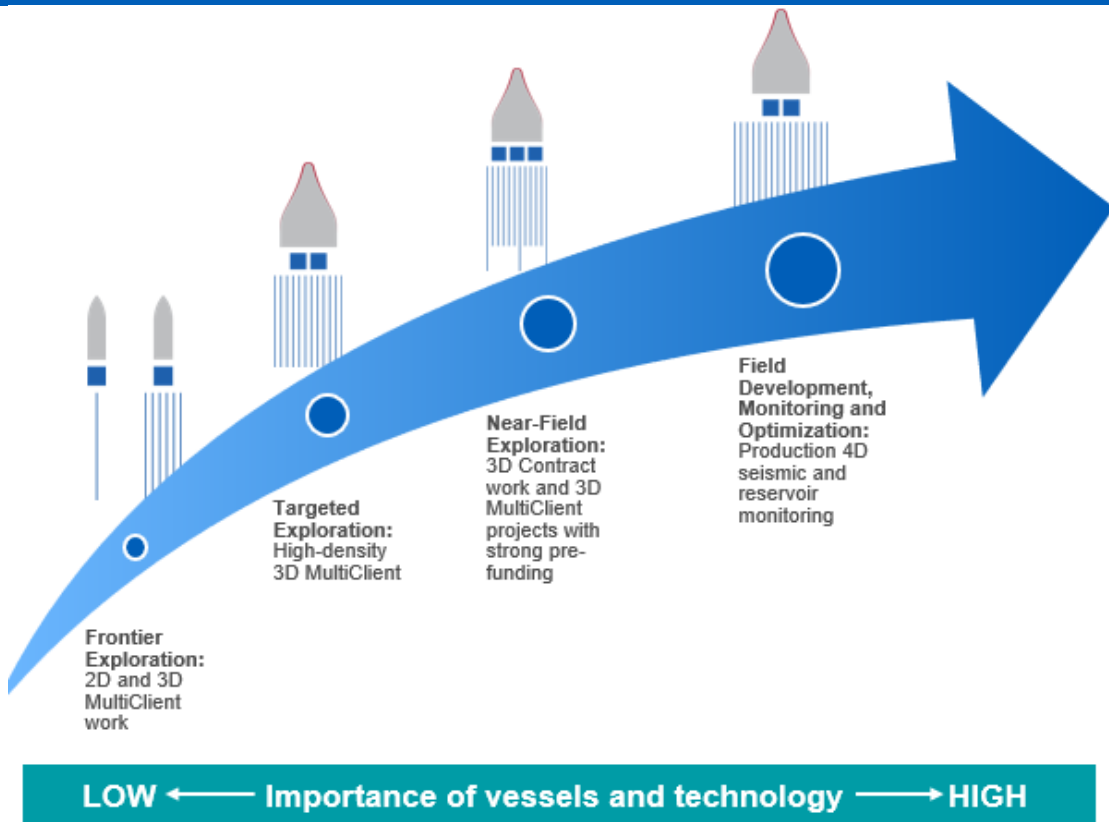
- Global annual discoveries heading for lowest level in 75 years

- To compensate for annual conventional oil decline there is a need for 3-5mb/d of new greenfield conventional capacity to be sanctioned by end 2022 to meet 2025 demand*

*Source: Wood Mackenzie and TotalEnergies Outlook 2021 momentum scenario.

PGS is Capitalizing on Traditional - and Developing new Businesses

Energy Transition: Increasing focus on near-field exploration and 4D



Energy Transition: PGS New Energy develops green business capitalizing on PGS expertise and assets



