EXEMPTED DOCUMENT

Listing of up to 65,238,150 Consideration Shares issued in connection with the merger between TGS ASA and PGS ASA

The information contained in this exempted document (the “**Exempted Document**”) relates to the merger agreed upon by the boards of directors in TGS ASA (the "**Company**" or "**TGS**", and together with its consolidated subsidiaries, the "**TGS Group**") and PGS ASA ("**PGS**", and together with its consolidated subsidiaries, the "**PGS Group**") (the “**Merger**”). As a result of the Merger, PGS will be merged into TGS Newco AS, a wholly owned subsidiary of TGS designed for the purposes of the Merger ("**TGS Newco**"). In this Exempted Document, the term "**Combined Company"** refers to the TGS Group as of the date of registration of the completion of the Merger in the Norwegian Register of Business Enterprises (the "**Effective Date"**). For purposes of this Exempted Document, "**Shares**" refers to the ordinary shares in TGS, each with a nominal value of NOK 0.25. The Exempted Document further details the listing of up to 65,238,150 new ordinary shares in TGS, each with a nominal value of NOK 0.25 issued as consideration for the Merger (the "**Consideration Shares**").The Consideration Shares will be distributed on a pro rata basis to shareholders of PGS (other than to non-Eligible U.S. Shareholders) as at the expiry of the date of registration of the completion of the Merger with the Norwegian Register of Business Enterprises (Nw. *Foretaksregisteret*) (the “**Effective Date**”), which occurred on 1 July 2024, as such shareholders appear in the shareholders register of PGS with the Norwegian Central Securities Depositary (*Nw. Verdipapirsentralen*) (the “**VPS**”) as at the expiry of the second trading day thereafter (the “**Record Date**”), being 3 July 2024. As Merger consideration, the shareholders of PGS will (on a fully diluted basis) receive 0.06829 Consideration Shares for each share in PGS they own as at the Effective Date as recorded in the VPS as at the Record Date (the "**Exchange Ratio**"), and a cash compensation equal to NOK 0.20419 for each PGS share held as of the Record Date. Treasury shares held by PGS will however not be eligible for exchange into Consideration Shares. It is expected that the Consideration Shares will be delivered and made available to eligible shareholders of PGS on the first business day after the Record Date. All Shares are and the Consideration Shares will be registered in the VPS in book-entry form and rank in parity with one another and carry one vote per Share. Trading in the Consideration Shares on the Oslo Stock Exchange is expected to commence on or about 2 July 2024. As of the first day of listing after completion of the Merger, the Shares in the Combined Company (as defined below) will trade under the trading symbol “TGS”. As of the same day, the shares in PGS will be exchanged with Consideration Shares and PGS will be dissolved. Trades during the period from the first day of trading after completion of the Merger and until delivery of the Consideration Shares to the VPS accounts of eligible shareholders will be settled on a T+2 basis.

This Exempted Document serves as a prospectus equivalent document for the purpose of listing the new shares to be issued in connection with the Merger, cf. Section 7-1 of the Norwegian Securities Act cf. Article 1 (5) point (f) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2014/71/EC, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the “**EU Prospectus Regulation**”). This Exempted Document is not a prospectus within the meaning of the EU Prospectus Regulation, and therefore it has not been subject to scrutiny and approval by the relevant competent authority as set out in Article 20 of the EU Prospectus Regulation.

Except where the context otherwise requires, references in this Exempted Document to the Shares refer to all issued and outstanding ordinary shares of TGS and will be deemed to include the Consideration Shares. For the definitions of capitalized terms used throughout this Exempted Document, see Section 11 "Definitions". **Investing in the Shares involves risks; see Section 1 "Risk Factors".**

THIS EXEMPTED DOCUMENT DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO BUY, SUBSCRIBE OR SELL THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT TO THIS EXEMPTED DOCUMENT.

The date of this Exempted Document is 2 July 2024.

IMPORTANT NOTICE

This Exempted Document has been prepared by TGS ASA in connection with the listing of the Consideration Shares and serves as a prospectus equivalent document cf. Article 1 (5) point f of the EU Prospectus Regulation. This Exempted Document has been prepared solely in the English language. In this Exempted Document, the term "**Combined Company"** refers to TGS Group as of the date of registration of the completion of the Merger in the Norwegian Register of Business Enterprises (the "**Effective Date"**).

This Exempted Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 and has not been subject to the scrutiny and approval by the Norwegian Financial Supervisory Authority (Nw. *Finanstilsynet*) in accordance with Article 20 of the EU Prospectus Regulation. This Exempted Document does not constitute an offer or solicitation to buy, subscribe or sell the securities described herein, and no securities are being offered or sold pursuant to this Exempted Document. The content of this Exempted Document has been prepared on the basis of the European Commission's draft commission delegated regulation supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the minimum information content of the document to be published for a prospectus exemption in connection with a takeover by means of an exchange offer, a merger or a division, as published by the European Commission for feedback on 16 June 2020. (Ref. Ares (2020)3028878 - 11/06/2020).

This Exempted Document does not constitute an offer of, or an invitation to purchase, any of the Shares described herein and no Shares are being offered or sold pursuant to this Exempted Document in any jurisdiction. All inquiries relating to this Exempted Document must be directed to TGS. No other person is authorized to give any information about, or to make any representations on behalf of, TGS, PGS or the Combined Company in connection with the Merger. If any such information is given or representation is made, it must not be relied upon as having been authorized by TGS. The information contained herein is as of the date hereof and is subject to change, completion and amendment without further notice. The publication of this Exempted Document shall not under any circumstances create any implication that there has been no change in TGS' or PGS' affairs or that the information set forth herein is correct as of any date subsequent to the date hereof. No person is authorised to give information or to make any representation in connection with the Merger other than as contained in this Exempted Document.

The contents of this Exempted Document are not to be construed as legal, business or tax advice. Each reader of this Exempted Document should consult with his or her own legal, business or tax advisor as to legal, business or tax advice. If you are in any doubt about the contents of this Exempted Document, you should consult your stockbroker, bank manager, lawyer, accountant or other professional advisor.

Readers are expressly advised that the Shares are exposed to financial and legal risk and they should therefore read this Exempted Document in its entirety, in particular Section 1 "Risk Factors".

The distribution of this Exempted Document may in certain jurisdictions be restricted by law. Persons in possession of this Exempted Document are required to inform themselves about and to observe any such restrictions. No action has been taken or will be taken in any jurisdiction by TGS or PGS that would permit the possession or distribution of this Exempted Document, in any country or jurisdiction where specific action for that purpose is required.

This Exempted Document is not for publication or distribution, directly or indirectly, in the United States. TGS has not registered any of the Shares issued by TGS, including the Consideration Shares when issued, under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and the Shares may not be offered or sold, directly or indirectly, in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. TGS does not intend to register any of the Shares pursuant to the U.S. Securities Act. Any sale, offer or delivery in United States of the Shares mentioned in this Exempted Document will be made solely to shareholders of PGS who are (i) non-U.S. persons as defined in Regulation S of the U.S. Securities Act, or (2) "accredited investors" as defined in Regulation D of the U.S. Securities Act.

This Exempted Document is governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Exempted Document.

All Sections of the Exempted Document should be read in context with the information included in Section 3 "*General Information"*.

TABLE OF CONTENTS

1 RISK FACTORS 1

1.1 Risks related to Merger 1
1.2 Risks relating to the Combined Company's operations and business and the industries in which the Combined Company operates 3
1.3 Risks related to law, regulation and potential litigation 9
1.4 Risks related to the Shares 12

2 RESPONSIBILITY FOR THE EXEMPTED DOCUMENT 13

3 GENERAL INFORMATION 14

3.1 Presentation of financial and other information 14
3.2 Presentation of industry data and other information 14
3.3 Cautionary note regarding forward-looking statements 15

4 THE MERGER 16

4.1 Introduction and description of the Merger 16
4.2 Background and reason for the Merger 16
4.3 Completion of the Merger 16
4.4 Timetable for the Merger 16
4.5 Consideration of the Merger 17
4.6 Impact of the Merger on the Combined Company 17
4.7 Conflicts of interests 18
4.8 Expenses of the Merger 18
4.9 Dilution 18
4.10 Shareholding structure following the Merger 18

5 BUSINESS OVERVIEW – TGS ASA 19

5.1 Introduction 19
5.2 Legal structure 19
5.3 Overview of TGS' operations 21
5.4 TGS' board of directors and executive management 24
5.5 Significant recent changes and trends 25
5.6 Investing activities 25
5.7 Material contracts 25
5.8 Legal and arbitration proceedings 26
5.9 Disclosure on notifiable holdings 26
5.10 Public takeover bids 26
5.11 Working capital statement 26

6 BUSINESS OVERVIEW – PGS ASA 27

6.1 Introduction 27
6.2 Legal structure 27
6.3 Overview of the PGS Group's operations 27
6.4 PGS' board of directors and executive management 33
6.5 Significant recent changes and trends 34
6.6 Investing activities 34
6.7 Rights attached to the PGS shares 34
6.8 Material contracts 34
6.9 Legal and arbitration proceedings 34
6.10 Disclosure on notifiable holdings 34

7 UNAUDITED PRO FORMA FINANCIAL INFORMATION 36

7.1 Introduction 36
7.2 Basis of Presentation 36

7.3 INDEPENDENT PRACTITIONER'S ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION 36
7.4 PURCHASE PRICE ALLOCATION AND ALLOCATION OF GOODWILL 37
7.5 UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET FOR THE PERIOD ENDED 31 DECEMBER 2023 38
7.6 UNAUDITED PRO FORMA CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 38
7.7 NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION 39
7.8 APPENDIX TO THE PRO FORMA FINANCIAL STATEMENTS 42

8 REGULATORY DISCLOSURES 46

8.1 TGS ASA 46
8.2 PGS ASA 47

9 INCORPORATION BY REFERENCE; DOCUMENTS ON DISPLAY 48

9.1 INCORPORATION BY REFERENCE 48
9.2 DOCUMENTS ON DISPLAY 48

10 ADDITIONAL INFORMATION 49

10.1 INDEPENDENT AUDITORS 49
10.2 LEGAL ADVISORS 49
10.3 VPS REGISTRAR 49
10.4 IMPORTANT INFORMATION 49

11 DEFINITIONS AND GLOSSARY 50

APPENDICES:

Appendix 1: Independent Practitioner’s Assurance Report on Pro Forma Financial Information

1 RISK FACTORS

An investment in the Company involves inherent risks. The following describes the risks relating to the Merger, as well as the risks relating to the Combined Company and its business and the Shares, including the Consideration Shares regardless of the manner of their delivery to the PGS shareholders. Shareholders should consider carefully all information set forth in this Exempted Document and, in particular, the specific risk factors set out below. If any of the risks described below materialize, individually or together with other circumstances, they may have a material adverse effect on the Combined Company's business, financial condition, results of operations and cash flow, which may affect the ability of the Company to pay dividends and cause a decline in the value and trading price of the Shares that could result in a loss of all or part of any investment in the Shares.

The risk factors outlined below have been prepared by and on behalf of TGS, but all risks should also be assumed to apply to the Combined Company. All references to TGS in this Section 1 "Risk Factors" should therefore be understood to also apply to the Combined Company where applicable.

The risk factors included in this Section 1 are presented in a limited number of categories, where each risk factor is sought placed in the most appropriate category based on the nature of the risk it represents. Within each category the risk factors deemed most material for the Combined Company, taking into account their potential negative affect for the Combined Company and its subsidiaries and the probability of their occurrence, are set out first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties in that risk factor are not genuine and potential threats, and they should therefore be considered prior to making an investment decision. If any of the following risks were to materialize, either individually, cumulatively or together with other circumstances, it could have a material adverse effect on the Combined Company, and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Shares, resulting in loss of all or part of an investment in the Shares. Additional factors of which the Company is is currently unaware or which it currently deems not to be risks may also have corresponding negative effects.

1.1 Risks related to Merger

1.1.1 The Combined Company may not necessarily be able to realize some or any of the estimated benefits of the Merger in the manner or within the timeframe currently estimated, or at all, and the implementation costs may exceed estimates.

Achieving the estimated benefits, including the estimated synergies of the Merger, will depend largely on the timely and efficient combination of the business operations of TGS and PGS. The estimates on the total synergies expected to arise from the Merger and the combination of the business operations of TGS and PGS as well as the related implementation costs have been prepared by TGS and PGS. These estimates are based on a number of projections and assumptions that are inherently uncertain and subject to risks that could cause the actual results to differ materially from those contained in the synergy, benefit and related cost estimates. Achieving the estimated synergies or other benefits from the Merger could be limited, delayed or prevented, and the estimated implementation costs may be exceeded due to, inter alia, risks that include, but are not limited to, the following factors:

- general economic conditions may develop adversely in the Combined Company's operating countries or globally;
- the Combined Company may not be able to react timely and effectively to market changes while in the process of combining business and support functions;
- the Combined Company may not be able to successfully implement a new organizational and governance model, which may require restructuring of the organization, transferring certain services to other locations or re-evaluating headcount;
- the Combined Company may face unforeseen technological challenges that prevent a proper integration resulting in complications, delays, errors or additional costs;
- TGS' and PGS' technological solutions or standards may not be sufficiently compatible with each other to enable unified and coordinated operational models or offerings for the Combined Company, which could slow down operations or lead to incident-causing misunderstandings;
- technical integration may have to be implemented through temporary measures, which could lead to weakened security and increase the risk of major incidents;
- unexpected investments in equipment, IT systems and other business crucial infrastructure may incur significant integration-related expenses;

- integration may disturb the efficiency, accuracy, continuity and consistency of the control, administrative and support functions of the Combined Company, such as financing operations, cash management, insurance, financial control and reporting, information technology, communications and compliance functions;
- the Combined Company is dependent on the skills and expertise of certain senior management and key personnel, and their continued employment with the Combined Company, after the Effective Date; and
- the combination requires significant amounts of management time and effort which may impair TGS' and PGS' respective management's ability to effectively run TGS' and PGS' respective businesses following the Merger, including managing customer and internal development projects and mitigating existing risks.
- the successful realization of the material benefits from the merger between TGS and PGS is contingent on effectively refinancing PGS' existing debt
- the Combined Company is dependent on ensuring optimal utilization of its vessel capacity

If the Combined Company fails to realize the anticipated synergies or other benefits or further synergies or benefits, or the estimated implementation costs of the Merger are exceeded materially, the business rationale of the Merger may not be achieved and the value of the shareholders' investment into the Combined Company could decrease. Materialization of any of the above factors could have a material adverse effect on the business, financial position, results of operation, future prospects, or share price of the Combined Company.

1.1.2 Risks related to the debt levels of the Combined Company

As of 31 December 2023, PGS had a substantial amount of debt and significant debt service obligations. Such debt includes a bond issue in the amount of USD 450 million (the "**Bonds**"), a term loan B in the amount of USD 69.8 million (the "**TLB**"), a loan in the amount of USD 75 million (the "**Notes**"), a super senior loan in the amount of USD 50 million (the "**Super Senior Loan**"), an export credit financing in the amount outstanding of USD 133.3 million (the "**ECF**") and capitalized lease liabilities of USD 80.8 million (the "**Leases**"). TGS had as of 31 December 2023 capitalized lease liabilities of USD 85.2 million.

As of 31 December 2023, PGS had cash and cash equivalents of USD 177.7 million and restricted cash of USD 58.4 million, of which USD 32.9 million is held in debt service reserve and retention accounts related to the ECF. TGS had correspondingly USD 196.7 million in cash and cash equivalents, as per 31 December 2023. Consequently, the Combined Company's net interest-bearing debt (excluding capitalized lease liabilities and including restricted cash) as of 31 December 2023 was USD 551.88 million. The Combined Company intends to optimize its capital structure, efficiency, and costs based on the strength of TGS' and PGS' combined balance sheets and cash flows. Part of the strategy includes refinancing a portion of PGS's debt, although there are no assurances that TGS will be able to obtain more favorable terms in the refinancing than currently are in place. Additionally, the Combined Company will continue to bear a significant debt load, potentially leading to substantial negative impacts. For the foreseeable future, the Combined Company will continue to need to allocate parts of its operational cash flow to covering interest payments and managing debt repayments initially incurred by PGS. This increases the Combined Company's vulnerability to volatility in the financial markets and adverse general economic or industry conditions. It can also limit the cash flow available to fund operations, necessary capital expenditures and growth. The already high level of debt could also limit the Combined Company's ability to raise additional debt to fund operations, if required, and restrict the Combined Company from making strategic acquisitions or exploiting business opportunities.

1.1.3 The Merger will trigger a put obligation in the Bonds and call offer of the Notes

The holders under the Bonds will upon consummation of the Merger be entitled to put the Bonds at 101% of par, which could potentially result in a significant financial obligation for the Combined Company if triggered. Following the call offer triggered by the Merger, TGS ASA has entered into agreements with the holders of the Notes for the assignment of the Notes.

1.1.4 Retention, motivation and recruitment of executives and key employees may be challenging

For the Merger to be successful, the Combined Company must be successful at retaining and motivating key employees following the completion of the Merger. Experienced employees in the oil and gas industry are in high demand and competition for their talents can be intense. Employees of both PGS and TGS may experience uncertainty about their future role with the Combined Company until, or even after, strategies with regard to the combined company are announced or executed. These potential distractions of the Merger may adversely affect the ability of the Combined Company, to retain, motivate and recruit executives and other key employees and keep them focused on applicable strategies and goals. A failure by PGS, TGS or the Combined Company, to attract, retain and motivate executives and other key employees during the period prior to or after the completion of the Merger could have a negative impact on the business of the Combined Company.

1.1.5 The unaudited pro forma financial information in this Exempted Document is presented for illustrative purposes only and may differ materially from the Combined Company's actual results of operations and financial position following the Merger

The unaudited pro forma financial information in this Exempted Document is presented for illustrative purposes only and is not necessarily indicative of what the Combined Company's actual financial position or results of operations would have been had the Merger been completed on the dates indicated. Moreover, the unaudited pro forma financial information does not purport to project the future financial position or results of operations of the Combined Company.

See "Unaudited Pro Forma Financial Information" in Section 7 for more information.

1.1.6 TGS' and PGS' access to information regarding each other has been limited, and they may not be adequately protected against possible known or unknown deficiencies and liabilities

TGS' and PGS' access to information regarding each other in connection with the Merger has been limited. For this reason, and notwithstanding the public information that TGS and PGS disclose due to their disclosure obligations as listed companies, TGS and PGS have only been able to conduct a limited due diligence review of each other. The limited due diligence review that TGS and PGS have conducted of each other may have failed to identify and discover potential liabilities and deficiencies in TGS or PGS, including onerous contract terms in key agreements or threatened liabilities for breaches of contract in business-critical relationships, legal proceedings, employer and pension obligations, non-compliance with applicable laws or standards, environmental remedies, taxes, or other liabilities (whether or not contingent or included in the financial statements of TGS and PGS, as incorporated into this Exempted Document by reference). As TGS and PGS commence their operations as a Combined Company, the Combined Company's management may learn additional information about liabilities which, individually or in aggregate, could result in significant additional costs and liabilities that are not described in this Exempted Document, or affect the feasibility of achieving estimated synergies. Any of the above factors could have a material adverse effect on the business, financial position, results of operations, future prospects, or Share price of the Combined Company.

1.2 Risks relating to the Combined Company's operations and business and the industries in which the Combined Company operates

1.2.1 The demand for the Combined Company's services and products largely depends on the level of capital expenditures in the oil and gas industry

The demand for the Combined Company's products and services has historically been dependent upon the level of capital expenditures by oil and gas companies for exploration, production and development activities. These expenditures are significantly influenced by prevailing hydrocarbon prices and expectations regarding future hydrocarbon prices, as well as by various other factors including the availability of financing to fund these activities and societal trends towards a low carbon future, making the Combined Company's market volatile.

Oil and gas prices are volatile and are impacted by changes in the supply of and demand for oil and gas, expectations regarding future supply of, and demand for, hydrocarbons. An actual decline, or the perceived risk of a decline, in oil and/or natural gas prices could cause oil and gas companies to reduce their overall level of activity or spending, in which case demand for seismic services and products provided by the Combined Company may decline and revenue may be adversely affected.

During earlier periods of depressed commodity prices, many oil and gas exploration and production companies significantly reduced their levels of capital spending, including amounts dedicated to the purchase of marine seismic data and services, driving the volumes and prices for TGS' products and services down and consequently also the Combined Company's profits. For example, the vessel side of operations, previously operated by PGS, saw generally weakened demand for its services during the period 2014-2021, and, consequently, PGS reported substantial losses as well as impairments of long-term assets over those years.

Turmoil in the credit markets and specifically in the credit market for the energy sector could also adversely affect the Combined Company and its customers. Limited access to external funding has in the past caused some customers to reduce their capital spending levels. Some companies have found their access to liquidity constrained or subject to more onerous terms. In this context, the Combined Company's customers may not be able to borrow money on a timely basis or on reasonable terms, which could have a negative impact on their demand for the Combined Company's products and impair the ability of the Combined Company's customers to pay for the Combined Company's products and services on a timely basis, or at all.

Increases in oil and natural gas prices may not increase demand for the Combined Company's products and services or may otherwise not have a positive effect on the Combined Company's financial condition or results of operations. Previously forecasted trends in oil and gas exploration and development activities may not continue, and demand for the Combined Company's products may not reflect the level of activity in the industry. For example, the relative attractiveness of conventional versus unconventional resources and onshore versus offshore resources may change. Further, the cost of extracting unconventional resources may be reduced to a level where conventional resources are less attractive. Unconventional resources may be extracted without using the Combined Company's product or services. Moreover, even during periods of high commodity prices, customers may reduce their levels of capital expenditures for seismic exploration and production for a variety of reasons, including their lack of success in exploration efforts. The Combined Company is dependent on sales of licenses to its multi-client data library, utilization of its vessels and Ocean Bottom Node ("**OBN**") crew and equipment, and providing its services, and as such a change in attractiveness in the operational segments that the Combined Company operates may have significant adverse effects on the Combined Company.

Furthermore, as PGS has incurred a substantial amount of debt, the Combined Company is more exposed to a lack of capital expenditure by the oil and gas industry and similar forms of market volatility compared to other companies in the seismic industry with lower indebtedness. Such decrease in expenditures could materially impact the Combined Company's ability to generate sufficient cash from its operations to pay interest and amortization on its interesting bearing debt or its capability to satisfy financial covenants.

1.2.2 The Combined Company is subject to rapid and unpredictable transitions in its industry

The pace and magnitude of the demand to shift from hydrocarbons to renewables remains unclear and difficult to predict. Civil society and numerous stakeholders (including governments) are increasingly encouraging the reduced consumption of carbon-based energy sources and the establishment of a more balanced energy mix, geared to low-carbon and renewable energy, to combat climate change. As social interest worldwide regarding the energy transition continues to grow, demand for renewables (as a partial or complete substitute for hydrocarbons) continues to increase. In this context, oil and gas companies may experience a shift in demand away from traditional oil and gas and toward lower-carbon sources of energy such as renewables. A major shift toward renewables could significantly impair the Combined Company's business by reducing demand for its services and impairing the value of its multi-client library, vessels and other assets. As the Combined Company mainly derives its income from activities related to hydrocarbons, the above-mentioned trends may over time reduce the demand for the Combined Company's products and services and consequently reduce its income. Such reduction in the Combined Company's activities will adversely affect the Combined Company's results of operations.

1.2.3 The Combined Company is dependent upon a small number of key clients

The Combined Company derives a significant amount of its revenues from a small number of clients each year. In 2023, PGS' two largest customers accounted for 10% and 9% of its consolidated revenues, compared to 13 % and 8% in 2022 and 10% and 7% in 2021, respectively. TGS derived 41% of its consolidated revenues from its two largest customers in 2023, compared to 35% in 2022 and 21% in 2021. However, the Combined Company's clients that contribute the largest proportion of the Combined Company's consolidated revenues may vary between years. This is attributable in part to the variable levels of capital expenditures, including spending for marine seismic data services, across the oil and gas industry. The absence of a stable stream of revenues from a subset of the Combined Company's customer base from one year to the next could adversely affect the Combined Company's business, results of operations, financial condition and cash flows, including the Combined Company's ability to be in compliance with its debt obligations.

1.2.4 The Combined Company is subject to intense competition

Some of the Combined Company's contracts are obtained through a competitive bidding process, which is standard for the seismic services industry in which the Combined Company operates. Important factors in winning contracts include price, performance and timeliness of service, service quality, technological capacity, reputation, experience of personnel, customer relations and length of relationship. The Combined Company has a number of competitors in marine 3D and 4D seismic acquisition, multi-client data sales and imaging, and some of these competitors have greater financial and other resources than the Combined Company. These and other competitors may be better positioned to withstand and adjust more quickly to volatile market conditions such as fluctuations in oil and gas prices and production levels, as well as changes in government regulations.

1.2.5 Technological changes and new products and services are frequently introduced in the market

The development of seismic data acquisition, processing and interpretation equipment has been characterized by rapid technological advancements. While the Combined Company commits substantial resources to research and development, the Combined Company may encounter resource constraints or technical or other difficulties that could delay the introduction of new and enhanced products and services in the future. The Combined Company could see increased interest among its customers to utilize technologies other than those the Combined Company operates, such as ocean bottom nodes. This may result in the Combined Company's technology and equipment becoming obsolete. Moreover, new and enhanced products and services introduced by the Combined Company may not gain market acceptance and may be materially adversely affected by technological changes or product or service introductions by one of the Combined Company's competitors.

1.2.6 Parts of the Combined Company's business carries high fixed costs

The aspect of the Combined Company's business previously operated by PGS is subject to high fixed costs which primarily consist of depreciation, maintenance expenses associated with seismic data acquisition, processing and interpretation equipment and certain crew costs. Additionally, the segment formerly operated by TGS within the Combined Company also faces fixed costs associated with idle nodes. Extended periods of significant unanticipated downtime or low productivity caused by reduced demand, weather interruptions, equipment failures, permit delays or other causes could reduce the Combined Company's profitability and have a material adverse effect on the Combined Company's financial condition and results of operations because the Combined Company may not be able to reduce its fixed costs as rapidly as revenues decline.

The Combined Company makes significant investments in property and equipment. The book value of PGS’ property and equipment excluding right-of-use assets was USD 697.7 million, as per PGS' annual financial statements for 2023, while the book value of TGS's buildings, machinery and equipment was USD 132 million for the same period. A decline in demand for the Combined Company's services or changes in competitor capacity and technology may adversely impact the Combined Company's ability to recover the value of its investments in the assets and may result in an impairment of those assets.

1.2.7 The Combined Company is exposed to fuel price fluctuations

Operation of seismic vessels requires substantial fuel purchases; thus, the Combined Company is exposed to fuel price fluctuations. For example, during 2023, PGS had eight 3D vessels available for operation. In PGS' business, PGS incurred significant fuel costs, which in 2022 and 2023 was approx. USD 80 million per year. TGS, on the other hand, has historically been exposed to fuel price risk due to its charter payments, but experienced a sharp increase in fuel costs in 2023, rising from approx. USD 6.5 million in 2022 to approx. USD 32 million in 2023. The increase was due to the operations of Magseis Fairfield ASA acquired by TGS in late 2022, which established TGS in the market for acquisition of OBN data.

Fuel costs can vary significantly depending on the supply location, local regulations and the price of crude oil and the refined fuels used by the Combined Company at a given time. Only a portion of the variation of the fuel prices can be contractually charged to or negotiated with the client. The Combined Company does not hedge against this exposure. Sudden and/or significant changes in fuel price could significantly affect operating costs and may lead to reduced profit margins.

1.2.8 The Combined Company's significant investments in its multi-client seismic data may not be recovered

The Combined Company invests significant amounts of money in acquiring and processing seismic data that the Combined Company owns or has (exclusive) license rights to, which is called multi-client data. The Combined Company's multi-client data library had a book value of USD 1,066.6 million as of 31 December 2023, based on the sum of the respective book values in the annual reports of TGS and PGS. The Combined Company's future multi-client data license sales, including the timing of such licenses, are uncertain and depend on a variety of factors, many of which are beyond the Combined Company's control. By making such investments, the Combined Company assumes the risk that it may not fully recover the cost of acquiring and processing the data through future sales.

Subsequent to investing, technological or regulatory changes or other developments could materially adversely affect the value of the data. Regulatory changes or environmental challenges that affect the ability of the Combined Company's customers to develop exploration programs (such as limitation on drillings), either generally or in a specific location where the Combined Company has acquired seismic data, could materially adversely affect the value of the seismic data contained in the Combined Company's library. Technology changes could also make existing data obsolete.

The value of the Combined Company's multi-client data could be significantly adversely affected if any material adverse change occurs in the general prospects for oil and gas exploration, development and production activities in the areas where the Combined Company acquires multi-client data or more generally.

The Combined Company attempts to protect its multi-client seismic data from misuse by customers primarily through contractual provisions that permit the use of the data only by that particular customer on a non-transferable basis. Such provisions can be effective only if misuse of the data by customers or third parties can be detected and if the Combined Company's rights can be enforced through legal action. If widespread misuse were to occur, the Combined Company's multi-client revenues would be adversely affected. Any reduction in the market value of such data will require the Combined Company to write down its recorded value, which could have a material adverse effect on the Combined Company's results of operations and financial condition, including the Combined Company's future ability to be compliant with the financial covenants pertaining to its financial indebtedness.

1.2.9 The Combined Company performs several contracts under turnkey arrangements

Many of the Combined Company's contracts for seismic data acquisition are turnkey contracts, where the Combined Company's work is delivered at a predetermined fixed price. In submitting a bid on a turnkey contract, the Combined Company estimates its costs associated with the project. However, the Combined Company's actual costs can vary from its estimated costs because of changes in assumed operating conditions (including weather, fishing activity, interference from other seismic vessels and other operating disturbances), exchange rates, fuel prices and equipment productivity, among others. In addition, the Combined Company may bid too low as a result of market pricing pressure. As a result, the Combined Company may experience reduced profitability or losses on projects if the Combined Company's bids on turnkey contracts are too low and/or actual costs exceed estimated costs.