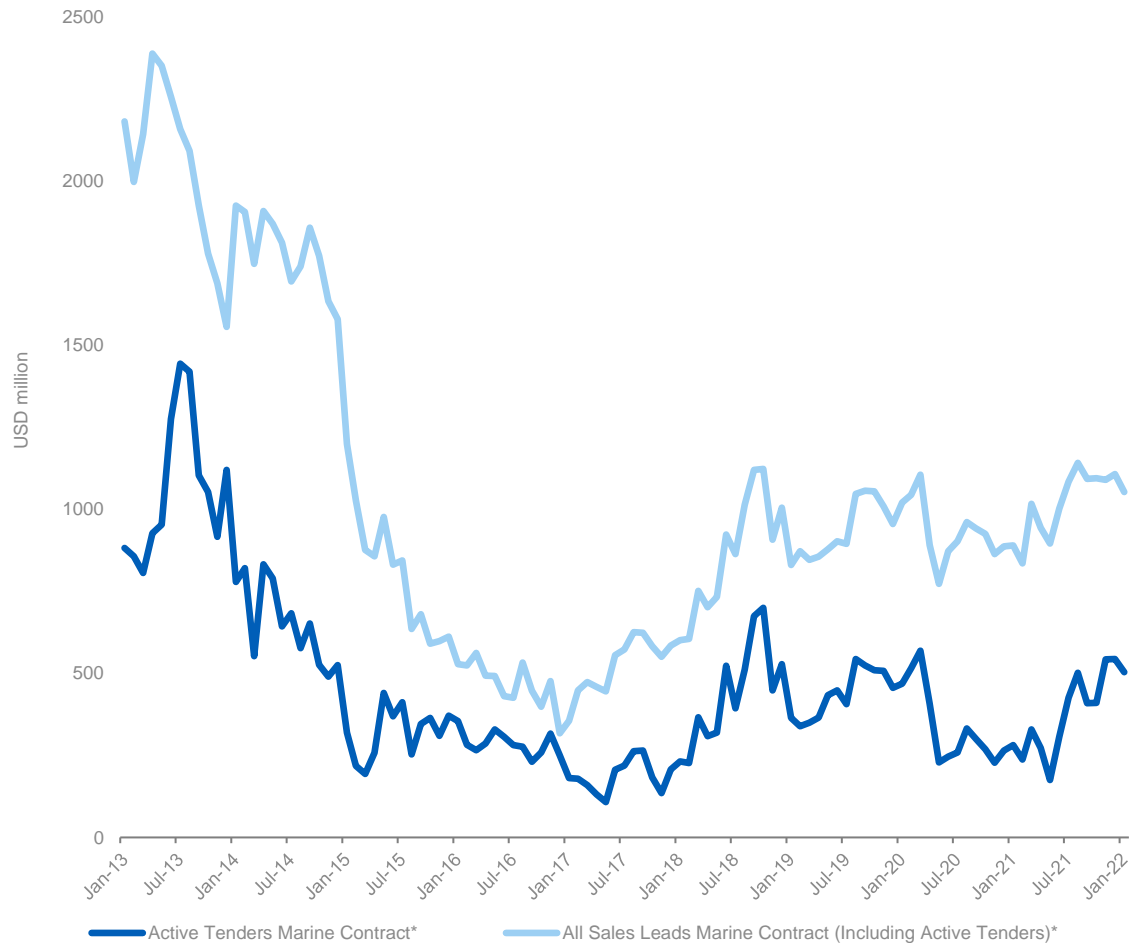
Source images: Sintef

PGS Corporate Strategy:
Marine Seismic Market Leadership Through Integrated Service Offering

Financial Strategy	PGS Business Strategy
Cash Flow before growth	Leverage integration across the PGS value chain
	Leading provider of nearfield exploration and production (4D) seismic
Return on Capital Employed	Develop New Energy into a significant business unit
	Increase speed and penetration of digitalization
Establish a sustainable capital structure	Reduce operating cost & increase efficiency
	Reduce environmental footprint from our operations