1.2.10 The Combined Company is subject to taxation in many jurisdictions around the world

The Combined Company operates its vessels and production capacity and conducts its activities and investments in many jurisdictions around the world with increasingly complex tax laws and different laws may apply for multi-client and contract services. The amounts of taxes the Combined Company pays in these jurisdictions may depend on a variety of factors such as the length of a survey, legal or contractual structure, changes in laws or their interpretations by the relevant taxing authorities, which could have a material adverse effect on the Combined Company's liquidity and results of operations. In addition, those authorities could review the Combined Company's tax returns and impose additional taxes and penalties, which could be material.

The Combined Company has identified issues in several jurisdictions that could eventually make the Combined Company liable to pay material amounts in taxes relating to prior years. The most significant issues are in Brazil where the part of the business previously operated by PGS has ongoing tax disputes relating to the charter of vessels into Brazil. The assessments, which, inter alia, seek to levy 15% withholding tax and 10% CIDE (service) tax, amounts to USD 44.1 million in total per 31 December 2023. Furthermore, Spectrum Geo do Brasil Servicos Geofisicos Ltda ("**Spectrum Brazil**"), a subsidiary of TGS, challenged a municipal services tax (ISS) assessment and successfully had the claim dismissed, with a tax debt of BRL 73.9 million (USD 15.2 million) fully canceled. Additionally, Spectrum Brazil is involved in a declaratory action challenging the imposition of ISS on seismic licensing transactions, with a total of BRL 48 million (USD 9.9 million) deposited into court pending final judgment. Other jurisdictions where the Combined Company has identified tax contingencies include Nigeria, Ghana, Colombia and Canada. In addition, there may in the future be other claims from governmental tax authorities for unpaid tax amounts as well as additional issues identified by the Combined Company that it is currently not aware of.

1.2.11 The Combined Company's backlog estimates are based on certain assumptions and are subject to unexpected adjustments and cancellations

The Combined Company's backlog is defined as the aggregate unrecognized value of all customer contracts as of a given date. Backlog estimates are based on a number of assumptions and estimates including assumptions related to foreign exchange rates and proportionate performance of contracts and the Combined Company's valuation of assets to be received by the Combined Company as payment under certain agreements. The actual realization of these estimates depends on the Combined Company's performance under day rate contracts, where finishing a project early or late can respectively decrease or increase the expected revenues.

In accordance with industry practice, contracts for the provision of seismic services typically can be cancelled at the sole discretion of the client without payment of significant cancellation costs to the service provider. As a result, even if contracts are included in the Combined Company's backlog, such contracts may not be wholly executed by the Combined Company, generate actual revenue or not be renegotiated at a lower price, or cover the total costs already incurred in connection with the contract pursuant to any cancellation clause. Even where a project proceeds as scheduled, it is possible that the client may default and fail to pay amounts owed to the Combined Company. Material delays, payment defaults and cancellations could reduce the amount of the Combined Company's backlog currently reported, and consequently, could inhibit the conversion of that backlog into revenues.

Due to having substantial amounts of debt, breach of assumptions or clients cancelling contracts would to a greater extent impact the Combined Company's financial condition compared to its peers within the seismic industry that have lower levels of indebtedness and are thus not as exposed to unexpected events such as clients cancelling service agreements.

1.2.12 The Combined Company's credit agreements contain, and future credit agreements may contain, financial covenants which could fail to be met

PGS' credit agreements and the terms governing the Bonds (the "**Bond Terms**") that are now part of the Combined Company's obligations require the companies in the former PGS Group to satisfy a maximum total net leverage test and a minimum liquidity test. There are also other covenants in the Combined Company's credit agreements and leasing agreements. In addition, future credit agreements entered into by the Combined Company may require it to satisfy similar and potentially additional financial covenants. The ability of the Combined Company (which, as applicable, may be limited to the former PGS Group) to comply with these tests may be affected by events beyond their control, and the Combined Company cannot reassure that it will continue to meet these tests. The failure of the Combined Company to comply with these obligations could lead to a default under these credit agreements or the Bond Terms, unless it can obtain waivers or consents in respect of any default. The Combined Company cannot guarantee that any such waivers or consents will be granted. In the event of any default under these credit agreements, the lenders under these agreements could elect to declare all outstanding borrowings and indebtedness, together with accrued interest, fees and other amounts due thereunder, to be immediately due and payable. Any event of default under these credit agreements or the Bond Terms can trigger cross default clauses in other financing arrangements. If any indebtedness of the Combined Company (as a result of cross acceleration under the applicable agreement) were to be accelerated, the Combined Company cannot guarantee that the Combined Company's (or as applicable, the former PGS Group's) assets would be sufficient to repay such debt in full. This may in turn have a material adverse effect on the Combined Company financial position and results, and possibly lead to insolvency or insolvency related proceedings and financial restructuring.

1.2.13 A substantial amount of the assets of the Combined Company are pledged

A substantial amount of the assets that originated from PGS, now within the Combined Company, is granted as security for its financial indebtedness. The key pledged assets previously owned by the PGS Group, now within the Combined Company, include all of the vessels and seismic equipment, the multi-client data library (directly or indirectly), shares in most guarantors, bank accounts and receivables under material intercompany agreements. Additionally, TGS has entered into a revolving credit facility, which subjects assets of the TGS Group to a pledge.

Upon an event of default, there is a risk that the required majority creditors who, among other things, have a pledge over the shares in PGS Holding II Ltd (a PGS holding company that indirectly previously owned and controlled all material subsidiaries of the PGS Group), will accelerate and enforce this and other pledges over major assets. Such enforcement would likely have implications on the continued operations for parts of the operating companies in the Combined Company, and there is a risk that the Combined Company will then experience material losses. The lenders under the ECF may also enforce their security, including the mortgages over the four Ramform Titan-class vessels. Enforcement of the mortgages and other security interests would lead to substantial disruptions of the Combined Company's operations.

1.2.14 Currency risk

The reporting currency and the functional currency for the Combined Company is USD. It conducts business primarily in US dollars (“$” or “USD”), but also in several other currencies, including British pounds (“GBP”), Norwegian kroner (“NOK”), Brazilian real (“BRL”), euro (“EUR”), and occasionally currencies like Egyptian Pounds (“EGP”) and Nigerian Naira (“NGN”). The Combined Company is subject to foreign currency exchange rate risk on cash flows related to sales, expenses including taxes, financing, and investment transactions in currencies other than the US dollar. The Combined Company predominantly sells products and services in US dollars, and to a limited extent in other currencies. In addition to USD, a significant proportion of the Combined Company’s operating expenses are incurred in NOK and GBP. Less substantial amounts are incurred in various other currencies. Thus, regarding expenses and revenues in currencies other than US dollars, such expenses will typically exceed revenues. In addition, the Combined Company pays dividends to shareholders in Norwegian kroner, and fluctuations between the NOK and the USD impact currency exchange gains or losses on tax expense and financial items.

Further, the Shares listed are priced in NOK, and any future payments of dividends on the Shares listed on the Oslo Stock Exchange will be paid in NOK. Accordingly, any investors outside Norway are subject to adverse movements in NOK against their local currency as the foreign currency equivalent of any dividends paid on the Shares listed on the Oslo Stock Exchange or price received in connection with sale of such Shares could be materially adversely affected.

1.2.15 Customers' contractual terms and conditions

Failure to deliver according to contractual commitments, either due to project delays, technical issues or variations, such as change of scope, not otherwise covered by the contracts of which the Combined Company is deemed liable, could result in significant delays, penalties and/or termination leading to a material adverse effect on the Combined Company's business, operations, ability to meet customers' contractual terms, results of operations, cash flows, financial condition and/or prospects.

1.2.16 Operating hazards

The operations of the Combined Company may be subject to hazards inherent in the industries where it operates, including, but not limited to, extreme weather, cyberattacks and other hazardous conditions. These hazards can cause personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by employees, third parties or customers and suspension of operations. Operations may also be suspended because of machinery breakdowns, abnormal weather conditions, environmental challenges or personnel shortages. Furthermore, failures or breaches of the Company's, customers' or other service providers' electronic systems, such as cyberattacks by third parties, may have the ability to cause disruptions to the Combined Company's business and operations and cause the Combined Company to not fulfil its contractual obligations.

1.2.17 Operations can be exposed to seagoing pirates, extreme weather, hazardous conditions and activity in the work area

The Combined Company could operate, or transit through, areas known to have pirate activity from time to time. Due to its capability to perform operations in shallow waters, close to shore, and moving at a slow speed with relatively open vessels, the Combined Company may be attractive to acts of piracy. The highest piracy risk is when in transit through areas which pirates are known to operate. There can be no assurance that seagoing pirates will not reach vessels operated by the Combined Company. Further, the Combined Company may be exposed to extreme weather and other hazardous conditions as it operates in waters subject to rapidly shifting and harsh weather conditions in multiple countries. Due to this, the operations may be subject to risks of capsizing, grounding, collision, interruption and damage or loss from severe weather conditions, fire, explosion and environmental contamination from spillage. Any of these risks could result in damage or destruction of vessels or equipment, personal injury and property damage, suspension of operations or environmental damage. This may have significant material adverse effects on the business, results of operations, cash flows, financial condition and/or prospects.

1.2.18 Risks related to wars and terrorist attacks

War (such as the Russian invasion of Ukraine), military tension and terrorist attacks have, among other things, caused instability in the world's financial and commercial markets. This has in turn significantly increased political and economic instability in some of the geographic markets in which the Combined Company operates (or may operate in the future) and has contributed to high levels of volatility in prices for, among other things, oil and gas. Continuing instability may cause further disruption to financial and commercial markets and contribute to even higher levels of volatility in prices. In addition, acts of terrorism, piracy, sabotage and threats of armed conflicts in or around the various areas in which the Combined Company operates could limit or disrupt the Combined Company's markets and operations, including disruptions from evacuation of personnel, cancellation of contracts or the loss of personnel or assets. Armed conflicts, terrorism, piracy, sabotage and their effects on the Combined Company or the markets in which the Combined Company operates may significantly affect its business, financial condition, prospects and results of operations in the future.

1.2.19 Insurance

All risks may not be adequately insured against, and any particular claim may not be paid. Any claims covered by insurance would be subject to deductibles or retentions, and since it is possible that a large number of claims may be brought, the aggregate amount of these deductibles or retentions could be material. Further, the Combined Company may also be unable to procure adequate insurance coverage at commercially reasonable rates in the future. For example, more stringent environmental regulations have led in the past to increased costs for, and in the future may result in the lack of availability of, insurance against risks of environmental damage. Any uninsured or underinsured loss could harm the Combined Company's business, financial condition and operating results. In addition, insurance may be voidable by the insurers as a result of certain actions.

The insurance coverage is also subject to policy limits, and there is a risk that losses could exceed these limits. In addition, insurance may not in all situations provide coverage to protect the Combined Company from all liabilities that could result from its operations. Any such lack of reimbursement may cause substantial costs. Moreover, no assurance can be made that the Combined Company has, or will be able to maintain in the future, adequate insurance coverage against certain risks. If a significant accident or other event occurs and is not fully covered by the Combined Company's insurance or any enforceable or recoverable indemnity from a counterparty, it could have a material adverse effect on the relevant group or the Combined Company's business, results of operations, cash flows, financial condition and/or prospects after the transaction.

Further, war risk insurance coverage, whether provided by the Combined Company or by the applicable owner of chartered-in vessel, may not be sufficient to cover losses arising from a war risk. There can be no assurance that the Combined Company may have to suspend operations, or acting too late, suffer to lose control over its crew, vessel and equipment for a time or permanently. If any of the foregoing occurs, it could have a material adverse effect on the business, results of operations, cash flows, financial condition and/or prospects.

1.2.20 System disruption or failures, errors, cyber-threats and/or other external factors

The Combined Company is exposed to risk related to system disruption or failures (including failures in software, other information technology matters, or internal management of information), errors, cyber-threats and/or other external factors, which may cause shutdowns or disruption in its operations or unauthorized disclosure of confidential information or data, including personal data. The Combined Company may be required to expend significant capital or other resources to protect against such risks or to alleviate problems caused by the occurrence of such events. The theft or unauthorized use or publication of confidential information or other proprietary business information, or privacy-related obligations of third parties, or any compromise of security that results in an unauthorized release, transfer of use of personally identifiable information or other customer data as a result of an information technology security incident, could adversely affect the Combined Company's competitive position and reputation, reduce marketplace acceptance of the Combined Company's services and solutions, or impose fines or damages for the Combined Company, including for any GDPR violations. If the Combined Company is unable to protect itself from any of the abovementioned risks, this could have a material adverse effect on the Combined Company's business, results of operations, financial condition, cash flows and/or prospects.

1.3 Risks related to law, regulation and potential litigation

1.3.1 The Combined Company is subject to laws and regulations in multiple jurisdictions, including fair competition and antitrust, export controls and trade sanctions, anti-corruption and anti-bribery, and insider trading

The Combined Company is committed to complying with all applicable laws, including fair competition and antitrust, export controls and trade sanctions, anti-corruption and anti-bribery, and insider trading. The Combined Company engages in ethical and fair business practices with clients, partners, suppliers and other third parties. In return, the Combined Company expects the highest levels of personal conduct and fair dealing from all its employees, the board of directors of the Combined Company, partners and any third parties retained on behalf of the Combined Company. The Combined Company believes in competition and endeavors to not take an unfair advantage in a business situation by acting illegally, unethically or by abusing or misusing confidential information. The Combined Company recognizes that preventing bribery and corruption in its operations is essential in today’s business environment. The Combined Company works to ensure that its employees, as well as partners and third parties, understand and are sensitive to the legal requirements that apply to the Combined Company's operations. These include but are not limited to, inter alia, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business, and the anti-bribery and anti-corruption laws of the various countries in which the Combined Company operates or conducts projects. Furthermore, sanctions imposed on certain countries, companies or individuals by international and regional bodies (e.g. the World Trade Organization, United States, the European Union and Great Britain) could materially adversely affect the Combined Company's ability to establish its operations in or trade with these sanctioned countries or companies and/or individuals linked with such countries. The international operations also expose the Combined Company towards anti-money laundering laws and regulations within multiple jurisdictions. Any failure to comply with relevant laws and regulations could have a material adverse effect on the Combined Company's business, results of operations, financial condition, cash flows and/or prospects.

1.3.2 Taxes and changing tax regulations

As part of its global operations the Combined Company is exposed to different tax regimes in the various jurisdictions it operates, including income taxes, withholding taxes, sales taxes, customs and social security taxes, and is committed to complying with the letter and spirit of tax laws and regulations in the countries in which it operates. Given that the Combined Company operates globally and conducts projects in different jurisdictions, the Combined Company assesses the different tax risks with assistance from, inter alia, internal and external tax experts, including local tax consultants independent from the Combined Company's auditors, as part of the project approval process so that the Combined Company understands its exposure to these risks, including double taxation, and structures the project to optimize tax consequences. the Combined Company does not use tax havens or offshore tax centers, nor does the Combined Company transfer value created to lower tax jurisdictions solely for a more favorable tax regime.

The jurisdictions in which the Combined Company operates are also subject to changing tax regulations, which may impact assessments, for instance concerning the recoverability of credits. Furthermore, tax authorities may challenge the calculation of both taxes and credits from prior periods. Such processes and proceedings may result in changes to previously reported and calculated tax positions, which in turn may lead to the Combined Company having to recognize operating or financial expenses in the period of change.

1.3.3 Interruptions in information technology systems and cyber security issues could adversely affect the Combined Company's business

The Combined Company relies on the efficient and uninterrupted operation of several information technology ("**IT**") systems and networks to operate its business. Any significant disruptions to the Combined Company's systems or networks, including, but not limited to, new system implementations, computer viruses, security breaches, cyber-attacks, facility issues, terrorism or war could have a material adverse effect on the Combined Company's business, results of operations, financial condition, cash flows and/or prospects. Additionally, causes of disruption to the Combined Company's IT systems or networks can be partly geographically contingent. Although none of the Combined Company's IT infrastructure is stored in a developing country, the Combined Company's operations in, *inter alia*, Malaysia and South Africa could be particularly vulnerable to natural disasters, telecommunication failures and energy blackouts. Therefore, the risk that IT systems or networks would be to different extents disrupted is more significant in the mentioned countries.

The Combined Company's third-party service providers and other vendors have access to certain portions of the Combined Company's IT systems. Certain failure or negligence of these service providers may cause material disruptions in the Combined Company's operations, which could affect the Combined Company's ability to deliver its services in a timely manner. Should, for any reason, third parties fail or neglect their obligations in relation to its access to the Combined Company's IT systems, this could have an intentional or unintentional spillover effect regarding the third parties' provision of software and intellectual property. In turn, this would further negatively affect the Combined Company's ability to deliver its services in a timely manner.

1.3.4 Litigation or other proceedings

The Combined Company faces the risk of litigation and other proceedings in relation to its business, including without limitation risk of litigation or other proceedings originating from M&A activity. Even if the Combined Company believes it has appropriately provided for the likely financial effects of litigation or other proceedings, the outcomes of any litigation may differ from management expectations, exposing the Combined Company to unexpected costs and losses, reputational and other non-financial consequences and diverting management attention, which may in turn have a material adverse effect on the Combined Company's business, operating results, financial condition and/or prospects. The outcome of pending and future claims and litigation could have a material adverse impact on the business, results of operation and financial condition of the Combined Company.

1.3.5 Environmental laws and regulations, sustainability and climate changes

The Combined Company is subject to risk relating to environmental laws and regulations, sustainability and climate changes. The Combined Company works with local governments, regulatory authorities and non-government organizations and strives to establish effective communication with all relevant stakeholders to help identify, understand and mitigate environmental risks associated with geophysical research activities. The Combined Company complies with relevant laws and local regulations, while also working closely with industry associations to investigate and implement ways to mitigate the potential impact from seismic operations on the environment. Additionally, the Combined Company works with its vendors, including vessel owners and seismic contractors, to ensure compliance with its sustainability program. Further, the Combined Company evaluates sustainability risks as part of the annual enterprise risk management process, which is a multi-tiered process that seeks input from key employees across the organization, the Combined Company's executive management team and the Combined Company's board of directors. Through this process, the Combined Company aims to understand (i) where further action may be needed if a risk’s materiality, impact or probability of occurring increases (e.g., environmental impact, regulatory changes), and (ii) where the Combined Company's risk management efforts are effective due to decreasing materiality, impact or probability scores. The Combined Company relies upon policies, procedures and guidelines, as well as targeted action plans with key performance indicators, to measure progress in mitigating risks. The Combined Company is exposed to different types of climate-related risks, which are addressed by the Combined Company's sustainability strategy. Any failure to comply with environmental, sustainability or climate change laws and regulations could have a material adverse effect on the Combined Company's business, results of operations, financial condition, cash flows prospects.

1.3.6 Climate and greenhouse related risk

Climate-related risks are often divided into two major categories: (i) risks related to the transition to a lower-carbon economy (including economic and social elements) and (ii) risks related to the physical impacts of climate change. As part of the energy transition, the Combined Company expects a fundamental shift in the market where the Combined Company's customers focus on cash and value generation from already explored assets. This means that the customers may prioritize their investments in high-quality seismic data over and around existing assets. There is a political risk if authorities decide to significantly reduce or completely stop production of oil and gas in key markets and/or limit access or permits for seismic projects. There is a significant risk that the Combined Company is not able to utilize its capabilities to gain market share and therefore loses significant projects and business, and certain physical climate related impacts on their installations may have a detrimental effect on their business, result of operations, cash flows, financial conditions and/or prospects.

In addition, the Combined Company's operations and its customers may be subject to new legislation relating to reduction of greenhouse gas emissions, which in turn may have material adverse effect on the Combined Company's business, result of operations, cash flows, financial conditions and/or prospects.

1.3.7 Political and economic instability

The Combined Company may be subject to political and economic instability in the countries it currently operates in, or it may operate in the future, which may be caused by a number of factors outside the Combined Company's control. For example, any downturns in general economic conditions, whether globally or in the specific regional and/or countries in which the Combined Company operates at the time, can result in reduced demand for, and lower prices of, oil and gas, which in turn could result in reduced demand for, and lower prices of the Combined Company's products and services. Moreover, political and economic instability could cause amendments in laws and regulations which could result in increased costs for the Combined Company or impose restrictions on the Combined Company's business operations or could affect customer demand for the Combined Company's products and services. Additionally, the Combined Company operates in certain jurisdictions on the basis of agreements with governments, and political and economic instability may affect the validity and enforceability of such agreements. Any political changes may also impact the prices in the energy market and result in fluctuations in the market which could affect the Combined Company's operations. Many of the risks related to general economic and political conditions are outside of the Combined Company's control, and the Combined Company may not be able to predict the exact nature of all the risks and uncertainties that it faces as a result of the current economic and political conditions, as well as economic and political outlook in the markets in which it operates. If any of these risks or related risks materialize, it could have a material adverse effect on the Combined Company's business, financial position, cash flows, results of operations and/or prospects.

1.4 Risks related to the Shares

1.4.1 Future issuances of shares or other securities in TGS may dilute the holdings of shareholders and could materially affect the price of the Shares

It is possible that the Company may decide to offer new shares or other securities in order to refinance the PGS debt, finance new capital-intensive investments in the future in connection with unanticipated liabilities or expenses, or for any other purposes. Any such offering could reduce the proportionate ownership and voting interests of holders of Shares as well as the earnings per Share and the net asset value per Share of Company, and any offering by Company could have a material adverse effect on the market price of the Shares.

1.4.2 Investors may have difficulty enforcing any judgment obtained in the United States against TGS or its directors or officers in Norway

TGS is incorporated under the laws of Norway and some of its directors and executive officers resides outside the United States. Furthermore, certain of the Combined Company's assets and the assets of the Company's directors and executive officers are located outside the United States. As a result, investors may be unable to effect service of process on Company or its directors and executive officers or enforce judgments obtained in the United States courts against the Company or such persons in the United States, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States. The United States and Norway do currently not have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters.

1.4.3 Only Eligible U.S. shareholders of PGS will be permitted to receive Consideration Shares

The Shares will not be registered under the U.S. Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the U.S. Securities Act. Consideration Shares will therefore only be delivered to PGS shareholders that are either (i) not U.S. Persons as defined in Regulation S of the U.S. Securities Act, or (ii) "accredited investors" as defined in Regulation D of the U.S. Securities Act (“**Eligible U.S. Shareholders**”). Shareholders in PGS that are not Eligible U.S. Shareholders will receive cash-in-lieu of the Consideration Shares following a sale of such Consideration Shares as they would otherwise be entitled to receive. Such Consideration Shares as the non-Eligible U.S. Shareholders would otherwise be entitled to, will be sold by SpareBank 1 Markets AS for the account of and for the risk of the relevant beneficiary with a proportional distribution of net sales proceeds among the non-Eligible U.S. Shareholders.

1.4.4 The transfer of the Shares is subject to restrictions under the securities laws of the United States and other jurisdictions

The Shares have not been registered under the U.S. Securities Act or any U.S. state securities laws or any other jurisdiction outside of Norway and are not expected to be registered in the future. The Consideration Shares issued to Eligible U.S. Shareholders will constitute "restricted securities" under the U.S. Securities Act. As such, the Shares may not be re- offered, sold, assigned, transferred, pledged, or otherwise disposed of except (a) under a registration statement that has been declared effective under the U.S. Securities Act; (b) outside the United States in accordance with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act, as applicable or (c) pursuant to another applicable exemption from the registration requirements of the U.S. Securities Act; in each case in accordance with all applicable U.S. state securities laws and the securities laws of other jurisdictions, and in the case of a transaction exempt from registration, only if the Combined Company has received documentation satisfactory to it that such transaction does not require registration under the U.S. Securities Act.

In addition, there can be no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings.

2 RESPONSIBILITY FOR THE EXEMPTED DOCUMENT

This Exempted Document has been prepared by TGS ASA in connection with the listing of the Consideration Shares issued in connection with the Merger.

The Board of Directors of TGS ASA accepts responsibility for the information contained in this Exempted Document. The members of the Board of Directors confirm that, having taken all reasonable care to ensure that such is the case, the information contained in this Exempted Document is, to the best of their knowledge, in accordance with the facts and makes no omissions likely to affect its import.

2 July 2024

The Board of Directors of TGS ASA

Christopher Geoffrey Finlayson
(*Chair*)

Luis Antonio Gomes Araujo *(Board member)*	Bettina Regula Bachmann *(Board member)*	Irene Egset *(Board member)*
Grethe Kristin Moen (*Board member*)	Svein Harald Øygard *(Board member)*	Maurice Maher Nessim Abdel Shahid *(Board member)*

3 GENERAL INFORMATION

3.1 Presentation of financial and other information

3.1.1 Financial information

The EU Prospectus Regulation allows the Company to incorporate by reference information in this Exempted Document that has been previously filed with the Oslo Stock Exchange or the Norwegian Financial Supervisory Authority in other documents. The following financial information has been incorporated as part of this Exempted Document; see Section 8 "Incorporation by Reference; Documents on Display":

- audited consolidated historical financial statements for TGS as of and for the year ended 31 December 2023 (the "**TGS Annual Financial Statements**") prepared in accordance with IFRS Accounting Standards ® as adopted by the European Union ("**IFRS**"), including the audit reports in respect of the TGS Annual Financial Statements;
- unaudited condensed consolidated interim financial statements for TGS, as of and for the 3 month' period ended 31 March 2024, with comparative figures for the same period in 2023 (the "**TGS Interim Financial Statements**"), prepared in accordance with IAS34;
- audited consolidated historical financial statements for PGS as of and for the year ended 31 December 2023 (the "**PGS Annual Financial Statements**") prepared in accordance with IFRS, including the audit reports in respect of the PGS Annual Financial Statements; and
- unaudited condensed consolidated interim financial statements for PGS, as of and for the 3 month' period ended 31 March 2024 with comparative figures for the same period in 2023 (the "**PGS Interim Financial Statements**"), prepared in accordance with IAS34.

Accordingly, this Exempted Document is to be read in conjunction with these documents.

3.1.2 Pro Forma financial information

The unaudited pro forma financial information included in Section 7 consists of the pro forma condensed balance sheet as of 31 December 2023 which has been prepared as if the Merger described in Section 4 had taken place as at 31 December 2023 and the unaudited pro forma condensed statement of income for the year ended 31 December 2023 which has been prepared as if the Merger had taken place on 1 January 2023. The pro forma financial information is based upon, derived from, and should be read in conjunction with the 2023 audited consolidated financial statements for TGS and PGS, respectively, which have been prepared in accordance with IFRS and are incorporated by reference to this Exempted Document as further described in Section 9. The Independent Practitioner's Assurance Report on the Compilation of Pro Forma Financial Information prepared is included in Appendix A to this Exempted Document.

3.2 Presentation of industry data and other information

3.2.1 Source of industry and market data

To the extent not otherwise indicated, the information contained in this Exempted Document on the market environment, market developments, growth rates, market trends, market positions, industry trends, competition in the industry in which the Combined Company operates and similar information are estimates based on data compiled by TGS, PGS and professional organisations, consultants and analysts, in addition to market data from other external and publicly available sources, including market data from Factset, Newsweb, VPS Arena, Merger Markets.

While the Company has compiled, extracted and reproduced such market and other industry data from external sources, the Company has not independently verified the correctness of such data. Thus, the Company takes no responsibility for the correctness of such data. The Company cautions prospective investors not to place undue reliance on the above mentioned data.

The Company confirm that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and are able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

In addition, although the Company believe its internal estimates to be reasonable, such estimates have not been verified by any independent sources and the Company cannot assure prospective investors as to their accuracy or that a third party using different methods to assemble, analyse or compute market data would obtain the same results. The Company do not intend to or assume any obligations to update industry or market data set forth in this Exempted Document. Finally, behavior, preferences and trends in the marketplace tend to change. As a result, prospective investors should be aware that data in this Exempted Document and estimates based on those data may not be reliable indicators of future results.

3.2.2 Other information

In this Exempted Document, all references to “NOK” are to the lawful currency of Norway, all references to “EUR” or € are to the lawful currency of the EU and all references to “U.S. dollar”, “US$”, “USD”, or “$” are to the lawful currency of the United States of America.

In this Exempted Document all references to “EU” are to the European Union and its Member States as of the date of this Exempted Document; all references to “EEA” are to the European Economic Area and its member states as of the date of this Exempted Document; and all references to “US”, “U.S.” or “United States” are to the United States of America.

Certain figures included in this Exempted Document have been subject to rounding adjustments. As a result of the rounding, the totals of data presented in this Exempted Document may vary slightly from the actual arithmetic totals of such data.

3.3 Cautionary note regarding forward-looking statements

This Exempted Document includes forward-looking statements that reflect the Company’s current views with respect to future events and financial and operational performance; including, but not limited to, statements relating to the risks specific to the Combined Company's business, future earnings, the ability to distribute dividends, the solution to contractual disagreements with counterparties, the implementation of strategic initiatives as well as other statements relating to the Combined Company's future business development and economic performance. These forward-looking statements can be identified by the use of forward-looking terminology; including the terms “assumes”, “projects”, “forecasts”, “estimates”, “expects”, “anticipates”, “believes”, “plans”, “intends”, “may”, “might”, “will”, “would”, “can”, “could”, “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements are not historical facts. They appear in a number of places throughout this Exempted Document and include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, goals, objectives, financial condition and results of operations, liquidity, outlook and prospects, growth, strategies, impact of regulatory initiatives, capital resources and capital expenditure and dividend targets, and the industry trends and developments in the markets in which the Combined Company operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Combined Company's actual financial position, operating results and liquidity, and the development of the industry in which the Combined Company operates may differ materially from those contained in or suggested by the forward-looking statements contained in this Exempted Document. The Company cannot guarantee that the intentions, beliefs or current expectations that these forward-looking statements are based will occur.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should any underlying assumption prove to be incorrect, the Combined Company's business, actual financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected.