Positive Contract Market Sentiment Likely to Continue in 2022

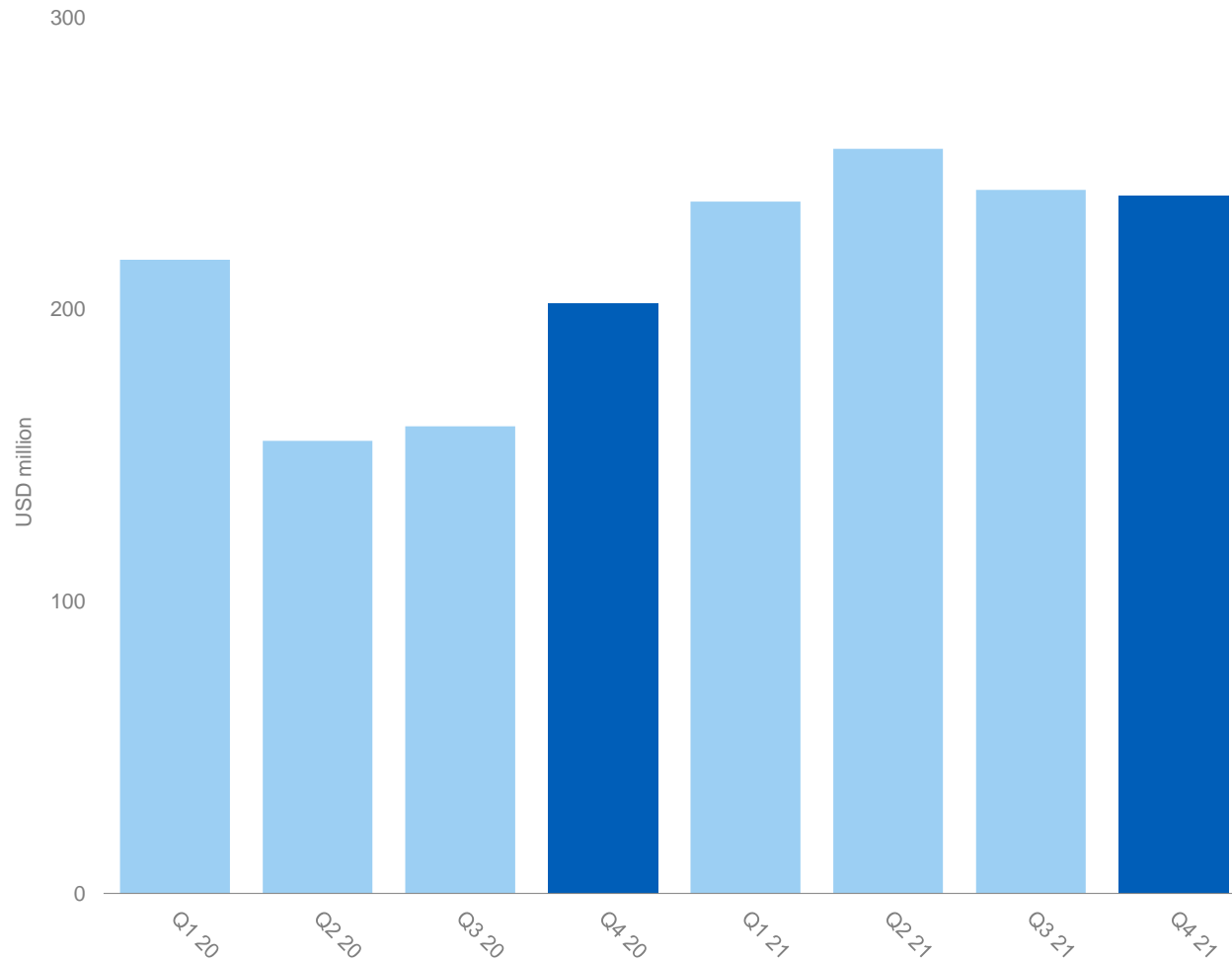
Sales leads and active tenders for contract work



- Bidding activity currently higher than 2H 2021
- Significant volume of leads and tenders for 2022 summer season
- More than 30 4D streamer projects planned for 2022
 - Previous record is 24 surveys in 2012

*Contract bids to go (in-house PGS) and estimated \$ value of bids + risk weighted leads as of January 17, 2022.