The information contained in this Exempted Document, including the information set out under Section 1 “Risk Factors”, identifies additional factors that could affect the Combined Company's financial position, operating results, liquidity and performance. Prospective investors in the Shares are urged to read all sections of this Exempted Document and, in particular, Section 1 “Risk Factors” for a more complete discussion of the factors that could affect the Combined Company's future performance and the industry in which the Combined Company operates when considering an investment in the Shares.

The forward-looking statements speak only as at the date of this Exempted Document. The Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Combined Company or to persons acting on the behalf of the Company are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Exempted Document.

4 THE MERGER

4.1 Introduction and description of the Merger

On 25 October 2023, the Boards of Directors in TGS and PGS entered into a merger plan (the "**Merger Plan**") under which the Board of Directors agreed to propose that PGS be merged into TGS Newco, in accordance with the rules on triangular mergers in Section 13-2 (2) of the Norwegian Public Limited Liability Companies Act (the "**Public Companies Act**"). Upon completion of the Merger, the assets rights and obligations of PGS will in their entirety be transferred to TGS Newco in accordance with the principle of continuity and PGS will be dissolved. As Merger consideration, the shareholders of PGS will (on a fully diluted basis) receive 0.06829 ordinary share of TGS for each PGS share held (the "**Exchange Ratio**") and a cash compensation equal to NOK 0.20419 for each PGS share held as of the Record Date.

The Exchange Ratio is calculated based on the fully diluted share capital of PGS, being 955,310,440 shares and 16,598,000 Performance Related Stock Units (PRSUs). Fractions of shares will not be allotted, and for each shareholder the shares will be rounded down to the nearest whole number. Excess shares, which as a result of this rounding will not be allotted, will be issued to and sold by SpareBank 1 Markets AS as receiving agent. The sales proceeds will be given to TGS, who is free to give the sales proceeds further to charity.

4.2 Background and reason for the Merger

The rationale for the Merger is to unite two competent commercial cultures in the seismic industry, and thereby creating a stronger and more diversified geophysical company and data provider to the energy value chain, driven by technology and innovation.

The Merger establishes the Combined Company as a full-service geophysical data company with a strong offering in all segments, including multi-client data, streamer data acquisition, Ocean Bottom Node ("**OBN**") data acquisition, imaging and new energy solutions. Moreover, the Merger helps mitigate supply chain risks and will add further to economies of scale and efficiency, enhancing the value offered to clients. In multi-client, the Combined Company will offer customers a global seismic library with data from all active basins in both the western and eastern hemispheres. In data acquisition, the Combined Company will be a substantial player globally with a strong operational track record. For streamer acquisition, it will hold an operational fleet of seven 3D data acquisition vessels, and for OBN acquisition, the Combined Company will benefit from around 30,000 mid and deepwater nodes. Within imaging, the Combined Company will offer a strong service to in-house and external customers integrating on-premises and cloud based high-performing computing services. In addition, the Combined Company sees significant growth opportunities in new energy with complementary technology offerings for Carbon Capture and Storage ("**CCS**") and offshore wind. In addition to providing an improved client offering and a platform for further profitable growth, the combination will benefit from cost synergies with a preliminary estimate to be above USD 100 million annually.

4.3 Completion of the Merger

As at the date of this Exempted Document, all conditions for completion of the Merger have been satisfied and the Merger was completed on 1 July 2024.

The Merger Agreement is governed by Norwegian law. The terms of the Merger are set out in the Merger Plan. The Merger Plan can be found on each of TGS' and PGS' websites, www.tgs.com and www.pgs.com.

4.4 Timetable for the Merger

Set out below is a tentative timetable for the Merger.

Timetable	
Action	**Date**
The Merger Plan is signed	25 October 2023
Notice of extraordinary general meeting in TGS	30 October 2023
Notice of extraordinary general meeting in PGS	30 October 2023
Extraordinary general meeting in TGS for approval of the Merger Plan	1 December 2023
Extraordinary general meeting in PGS for approval of the Merger Plan	1 December 2023
Commencement of six weeks' creditor notice period	6 December 2023

Creditor notice period expires	17 January 2023
Date for announcement of satisfaction of conditions	11 June 2024
Effective Date	1 July 2024
First day of trading in the Combined Company's shares on Oslo Børs	2 July 2024
Record Date for delivery of Consideration Shares	3 July 2024
Consideration Shares delivered to Eligible Shareholders in PGS in VPS	4 July 2024

4.5 Consideration of the Merger

Through the Merger, the assets, rights and obligations of PGS were in their entirety transferred to TGS Newco.

As Merger consideration, the shareholders of PGS will receive 0.06829 ordinary shares in TGS for each PGS share held as of the Record Date, which in total provides the shareholders in PGS with an ownership interest of approximately 1/3 in the Combined Company. In addition, PGS shareholders will receive a cash compensation equal to NOK 0.20419 for each PGS share held as of the Record Date. Fractions of shares will not be allotted, and for each shareholder the shares will be rounded down to the nearest whole number. Excess shares, which as a result of this rounding will not be allotted, will be issued to and sold by SpareBank 1 Markets AS. The mechanism to determine the Exchange Ratio has been chosen based on negotiations between the parties.

In addition, to validate the consideration and the Exchange Ratio, the Boards of Directors of TGS and PGS have each commissioned a fairness report from their respective financial advisors which assesses the appropriateness of the valuation method to arrive at the consideration and exchange ratio. The fairness reports support that the method for calculating the exchange ratio reflects a fair value of the respective shares and thus gives the shareholders in TGS and PGS a fair consideration. The fairness reports for TGS and PGS are based on a total assessment of expected future cash flow of the companies under different assumptions and scenarios, including a calibration against the valuation of similar companies which are traded on the stock exchange and a valuation of the companies' historical stock exchange values. No special difficulties have been encountered in determining the consideration.

The Consideration Shares carry the same rights and ranks *pari passu* with the already issued Shares of TGS. The Shares and the Consideration Shares are freely transferable. The Consideration Shares will upon publication of this Exempted Document be listed on the Oslo Stock Exchange under TGS' ordinary ISIN NO0003078800. There are no lock-ups upon the transfer of the Consideration Shares.

The Consideration Shares will not be registered under the U.S. Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the U.S. Securities Act. Consideration Shares will therefore only be delivered to PGS shareholders that are either (i) not U.S. Persons as defined in Regulation S of the U.S. Securities Act, or (ii) "accredited investors" as defined in Regulation D of the U.S. Securities Act. Shareholders in PGS that are not Eligible U.S. Shareholders will receive cash-in-lieu of the Consideration Shares following a sale of such Consideration Shares as they would otherwise be entitled to receive. Such Consideration Shares as the non-Eligible U.S. Shareholders would otherwise be entitled to will be sold by the receiving agent appointed for the purpose of the Merger for the account of and for the risk of the relevant beneficiary with a proportional distribution of net sales proceeds among the non-Eligible U.S. Shareholders.

4.6 Impact of the Merger on the Combined Company

The Merger is poised to create a premier energy data company, delivering numerous benefits and significant operational enhancements, including to leverage the complementary strengths of both TGS and PGS, establishing a robust platform that covers all important energy basins globally with an extensive array of data acquisition technologies, including advanced streamer and OBN technologies. The Combined Company features a diverse and comprehensive data library, positioning itself as a leading provider of advanced data imaging technologies and high-performance computing capacities, both on-premises and cloud-based. This integration also enables the Combined Company to better address the growing markets of Carbon Capture and Storage (CCS) and offshore wind energy.

The Merger is expected to generate substantial annual cost synergies of over USD 100 million through improved procurement efficiencies, sales and service optimizations, and the consolidation of offices and management functions. Furthermore, the Merger will result in significant financial benefits, including a reduction in costs due to the refinancing of PGS debt at lower rates and access to lower capital costs due to a stronger credit profile enhanced market capitalization, increased investor focus, and potential utilization of tax loss carry forwards.

The future business intentions post-transaction emphasizes growth and expansion. The Combined Company aims to capitalize on its larger scale and enhanced operational efficiencies to reduce unit costs in the multi-client business and better utilize its data acquisition capacity. This strategic combination is designed to create a more resilient and diversified service provider with a strong balance sheet, low leverage, and significant exposure to market recovery trends in the energy sector. The Merger also sets the stage for an improved customer offering, presenting a comprehensive, full-service exploration partner for Exploration and Production (E&P) companies across all regions.

4.7 Conflicts of interests

There are no conflicts of interests between the TGS, PGS and any of their respective shareholders in relation to the Merger.

4.8 Expenses of the Merger

The costs in relation to the Merger will be covered by each of TGS and PGS, respectively. The total costs related to the Merger amounts to approximately USD 11.7 million (on a pre-tax basis). The transaction cost consists mainly of external cost to financial and legal advisors.

4.9 Dilution

As of 31 March 2024, which is the latest financial reporting date for which a financial report has been published for each of TGS and PGS, the net asset value per PGS share was approx. NOK 5.97 and the net asset value per TGS Share was approx. NOK 105.14.[1] Upon completion of the Merger, the shareholders of PGS will own up to 65,238,150 shares in TGS, corresponding to approximately 1/3 of the outstanding shares in the Combined Company at the time of completion of the Merger.

Below is an overview of the number of outstanding shares, share capital and voting rights in each of TGS and PGS as at the date of this Exempted Document, and the number of Shares, share capital and voting rights in issue of the Combined Company upon completion of the Merger:

Overview of outstanding shares and share capital in TGS, PGS and the Combined Company						
Company	**As per the date of this Exempted Document**			**Estimated upon completion of the Merger**		
				Exchange ratio 0.06829		
	Shares in issue	**Share capital (NOK)**	**Voting rights**	**Shares in issue**	**Share capital (NOK)[1]**	**Voting rights**
TGS	131,280,458	32,758,785.75	100%	-		-
PGS	955,310,440	2,865,931,320.00	100%	-		-
Combined Company	-	-	-	196,273,293	49,068,323.25	100%

[1] Each share in issue with a nominal value of NOK 0.25.

4.10 Shareholding structure following the Merger

Both TGS and PGS and their subsidiaries are organized under a similar legal structure. Upon completion of the Merger, the subsidiaries directly and indirectly held by PGS will become held by TGS. Please refer to Section 5.2 for an overview of the legal structure of the Combined Company upon completion of the Merger.

[1] The figures have been calculated using the respective Q1 2024 earnings releases of TGS and PGS and the Central Bank of Norway's NOK/USD conversion rate of 10.8011 as of 27 March 2024.

5 BUSINESS OVERVIEW – TGS ASA

This Section provides an overview of the business of TGS as of the date of this Exempted Document. The following discussion contains forward-looking statements that reflect TGS' plans and estimates; see Section 3.1 "General Information—Cautionary Note Regarding Forward-Looking Statements". You should read this Section in conjunction with the other parts of this Exempted Document, in particular Section 1 "Risk Factors".

5.1 Introduction

TGS is a Norwegian public limited liability company (Nw. *allmennaksjeselskap* or ASA), incorporated on 21 August 1996 under the laws of Norway and in accordance with the Norwegian Public Limited Liability Companies Act. TGS ASA is the Company's legal and commercial name. TGS' business registration number is 976 695 372 and its LEI is 549300NUPLAXPB0WYH90.

For over 40 years, TGS has built a strong foundation as a global leader in providing diverse energy data and insights. TGS' technology and innovation, robust business model and customer service position TGS to continue to lead the way in oil and gas opportunities and undertake long-term investments in industries that look to reduce carbon emissions.

Before taking on energy investment risks, companies look for clarity and confidence through subsurface data. TGS' geological and geophysical data coupled with analytical competencies provide valuable exploration insights, superior imaging of the subsurface and potential operational challenges ahead of drilling programs or infrastructure development. In addition, TGS' multi-client approach offers ease and flexibility for operators. Forward-looking, TGS' vast energy data library and technical expertise support renewable energy development. Coupling this with machine learning, compute power, cloud-based applications and strategic partnerships, offers the same superior data solutions and insights for new energy investments as for oil and gas investments.

The head office and registered address of TGS is Askekroken 11, 0277 Oslo, Norway, its telephone number is +47 22 55 04 00, and its website is www.tgs.com. The information on TGS' website does not form part of this Exempted Document, unless that information is incorporated by reference to this Exempted Document.

The Shares are, and the Consideration Shares will be, listed on Oslo Børs with the ticker code "TGS".

As of 31 December 2023, TGS had 873 employees.

5.2 Legal structure

TGS is the ultimate parent of the TGS Group, and will become the ultimate parent of the Combined Company.

The below list comprises the subsidiaries and other entities which are directly or indirectly held by TGS for an actual or beneficial ownership interest in excess of 10% as of the date of this Exempted Document, including the shares indirectly held by TGS as a result of the Merger.

Overview of the Combined Company's legal structure as at the date of this Exempted Document		
Company	**Country**	**TGS ownership %**
TGS ASA	Norway	Parent company
TGS AP Investments AS	Norway	100%
TGS AS	Norway	100%
TGS NES AS	Norway	100%
TGS Prediktor AS	Norway	100%
OBS MC Investments I AS	Norway	100%
Carmot Seismic AS	Norway	100%
Magseis Fairfield AS	Norway	97%
Magseis Operations AS	Norway	100%
Versal AS	Norway	33%
TGS Geophusical Investments, Ltd.	UK	100%
Spectrum Geo Ltd	UK	100%
TGS Geophysical Company (UK) Ltd.	UK	100%

NS Investments One (UK) Ltd	UK	100%
Magseis FF (UK) Ltd.	UK	100%
WGP Group Ltd.	UK	100%
4C Offshore Ltd.	UK	100%
TGS-NOPEC Geophysical Company	USA	100%
A2D Technologies, Inc.	USA	100%
Parallel Data Systems, Inc.	USA	100%
Volant Solutions Inc.	USA	100%
Digital Petrodata LLC	USA	100%
TGS Alaska Company	USA	100%
TGS Mexico Contracting LLC	USA	100%
Lasser, Inc.	USA	100%
Spectrum Geo, Inc.	USA	100%
Magseis FF LLC	USA	100%
TGS do Brasil Ltda	Brazil	100%
Magseis Do Brasil Ltda.	Brazil	100%
TGS-NOPEC Geophysical Company PTY, Ltd.	Australia	100%
Spectrum Geo PTY, Ltd.	Australia	100%
Spectrum Geo Australia PTY, Ltd	Australia	100%
Magseis Singapore Services PTE, Ltd.	Singapore	100%
Spectrum Geo PTE, Ltd.	Singapore	100%
Geo Bridge Pte Ltd.	Singapore	50%
Magseis Malaysia Sdn. Bhd.	Malaysia	100%
TGS Canada Ltd.	Canada	100%
TGS Canada Corp.	Canada	100%
TGS-NOPEC Geophysical Company Moscow, Ltd.	Russia	100%
NOPEC Geophysical Company S. de R.L. de C.V.	Mexico	100%
Spectrum Geo S.A. de C.V.	Mexico	100%
Spectrum Geo Panama LLC	Panama	100%
TGS FJ Geophysical (Ghana) Ltd.	Ghana	90%
TGS-Petrodata Offshore Services Ltd.	Nigeria	49%
TGS Geophysical Egypt SP	Egypt	100%
TGS Geopex Ltd.	Egypt	50%
PT TGS Geophysical Indonesia	Indonesia	100%
TGS NewCo AS	Norway	100%
PGS Australia Pty. Ltd.	Australia	100%
deepC Store Pty. Ltd.	Australia	17%
Seahouse Insurance Ltd.	Bermuda	100%
PGS Suporte Logistico e Servicos Ltda.	Brazil	100%
Ocean Geo-Frontier Co. Ltd. (OGF)	Japan	34%
Azimuth Ltd	Bermuda	34.6%
Azimuth II Ltd	Bermuda	34.67%
Aximuth III Ltd	Bermuda	43.65%

Versal AS	Norway	33.33%
PGS Data Processing Middle East SAE	Egypt	100%
PGS Egypt for Petroleum Services	Egypt	100%
PGS Ghana Limited	Ghana	90%
PT Petroprima Geo-Servis Nusantara	Indonesia	94%
PGS Japan K.K.	Japan	100%
Petroleum Geo-Services Exploration (M) Sdn. Bhd.	Malaysia	100%
PGS Data Processing & Technology Sdn. Bhd.	Malaysia	100%
PGS Geophysical Nigeria Ltd.	Nigeria	100%
Petroleum Geo-Services AS	Norway	100%
PGS Shipowner AS	Norway	100%
Multiklient Invest AS	Norway	100%
PGS Falcon AS	Norway	100%
PGS Geophysical AS	Norway	100%
PGS Titans AS	Norway	100%
Petroleum Geo-Services Asia Pacific Pte. Ltd.	Singapore	100%
Panoceanic Energy Limited	United Kingdom	100%
PGS Seismic Services Ltd UK	United Kingdom	100%
Petroleum Geo-Services (UK) Ltd.	United Kingdom	100%
PGS Exploration (UK) Ltd.	United Kingdom	100%
PGS Geophysical (Angola) Ltd.	United Kingdom	100%
PGS Pension Trustee Ltd.	United Kingdom	100%
Petroleum Geo-Services, Inc.	United States	100%
PGS Finance, Inc.	United States	100%
PGS Holding I Ltd	United Kingdom	100%
PGS Holding II Ltd	United Kingdom	100%
PGS Imaging, S.A. de C.V. – under liquidation	Mexico	100%
PGS Arabia Ltd	Saudi Arabia	49%

5.3 Overview of TGS' operations

Industry overview

TGS provides data to the global exploration and production industry, primarily focused on oil and gas, but also the emerging new energy industries, including carbon storage and offshore wind. TGS provides energy data and intelligence to companies and investors across energy markets. The Combined Company has the world's largest global energy data library, including seismic data, magnetic and gravity data, multi-beam and coring, digital well log and production data, wind energy data, data to identify CCS opportunities, and other types of renewable data. With the acquisition of Magseis Fairfield ASA, the Combined Company is also a leading OBN provider. Additionally, the Combined Company offers services such as advanced processing and analytics, data management, and cloud-based data applications and solutions.

5.3.1 Key principal activities

TGS is an energy data and intelligence company, recognized for its multi-client business model and vast data library.

TGS' primary business is to provide data and intelligence to companies and investors across the energy spectrum. TGS offers extensive global data libraries that include seismic data, magnetic and gravity data, multi-beam and coring, digital well log and production data, wind energy data, and other data related to the renewables sector. TGS also offers specialized services such as advanced data processing and analytics, and cloud-based data applications and solutions.

Before taking on energy investment risks, companies look for clarity and confidence through data and insights. TGS’ geological, geophysical and engineering data coupled with analytical competencies provide valuable exploration insights, superior imaging of the subsurface and potential operational challenges ahead of drilling programs or infrastructure development. TGS' multi-client approach offers ease and flexibility for operators at a substantially lower cost than proprietary models. As the energy transition progresses, the global energy markets are growing increasingly fragmented, volatile and complex. This means that there is a growing need for data, insights and software to support decisions and manage assets. Building on its strong position in the oil and gas segment, TGS has the vision of being the leading provider of data-driven decision support tools across the energy value chain.

In 2023, about 47% of the TGS Group's external revenues came from multi-client data sales, with 49% of the TGS Group's external revenues from its OBN acquisition business. A substantial part of TGS' business is intensely focused on developing the best multi-client projects to maximize returns and achieve long-term profitable growth. With the addition of the OBN acquisition business through the Magseis Fairfield transaction (see discussion below), TGS is also focused on both multi-client and proprietary OBN projects and enhancing its technology and operational expertise in this area. The TGS Group's culture drives achievement where all employees have common goals and share the success through profit-related bonuses. Below is a short overview of TGS' core product lines.

- Geophysical Multi-Client Data

  For nearly 40 years, TGS has provided multi-client seismic data to energy companies globally. Over that time, TGS has built experience in exploration areas worldwide, established a vast global database and become the leading multi-client data provider. TGS offers current data, acquired and imaged with the latest technologies. In addition to seismic data, TGS' geophysical library includes gravity, magnetics, seep, geothermal, controlled source electromagnetic and multibeam data. TGS' has a professional, geoscience and commercial approach to project development. When planning new seismic surveys, TGS' priority is to gain thorough geological and geophysical understanding. TGS' experienced project developers evaluate all available seismic, gravity, magnetic and geological data to set the project objectives and optimize the survey design. TGS also works closely with energy companies, local governments and geoscience specialists to address each survey’s specific challenges. TGS has implemented a process to ensure that the TGS Group acquires the right data to meet clients' needs.

- OBN acquisition capabilities
  In January 2023, TGS achieved a significant milestone through the acquisition of Magseis Fairfield ASA, a global leader in OBN acquisition and technology. This strategic move positioned TGS at the forefront of subsurface imaging innovation, leveraging proprietary technology and experienced professionals.

  The integration of Magseis Fairfield added approximately 330 employees, including about 170 offshore employees, and incorporated long-term vessel leases and proprietary OBN contracts. The Acquisition business unit, largely comprising Magseis Fairfield's operations, showed proforma revenue growth of 26% in 2023, delivering strong margins and cash flow. TGS has also been actively participating in developing and testing new monitoring technology, setting new standards for CO2 surveillance. The modern ocean bottom seismic measurements and modular solutions are central to these advancements, showcasing the commitment to technological and market advancements. The acquisition and integration of Magseis Fairfield's capabilities have significantly positioned TGS to benefit from the growth in the OBN market and the strategic expansion aligns with the industry's focus on exploration activities around existing infrastructure and optimizing the return of existing production.

- Geological multi-client data

  TGS’ Well Data Products vision is to provide a single platform to access the largest volume of high-quality digital subsurface and well performance data along with easy-to-use geoscience interpretation products. The TGS Group has a large global collection of digital well logs available through its online well data portal, R360™. Additionally, the TGS Group's Well Performance Data now includes data in Canada and has expanded to provide previously unavailable historical production data in the U.S. prior to 1970. In 2021, the TGS Group expanded the digital well log data collection by adding 180,000 domestic digital Log ASCII Standard (LAS) wells, enhanced digital LAS+ well logs, raster logs, Validated Well Headers and ARLAS well as directional surveys and production data.

- New energy solutions

  TGS New Energy Solutions provides valuable insights for the energy transition toward more sustainable energy systems. TGS Group's data-driven solutions and accessible data platforms help reduce costs, risks, and cycle times, helping customers and partners meet their carbon reduction goals.

For example, the TGS Group provides subsurface insight and monitoring solutions to inform and support carbon storage initiatives across the globe. Carbon AXIOM, a platform designed as a screening tool for new CCS projects, was launched in 2021 to standardize attributes that provide a basis for comparing carbon storage opportunities and their proximity to emitters over a large area. The data is visualized via a user-friendly app for instant, interactive analysis of potentially suitable areas for carbon storage.

In addition, the TGS Group provides various solutions for the offshore wind industry, whether it is actionable insights stemming from its market intelligence subsidiary 4C Offshore or through its Wind AXIOM solution for screening and evaluating new wind development projects, including resource assessment, remote sensing and unique wind project information. Similar applications are being developed for geothermal and deep-sea minerals solutions to assist clients in achieving their energy transition ambitions. Through the acquisition of Prediktor AS (now TGS Prediktor AS) in July 2022, TGS is also established as a provider of asset management and real-time data management solutions to energy asset owners, with a particular focus on renewable energy. These products and services are designed to optimize the output of the assets and maximizing the value for the owners.

- Imaging services
  TGS employs the latest processing technologies to deliver the imaging products demanded by energy companies through TGS' extensive multi-client data library and proprietary processing. TGS' imaging capabilities span a broad range of data types including 2D and 3D land and marine as well as 3D DAS and VSP processing services.

  Products are delivered in both the depth and time domains. Depth processing includes a broad range of technologies including Dynamic Matching FWI, anisotropic parameter estimation, Kirchhoff, RTM and Least Squares Imaging. Access to the well log database enables calibration of seismic data to well data. In addition to continuing to advance the depth processing capabilities, the TGS Group continues to expand its time processing toolkit including the addition of 3D de-ghosting and a wide range of de-blending and de-noise techniques, including algorithms that leverage the power of machine learning, which enables delivery of broad band data. The imaging technologies in combination with access to TGS' HPC and Cloud computing capacity allows TGS Imaging to deliver large volume and specialized processing services for vintage as well as high spec modern acquisition data types including high-density narrow azimuth towed streamer, OBN, OBC, wide azimuth towed streamer and other innovative acquisition geometries.

5.3.2 Principal markets

TGS is a leading energy data and intelligence company, with focus on the following core product lines (i) Multi-Client Data Libraries, (ii) OBN Acquisition, (iii) Well Data Products, (iv) Seismic Imaging and (v) New Energy Solutions.

5.3.3 Revenues per operating segment

TGS reports monthly management information to the executive management based on defined operating business units based on the nature of the products and services sold. Where appropriate, these operating business units are aggregated into reportable segments that form the basis of the monthly management reporting. In 2023, management reassessed its reportable segments and reports now six overall business units: Western Hemisphere (WH), Eastern Hemisphere (EH), Digital Energy Solutions (DES), Acquisition (ACQ), Imaging and G&A. WH consist of North America, Latin America and Land. In EH, TGS groups Europe, Africa & Middle East, Asia Pacific and Interpretative Products. The business in EH and WH is multi-client related. DES consists of three parts: Well Data Products (WDP), New Energy Solutions (NES) and Data Analytics (D&A). Unallocated cost is reported as G&A. The TGS Group does not allocate all cost items to its reportable business units during the year. The measurement basis of segment profit is operating profit.

Segment information								
(All amounts in USD 1,000s)	**Western Hemisphere**	**Eastern Hemisphere**	**Acquisition**	**Digital Energy Solutions**	**Imaging**	**G&A**	**Elimination**	**Total**
FY 2023								
Operating revenues	208,863	131,512	414,056	68,843	45,288	-137	-74,130	749,297
Straight-line amortization	-97,157	-50,870	-	-15,395	-	-29	-	-163,451
Accelerated amortization / impairment	-32,327	-35,711	-	-2,273	-	-	-	-70,221
Cost of goods sold – proprietary and other	-1,004	-2,853	-231,329	-759	-117	352	18,294	-217,417

Other operating cost	-15,164	-9,786	-127,426	-51,853	-55,184	-82,212	51,683	-289,941
Operating profit	**63,301**	**32,292**	**55,301**	**-1,436**	**-10,012**	**-82,025**	**-4,154**	**53,268**

FY 2022								
Operating revenues	467,795	151,365	61,694	43,494	42,022	82	-49,819	716,633
Straight-line amortization	-94,545	-42,447	198	-15,612	0	158	0	-152,247
Accelerated amortization / impairment	-186,339	-34,667	0	0	0	0	0	-221,016
Cost of goods sold – proprietary and other	-338	-10,906	-30,416	-122	-2,022	-56	4,313	-39,549
Other operating cost	-12,833	-7,593	-31,156	-37,846	-57,240	-64,976	39,856	-171,789
Operating profit	**173,739**	**55,742**	**321**	**-10,086**	**-17,240**	**-64,792**	**-5,651**	**132,033**

5.3.4 Revenue breakdown per geography

Please refer to the table above in Section 5.3.3 for a revenue breakdown per geography. Western Hemisphere consist of North America and Latin America. Eastern Hemisphere consist of Europe, Africa, the Middle East and the Asia Pacific.

5.4 TGS' board of directors and executive management

5.4.1 Board of directors

The TGS Board currently consists of the following members:

Overview of the TGS Board			
Name	**Position**	**Served since**	**Term expires**
Christopher Geoffrey Finlayson	Chair	2019	2024
Luis Antonio Gomes Araujo	Board member	2023	2024
Bettina Regula Bachmann	Board member	2023	2024
Irene Egset	Board member	2019	2024
Grethe Kristin Moen	Board member	2021	2024
Svein Harald Øygard	Board member	2021	2024
Maurice Maher Nessim Abdel Shahid	Board member	2023	2024

TGS' current registered business address, will serve as c/o address for the members of the TGS Board in relation to their directorship of TGS.

The composition of the TGS Board is in compliance with the independence requirements of the Norwegian Code of Practice of 14 October 2021 (the "**Norwegian Code of Practice**"). The Norwegian Code of Practice provides that a board member is generally considered to be independent when he or she does not have any personal, material business or other contacts that may influence the decisions it makes as a board member.

5.4.2 Executive management

The TGS Management currently comprises of the following members:

Overview of the TGS Management		
Name	**Position**	**Employed from**
Kristian Johansen	Chief Executive Officer	2010
Sven Børre Larsen	Chief Financial Officer	2015
Whitney Eaton	EVP People & Sustainability	2014

Jan Schoolmeesters	EVP Digital Energy Solutions	2019
Tana Pool	EVP Legal	2013
Will Ashby	Chief Integration Officer	2012
David Hajovsky	EVP Multi-Client	2017
Carel Hooijkaas	EVP Acquisition	2023
Wadii El Karkouri	EVP Imaging & Technology	2024

Kristian Johansen and Sven Børre Larsen will continue as CEO and CFO, respectively, following the Merger.

5.4.3 Disclosure of conflicts of interests

To TGS' knowledge, other than as set out below, there are currently no actual or potential conflicts of interest between TGS and the members of TGS' Board of Directors or Executive Management or the Combined Company's planned Board of Directors and Executive Management, including any family relationships between such persons as of the date of this Exempted Document.

5.5 Significant recent changes and trends

5.5.1 Significant changes to TGS' financial position since 31 March 2024

On 31 January 2024, TGS entered into a commitment of USD 60 million to refinance PGS ASA Super Senior loan, on market terms and secured on equal terms to the existing Super Senior loan. The loan agreement was signed in Q1 2024. Transaction price was at 98% and payment of USD 58.2 million was made 18 March 2024. TGS funded the payment by drawing down on the RCF and has recorded a short-term interest receivable in the balance sheet. On 24 June 2024, TGS entered into agreements with the Notes holders for the assignment of the Notes at par. Payment of USD 70.3 million was made 1 July 2024. TGS funded the payment by drawing down on the RCF. A temporary increase of USD 100 million for a period of 15 months under the RCF became effective as of 1 July 2024.