Healthy Order Book – Expected to Increase Before Summer Season



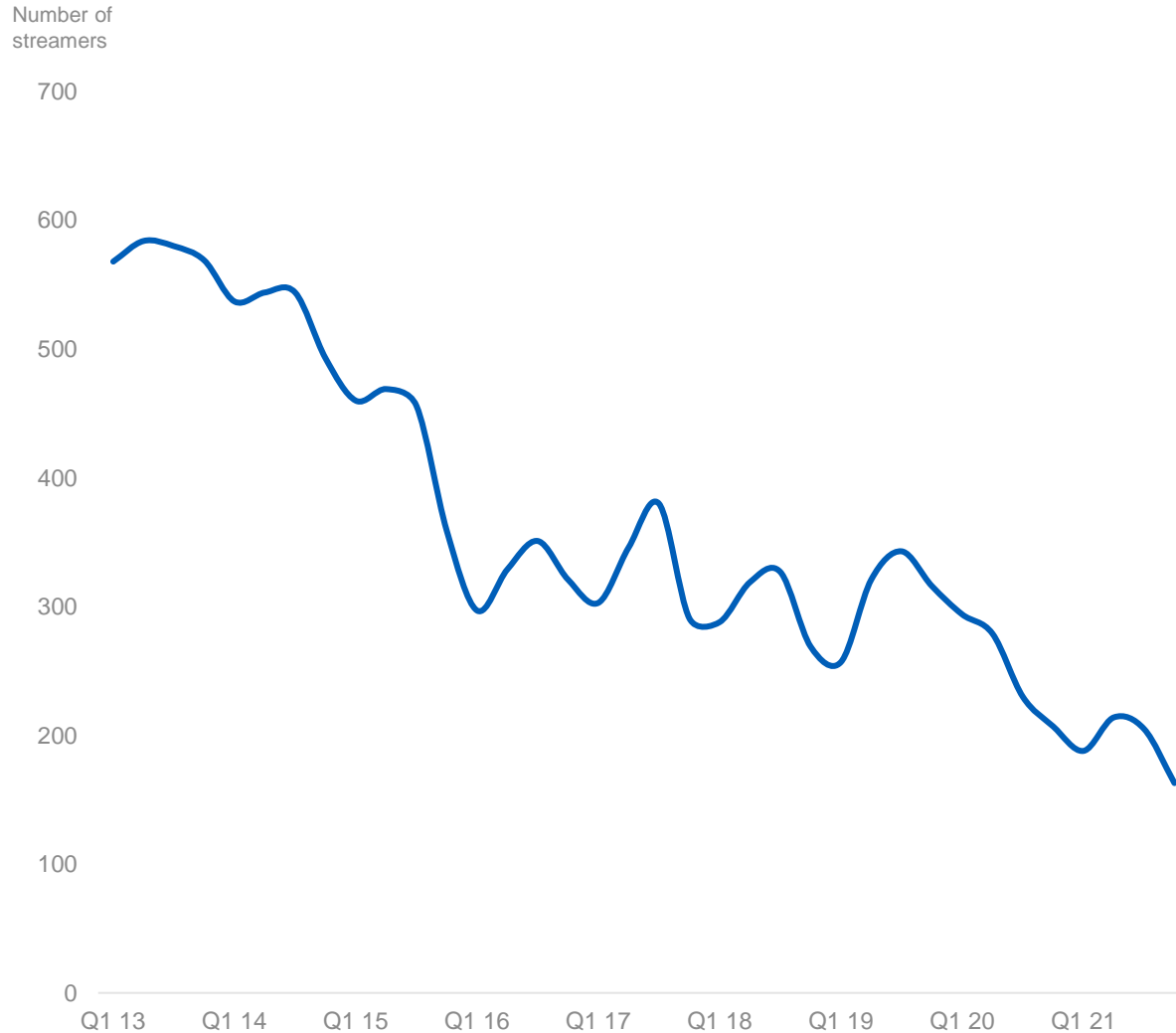
- Order book of \$239 million on December 31, 2021
 - \$32 million relating to MultiClient

- Vessel booking*
 - Q1 22: 10 vessel months
 - Q2 22: 11 vessel months
 - Q3 22: 9 vessel months

- Expect to operate four vessels by early February, increasing to six early Q2

*As of January 17, 2022.

Historically Low Supply with Seasonal Swings



Source: PGS internal estimates

- Seasonal low capacity in Q4 2021
- Improving summer demand likely to trigger some idle capacity to come back
- PGS plans to operate a 6-vessel fleet through 2022

Summary



- PGS is an integrated marine geophysical company
 - Capitalizing on traditional and developing new business

- Overall seismic market weaker in 2021 vs. 2020
 - Contract market recovery and mature area MultiClient position benefit PGS relative performance

- Expect an improving seismic market in 2022
 - Healthy order book
 - Good outlook for summer season
 - Increasing 4D activity

- Slower market recovery than assumed in business plan for the 2020 debt rescheduling
 - Will have to address in coming quarters



Thank you

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