Other than set out above, there have been no significant changes in the financial position of the TGS Group since 31 March 2024.

5.5.2 Significant changes since 31 December 2023

On 18 September 2023, TGS announced the principal terms of the Merger. The Merger became effective on the Effective Date and TGS will issue 0.06829 ordinary shares for each PGS share held by PGS shareholders as of the Record Date.

Other than set out above, there have not been any significant changes since 31 December 2023 impacting TGS' operations and principal activities.

5.6 Investing activities

5.6.1 Material investments since 31 December 2023

Other than mentioned under 5.5.2 above, the TGS Group has not made any material investment decisions since 31 December 2023.

5.6.2 Material disinvestments as a result of the Merger

The TGS Group has not made any material disinvestments since 31 December 2023.

5.6.3 Rights attached to the Shares

TGS has one class of shares in issue, and in accordance with the Norwegian Public Limited Liability Companies Act, all shares in that class provide equal rights in TGS, including the rights to dividends. Each of the Shares carries one vote.

5.7 Material contracts

The Merger will not materially affect any of the TGS Group's material contracts that were entered into outside of the ordinary course of business.

5.8 Legal and arbitration proceedings

In February 2017, Spectrum Brazil received a tax assessment for a municipal services tax (ISS) in Brazil on the basis that Spectrum Brazil had improperly calculated the ISS paid on licensing transactions prior to 2017. On 28 September 2023, Spectrum Brazil was notified of the unanimous decision issued by the Taxpayers' Council that dismissed the Municipality's claim and granted Spectrum Brazil's voluntary appeal. The decision is final, and the updated tax debt of BRL 73.9 million (USD 15.2 million) has been fully canceled. In July 2017, Spectrum Brazil filed a declaratory action in the Brazilian courts to challenge the imposition of ISS on seismic licensing transactions. During the pendency of the declaratory action (i.e., from 2017 forward), Spectrum Brazil has deposited into the court the amounts of ISS assessed on any licensing transactions. A favorable judgment was rendered by the court in June 2023. The Municipality filed an appeal, and the estimated time until final judgment is three years. The total accumulated amount deposited as of 31 December 2023 was BRL 48 million (USD 9.9 million) and will be used to settle any amounts owing upon resolution of this case. The deposit is presented as non-current restricted cash in the statement of financial position. In December 2020, the tax authorities issued a tax assessment against Spectrum Brazil relating to the federal tax on importation of services (CIDE), based on a difference in opinion in the treatment of costs incurred on seismic surveys. TGS is challenging the assessment made by the tax authorities. The preliminary rulings made on the above matters have been favorable, however, final resolutions are not expected to be reached for a number of years. As of 31 December 2023, the amounts claimed total BRL 34 million (USD 7.0 million).

Further, following a U.S. Tax Court decision in September 2021, the Court held that TGS' revenues from marine seismic data qualified as Domestic Production Gross Receipts (DPGR) under section 199(c)(4) rather than, as has been previously claimed in TGS' tax returns, section 199(c)(5). This had the impact of increasing the deductions available to TGS' in respect of the 2008 tax year. TGS is currently in the process of reviewing the prior year deductions taking the Court decision into account. Until that process is complete, it is not possible to provide a reasonable estimate on the impact that the ruling will have on TGS.

Other than set out above, as of the date of this Exempted Document, TGS is not aware of any governmental, legal or arbitration proceedings during the course of the preceding twelve months, including any such proceedings which are pending or threatened, of such importance that they have had in the recent past, or may have, a significant effect on TGS or the TGS Group's financial position or profitability.

5.9 Disclosure on notifiable holdings

As of 27 June 2024, which was the latest practicable date prior to the date of this Exempted Document, and insofar as known to TGS, the following persons had, directly or indirectly, interest in 5% or more of the issued share capital of TGS (which constitutes a notifiable holding under the Norwegian Securities Trading Act):

Overview of TGS shareholders		
Company	**Shares**	**%**
Folketrygdfondet	12,472,887	9.51
The Bank of New York Mellon	6,629,661	5.05%

The table above does not show the effects of the completion of the Merger.

5.10 Public takeover bids

The TGS Group has not received any public takeover bids by any third party during the last financial year or after the last balance sheet date.

5.11 Working capital statement

TGS is of the opinion that it has sufficient liquidity and financing capacity to fund its working capital requirements for at least the next twelve months from the date of this Exempted Document.

6 BUSINESS OVERVIEW – PGS ASA

This Section provides an overview of the business of the PGS Group as of the date of this Exempted Document. The following discussion contains forward-looking statements that reflect PGS' plans and estimates; see Section 3.1 "General Information—Cautionary Note Regarding Forward-Looking Statements". You should read this Section in conjunction with the other parts of this Exempted Document, in particular Section 1 "Risk Factors".

6.1 Introduction

PGS ASA, a Norwegian public limited liability company (Nw. *allmennaksjeselskap*) was incorporated on 19 June 1962 under the laws of Norway and in accordance with the Norwegian Public Limited Liability Companies Act. Until the Effective Date, PGS ASA was PGS' legal and commercial name. PGS' business registration number was 916 235 291 and its LEI is 213800T66DRTE6O6BV87.

The head office and registered address of PGS was Lilleakerveien 4C, 0283 Oslo, Norway, its telephone number was +47 67 52 64 00, and its website was www.pgs.com. The information on PGS' website does not form part of this Exempted Document, unless that information is incorporated by reference to this Exempted Document.

PGS is a fully integrated marine geophysical company that provides a broad range of seismic and reservoir services, including acquisition, imaging, interpretation, and field evaluation. The PGS Group's services are, through the Combined Company, provided to the oil and gas industry, as well as to the broader and emerging new energy industries, including carbon storage and offshore wind.

The PGS shares were up until the Effective Date listed on Oslo Børs with the ticker code "PGS".

As of 31 December 2023, the ultimate parent company of PGS, PGS ASA, had no employees.

6.2 Legal structure

Refer to Section 5.2 for an overview of TGS' legal structure, including the Combined Company.

6.3 Overview of the PGS Group's operations

6.3.1 Industry overview

Please refer to Section 5.3.1 above for an overview of the industry in which both the PGS Group and the TGS Group operates.

6.3.2 Key principal activities

The Group is organized in four primary business units:

- Sales & Services, that promotes and sells all PGS' products and services to energy companies;
- New Energy, that assesses and develops business opportunities within the energy transition markets where PGS can diversify its service portfolio and generate revenues;
- Technology & Digitalization, that manages research and development, PGS digital transformation projects and Enterprise IT; and
- Operations, that manages vessel operations and marine seismic acquisition projects.

The core activity of PGS' business units is to provide seismic data that describes the geology beneath the ocean floor, which energy companies rely on to find oil and gas reserves worldwide. To widen it business footprint, PGS established New Energy in early 2021. Since 2021, PGS has used the initial period to assess commercial opportunities within emerging markets related to the ongoing energy transition and identify where PGS could match its assets, competence and capabilities to address industry challenges. PGS has now defined CCS and offshore wind as markets where there is potential to build a profitable business. Within marine minerals, PGS intends to stay relevant without further significant investments and continues to monitor the market development.

PGS' main products and services include:

- Marine seismic acquisition
- Multi-client data library
- Seismic imaging
- Reservoir characterization

Contract Acquisition Services

Contract work is seismic data acquisition under contracts directly with customers, where the customers exclusively own the acquired data. PGS delivers fast and efficient acquisition of high-quality seismic data with safe and environmentally sound operations.

Production seismic, or 4D, is a growing segment of the seismic contract market that enables energy companies to optimize resource extraction from producing fields. Operational precision, data resolution and survey repeatability are essential, and are areas where PGS excels. The value of using 4D seismic is increasingly acknowledged outside of the traditional areas of the North Sea, Brazil, and Angola. High-resolution 3D surveys are repeated at regular intervals during a producing field’s life cycle, and those first acquired with GeoStreamer multisensory technology are generally repeated with multisensory. During down-cycles in the oil and gas industry, energy companies may temporarily reduce the frequency of 4D surveying to save cost and protect cash flow. Despite this, production seismic and near-field exploration deliver short-cycle return on investment and these markets tend to be more resilient than pure exploration projects. The ongoing energy transition drives seismic demand towards infrastructure lead exploration and production as the energy companies extract more value from producing fields and existing portfolio acreage. PGS expects 4D acquisition activity to grow further.

During 2022, PGS completed four significant CCS acquisition projects, the Northern Endurance, the Northern Lights and the Smeaheia CCS projects, in addition to a 4D over the Snøhvit field, of which parts relate to CCS. In 2023, PGS completed one CCS acquisition project for an independent energy company on the Norwegian continental shelf. Carbon storage plays a significant role in all energy transition scenarios and identification, characterization and monitoring of carbon storage sites could develop to become a significant new seismic acquisition market.

Multi-client

Multi-client data is acquired, imaged, and owned by PGS (or data which PGS has exclusive commercialization rights over). Energy companies buy a license from PGS to use a specific data set, and a single data set is typically licensed to multiple energy companies. To build and maintain the multi-client data library, PGS makes significant investments in developing, acquiring, and imaging new surveys. By continuously investing in the multi-client data library the PGS Group expands its footprint in proven hydrocarbon basins and selective frontier areas.

The ability to identify and initiate new multi-client programs with solid economics over the life of the data library asset is a key success criterion for the multi-client business model. PGS de-risks new programs by securing prefunding commitments from energy companies, with a targeted prefunding level for the combined portfolio in the range of 80-120% of the capitalized multi-client cash investment.

Initiation of new multi-client surveys

The multi-client business is about having the right data, in the right place, at the right time. PGS initiates attractive new multi-client projects by capitalizing on its existing data library, in combination with applying in-house imaging and reservoir expertise, and feedback from customers regarding exploration and production areas of interest. The PGS Multi-client data library provides information about the geology in all the world’s major hydrocarbon basins. By analyzing these data, including available public or ‘open file’ data, PGS imaging and reservoir experts can propose extensions to the existing library and new areas of hydrocarbon resource potential that have a high likelihood of being of interest to energy companies. These findings are assessed against feedback from clients on where they see hydrocarbon potential and would like more seismic data to support their exploration and production activity.

The information is combined with an overall risk analysis of the area, such as geological prospectivity, geophysical imaging challenges, political risks, past performance of surveys in the region, and the likelihood of future license rounds or other sales trigger events to ensure the business model is robust.

A key part of the multi-client business involves assisting governments to explore and promote their resource potential, noting that every country and basin requires a slightly different approach. PGS has supported many governments by providing high quality data and advice on how to promote interest and optimize offshore hydrocarbon opportunities.

Multi-client Data Library Sales

PGS has a modern and diverse global multi-client data library focused in largely mature areas of high oil and gas prospectivity. By accessing PGS’ data library, customers can evaluate hydrocarbon potential faster, compared to acquiring and processing a new seismic survey on a proprietary basis. The rapid access to high-quality seismic data enables oil companies to assess the subsurface risks before applying for acreage in licensing rounds, guides exploration efforts, and evaluations of farm-in opportunities.

License rounds serve as important sales triggers for the PGS multi-client data library and guide long-term investment decisions for new multi-client data acquisition. The geographical diversity and strategic positioning of PGS global multi-client library enables the Group to benefit from license rounds around the globe.

A large multi-client library with continuous coverage has obvious benefits. Geology is broad scale in nature, and it is difficult to understand and predict the characteristics of a local area if it is not set in context of the larger geological system. By re-imaging existing data in the multi-client library, PGS creates regional data sets, which make it possible to interpret and analyze a whole basin in a consistent manner. Santos Vision in Brazil, Flex Vision in the Gulf of Mexico and GeoStreamer PURE in Norway, are three such examples of reimaged regional data sets. PGS also employs geological expertise, which is used to plan and market multi-client projects and advise governments how to maximize the value of their subsurface acreage, from licensing and exploration through to appraisal, development and production, and now also carbon storage.

PGS' multi-client data library is orientated towards 3D, with a total 3D footprint as of year-end 2023 of more than 1,100,000 square kilometers (sq. km). This is comprised of several hundred individual 3D surveys that fall into the following categories: GeoStreamer 3D acquired using multisensory technology (577,000 sq. km), Conventional 3D (329,000 sq. km) and surveys that have been combined and reprocessed which include Vision 3D (107,000 sq. km) and MegaSurveyPlus (103,000 sq. km). PGS’ multi-client 2D library comprise approximately 590,000-line kilometers, of which approximately 70% are GeoStreamer data. In addition, the Group has more than 875,000 square kilometers of MegaSurvey, built by integration of available public data together with PGS-owned 3D data to produce large-scale geologically continuous regional 3D datasets.

PGS GeoStreamer multi-client data can also be used to minimize uncertainty and failure risk when selecting carbon storage sites. In addition to new seismic data acquisition for development of CCS projects, PGS has made several multi-client sales for the same purpose.

Imaging Services

PGS has the capability to run several of its imaging algorithms in the cloud, which offers unconstrained scalability and efficiency on an almost unlimited virtual-CPU capacity. All of the Group’s imaging centers globally, where PGS images all new multi-client data acquired and provides proprietary imaging services, have the capability of using cloud compute. In addition, PGS uses its state-of the-art imaging technology and innovative workflows to rejuvenate existing multi-client library data. The Group’s external imaging activities supply bespoke high-end, high-value services to a wide range of energy companies. Imaging services comprise GeoStreamer-based imaging technology, reservoir characterization, 4D processing solutions, and advanced imaging of ocean bottom node data.

Reservoir Characterization

PGS’ modern, broadband 3D GeoStreamer seismic data is especially well-suited to reliably determine subsurface properties, even in the absence of well-data. Seismic data in combination with PGS’ highly experienced geoscientists can help clients to maximize the value of their subsurface assets, ranging from licensing and exploration through to appraisal development, production and carbon reinjection.

Offshore Wind Site Characterization

One of the challenges for offshore wind is the growing geographical size of windfarm licenses and leases, which could increase the time and cost of wind energy development projects. Many of the new license areas will be close to (or are larger than) 1,000 square kilometers. At this scale, detailed seabed and shallow subsurface modeling will be required over areas comparable to those found in hydrocarbon exploration.

There is a growing need for ultra-high resolution 3D seismic data in pre-installation site surveys for offshore wind farms, where a detailed understanding of the properties of the upper 100 meters or so of the sub-surface is required to safely position and install wind turbines. Traditionally, site surveys for wind farms have been acquired using a grid of Ultra High Resolution (“**UHR**”) 2D seismic lines, limiting severely the reliability of subsurface information to plan and profile the location.

Limitations of UHR2D are driving wind farm operators to consider UHR 3D seismic as an alternative. PGS now offers UHR 3D seismic acquisition, imaging, and interpretation following the purchase of NCS Subsea. The technology achieves UHR imaging of the subsurface by sampling the seismic wavefield at a high spatial and temporal rate.

Carbon Storage

There is a broad consensus that CCS will be essential to reduce global emissions of carbon dioxide from industrial processes and that there is an abundance of geological storage in the form of depleted oil and gas fields and saline aquifers. Reliable geophysical data is fundamental in the selection of safe and efficient sites for carbon storage, which must demonstrate three key attributes: capacity, containment and injectivity.

Judging by the carbon storage needs prognosed in reports published by institutions such as the Global CCS Institute, International Energy Agency (IEA) and The Intergovernmental Panel on Climate Change (IPCC) to mention a few, there is a significant potential for a market for new seismic acquisition and subsequent repeat 4D monitoring within the carbon storage domain to reach the net zero target set by the United Nations. PGS has an established position in the carbon storage geoservices market by completion of four acquisition projects in 2022 and one in 2023, making it well positioned to bid for additional tenders coming to the market.

PGS has a comprehensive multi-client data library, that can provide useful insights into geological properties over many prospective storage sites. The Group's GeoStreamer data combined with quantitative measures of reservoir quality can provide robust estimates of geological constraints and control on containment and injectivity. Reliable characterization of the overburden is required to ensure the distribution of geological faults in each area is well understood and does not present an undue containment risk.

The multi-client data library will not cover all potential storage sites. Where new acquisition is required, PGS' modern broadband 3D GeoStreamer seismic data is especially well-suited to reliably determine subsurface properties, even in the absence of well-data. Seismic data, combined with PGS expertise in characterizing the subsurface can be used to minimize uncertainty and failure risk when selecting carbon storage sites. Once the storage site is selected PGS can supply integrated services to monitor carbon injection, storage and ensure containment over time.

6.3.3 Asset Base

PGS considers itself recognized throughout the industry for its Ramform vessels. The ships have a delta shaped hull and uniquely wide back-decks, 70 meters on the largest Ramforms. This allows for efficient deployment, acquisition and retrieval of streamers and seismic sources. The Ramform Titan class has enough thrust to tow a 1.7 kilometer wide spread of streamers that are more than eight kilometers long. The acknowledged efficiency and productivity benefits of PGS' Ramform vessels, and the operational effectiveness of its personnel, make the PGS fleet, in PGS' opinion, industry leading.

PGS acquires marine seismic data using owned and chartered vessels that have been constructed or modified to its specifications and outfitted with a complement of data acquisition, recording, navigation and communications equipment. Its crews direct the positioning of a vessel using sophisticated navigation equipment, deploy and retrieve streamers, cables, receivers and energy sources, and operate all of the seismic systems. PGS' seismic crews do not perform maritime operation of the vessels. The vessel maritime crews are employed by PGS, by the owner of a chartered vessel, or by a contract operator.

PGS' fleet is split into active vessels and cold stacked capacity. The active fleet is the youngest in the seismic industry and consists of the Group's five newest ultra high capacity Ramforms, both Titan class and S class, as well as two earlier generation Ramform vessels. In addition, PGS operates the conventional hulled Sanco Swift as an offshore wind site characterization vessel, and the PGS Apollo is used as a source vessel when there is a need for more complex acquisition solutions. The cold stacked capacity portion of the fleet comprises two older Ramform hulled vessels. The lead time for re activating one of the cold stacked vessels when market conditions improve is approximately one year. The in sea equipment has to be produced and installed as well as getting crew for the vessel. PGS has indicated the capital expenditures related to the in sea equipment needed to reactivate one cold stacked vessel to be in the range of USD 70-90 50 million. Each vessel is equipped with geophysical recording instrumentation, digital geophysical streamer cable, cable location and geophysical data location systems, multiple navigation systems, a source control system that controls the synchronization of the energy source, and a firing system that generates the acoustic impulses. Streamer cables contain hydrophones that receive the acoustic impulses reflected by variations in the subsurface strata.

PGS launched the GeoStremer technology in 2007. The GeoStreamer has geophones in addition to hydrophones and is often referred to as multisensory streamer. During 2008, the GeoStreamer technology was commercialized, followed by wide acceptance among oil companies. The Group started rolling out the new streamer technology on 2D vessels in 2008 to prove its benefits to customers. In 2009, the Group extended the rollout to 3D operations, in 2015 all of the Group's vessels were GeoStreamer equipped.

Along with delivering better seismic data quality, GeoStreamer significantly widens the weather window in rough sea surveys, because GeoStreamer can be towed deeper than conventional streamers. For example, North Sea efficiency has on individual surveys seen improvements of up to 20% to 25% using GeoStreamer. Improved operational efficiency is a clear advantage the Group has over its competitors, while customers benefit from shorter cycle times. The Group is evolving the technology to increase durability, while maintaining data quality. The useful life of the streamer has been increased from seven years, for the earlier design, to more than ten years for the latest version.

In 2019 PGS launched GeoStreamer X, which capitalizes on the GeoStreamer technology with an innovative acquisition configuration. Adding new azimuths to existing data offers a highly cost-efficient alternative to improve illumination and subsurface understanding versus ocean bottom node systems.

6.3.4 *Fleet*

PGS manages a fleet of 11 high-end 3D seismic acquisition vessels, of which nine are owned and two are on long term charter. PGS views the newest ultra-high-end Ramforms, both the Ramform Titan-class and the *Ramform Sovereign*, as the core of its fleet operation. The core fleet is supplemented by modern and efficient high-end conventional hulled vessels on charter and earlier generations of the Ramform design vessels. PGS currently operates seven ultra-high-end and high-end conventional 3D vessels and one vessel for the time being dedicated to the offshore wind site characterization. The remaining two are stacked. The stacked vessels can be brought back into service, however, this will require capital expenditures since most of the in-sea seismic equipment required to operate these vessels has been deployed to vessels currently in operation in order to reduce PGS' maintenance capital expenditures.

All of PGS' active vessels are equipped with dual-sensor, broadband GeoStreamer technology enabling efficient deep-towed operations, fully exploiting the available weather window and producing better data quality in all conditions and locations.

Overview of the PGS vessels

Vessel Name	Year Built	Owned/chartered	Flag	Length (m)	Width (m)	Max streamer capacity[(2)]	Status
3D seismic vessels:							
Ramform Hyperion[(1)]	2017	Owned	Norwegian International Ship Register	104.2	70	24	Active
Ramform Tethys[(1)]	2016	Owned	Norwegian International Ship Register	104.2	70	24	Active
Ramform Atlas[(1)]	2014	Owned	Norwegian International Ship Register	104.2	70	24	Active
Ramform Titan[(1)]	2013	Owned	Norwegian International Ship Register	104.2	70	24	Active
Ramform Sovereign	2008	Owned	Norwegian International Ship Register	102.2	40	22	Active
Ramform Vanguard	1999	Owned	Norwegian International Ship Register	86.2	39.6	20	Active
Sanco Swift	2013	Charter	Gibraltar	96.15	23	14	Active and used for offshore wind site characterization
PGS Apollo	2010	Charter[(4)]	Norwegian International Ship Register	106.8	19.2	12	Active as source vessel
Ramform Victory	1999	Owned	Bahamas	86.2	39.6	20	Active
Ramform Valiant	1998	Owned	Bahamas	86.2	39.6	20	Cold-stacked[(3)]
Ramform Explorer	1995	Owned	Norwegian International Ship Register	83.1	39.6	12	Cold-stacked[(3)]

(1) Comprises Collateral under the Export Credit Facilities.

(2) The maximum number of streamers stated in the table represents the estimated technical maximum. The number of streamers actually operated is dependent on a number of factors, including the length of streamers, streamer separation and other survey-specific factors, the quantity of streamers that PGS elects to keep on the vessel and operational considerations. Generally, the vessels operate fewer streamers than the maximum capability.

(3) The term "cold-stacked" is used when a vessel is taken out of operation for an extended period of time. Costs are reduced to a minimum, with the vessel preserved for a long idle time, all or most in-sea seismic equipment removed from the vessel, and typically the crew required to operate the vessel is terminated. Use of the term "warm stacked" means that the vessel is temporarily taken out of operation with streamers and all other equipment necessary to perform seismic operation still onboard the vessel and the crew required to operate the vessel is available or can be sourced with limited delay.

(4) On a sale-leaseback arrangement.

PGS also charters four support vessels from the operator PF Thor, as part of long-term arrangements of initially 10-year terms, which expire in 2025. These vessels act as transport and accommodation during crew change and as refueling vessels during long projects.

6.3.5 *Principal markets*

PGS's services have traditionally been provided to the oil and gas industry. However, as a fully integrated marine geophysical company offering a broad range of seismic and reservoir services, PGS also provides its services to new energy industries. In 2023, PGS successfully entered the offshore wind site characterization market, and its revenues within the field of new energy continued to grow, with strong multi-client data sales and seismic acquisition for both carbon storage and offshore wind.

Years of underinvestment in exploration have led to concerns about falling reserves. Over the past couple of years, international oil companies have started to revive their interest in frontier exploration, driven by high energy prices, recovery of licensing round activity, significant exploration success and renewed focus on energy security. This, in combination with continued focus on infrastructure led exploration (ILX), has driven a significant improvement of the global market for multi-client seismic data over the past nine months. As the prospect for solid profitability of investments in new resources is reinforced, E&P companies are likely to focus more on reserve replacement, supporting growing demand for exploration-related data and insights over the coming years.

6.3.6 Revenues per operating segment

PGS has one operating segment focused on delivery of seismic data and services, which matches the internal reporting to PGS' executive management.

Following the implementation of the new accounting standard for revenues, IFRS 15, in 2018, multi-client pre-funding revenues are no longer recognized under the previously applied percentage-of-completion ("**POC**") method. Instead, all such revenues are generally recognized at the "point in time" when the customer receives access to, or delivery of, the finished data which often will take place a year or more after the acquisition of data due to the time required to complete data processing.

PGS management has, for the purpose of its internal reporting, continued to report according to the principle applied in 2017 and earlier years, where multi-client pre-funding revenue is recognized on a POC basis, and the related amortization of multi-client library based upon the ratio of aggregate capitalized survey costs to forecasted sales. This differs from IFRS reporting which recognizes revenue from multi-client pre-funding agreements and related amortization at the "point in time" when the customer receives access to, or delivery of, the finished data. See Note 14 for further description of the principles applied.

The table below provides a reconciliation of the Group's segment numbers ("Produced") against the financial statements prepared in accordance with IFRS ("As Reported"):

Segment information	**Year ended 31 December**					
(All amounts in USD millions)	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
	Produced		**Adjustments**		**As Reported**	
Revenues and Other Income	770.6	817.2	(49.1)	7.9	721.5	825.1
Cost of sales	(258.8)	(324.7)	-	-	(258.8)	(324.7)
Research and development costs	(5.9)	(6.9)	-	-	(5.9)	(6.9)
Selling, general and administrative costs	(42.0)	(38.9)	-	-	(42,0)	(38.9)
Amortization of multi-client library	(316.3)	(242.0)	95.9	0.4	(220.4)	(241.6)
Depreciation and amortization (excl. multi-client library)	(63.5)	(95.9)	-	-	(63.5)	(95,9)
Operating profit (loss)/EBIT, ex impairment and other charges, net	**57.1**	**108.8**	**46.8**	**8.3**	**103.9**	**117.1**

6.3.7 Revenue breakdown per geography

See below for a revenue breakdown per geography.

Geographical markets	**Year ended 31 December**					
(All amounts in USD millions)	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
	Produced		**Adjustments**		**As Reported**	
Norway	173.0	181.1	(2.9)	(44.5)	170.1	136.5
Brazil	114.5	79.7	(36.8)	28.5	77.7	108.2
Angola	86.5	64.9	(0.2)	29.6	86.3	94.5
Malaysia	80.5	25.9	(22.7)	-	57.8	25.9
Egypt	80.3	11.9	12.4	17.9	67.9	29.8

Namibia	56.3	20.7	-	-	56.3	20.7
Americas (excluding Brazil and Canada)	35.9	107.0	-	-	35.9	107.0
Asia/Pacific (excluding Malaysia)	35.7	85.8	-	(8.2)	35.7	77.6
United Kingdom	32.6	37.1	0.8	6.4	33.4	43.5
Nigeria	29.6	20.4	1.1	-	30.7	20.4
Africa (excluding Angola, Namibia, Nigeria, South Africa)	20.5	25.2	19.7	(20.7)	40.2	4.5
Greece	9.2	33.6	(6.5)	(8.5)	2.7	25.1
South Africa	6.6	-	-	-	6.6	-
Middle East/Other (excluding Egypt)	3.0	28.9	-	-	3.0	28.9
Netherlands	2.8	-	-	-	2.8	-
Cyprus	2.7	32.4	-	-	2.7	32.4
Ukraine	0.6	1.1	-	-	0.6	1.1
Canada	0.3	61.5	0.8	7.5	1.1	69.0
Total Revenues and Other Income	**770.6**	**817.2**	**(34.3)**	**8**	**721.5**	**825.1**

6.4 PGS' board of directors and executive management

6.4.1 Board of directors

PGS' board of directors (the "**PGS Board**") currently consists of the following members:

Overview of the PGS Board			
Name	**Position**	**Served since**	**Term expires**
Walter Hafslo Qvam	Chair	2013	2024
Anne Grethe Dalane	Deputy Chair	2013	2024
Richard Herbert	Board member	2017	2024
Emeliana Dallan Rice Oxley	Board member	2023	2024
Anette Valbø	Board member (employee elected)	2015	2025
Trond Brandsrud	Board member	2019	2024
Carine Patricia Roalkvam	Board member (employee elected)	2023	2025
Eivind Rødnes Vesterås	Board member (employee elected)	2021	2025
Shona Macfarlane Grant	Board member	2022	2024
Ebrahim Attarzadeh	Board member	2022	2024

PGS' registered business address, Lilleakerveien 4C, 0283 Oslo, serves as c/o address for the members of the board of directors in relation to their directorship of PGS.

6.4.2 Executive management

PGS' executive management (the "**PGS Management**") comprises of the following members:

Overview of the PGS Management		
Name	**Position**	**Appointed from**
Rune Olav Pedersen	President and CEO	2017
Gottfred Langseth	EVP and CFO	2004
Nathan Oliver	EVP Sales and Services	2020
Berit Osnes	EVP New Energy	2021

Rob Adams	EVP Operations	2020
Erik Ewig	SVP Technology & Digitalization	2020
Kristin Omreng	SVP Global HR	2020
Sandy Spørck	SVP Sustainability and Quality	2023
Lars Mysen	General Counsel	2017
Kai E. Reith	SVP Corporate Development	2017
Bard Stenberg	VP IR & Corporate Communication	2014

6.5 Significant recent changes and trends

6.5.1 Significant changes to PGS' financial position since 31 March 2024

In Q1 2024, PGS refinanced the previous USD 50 million Super Senior Loan with a new 1-year USD 60 million Super Senior Loan funded by TGS ASA, at terms similar to what was otherwise available to PGS in the market.

Other than set out above, there have been no significant changes in the financial position of the PGS Group since 31 March 2024.

6.5.2 Significant changes since 31 December 2023

There have not been any significant changes since 31 December 2023 impacting PGS' operations and principal activities.

6.6 Investing activities

6.6.1 Material investments since 31 December 2023

The PGS Group has not made any material investment decisions since 31 December 2023.

6.6.2 Material disinvestments as a result of the Merger

The PGS Group has not made any material disinvestments since 31 December 2023.

6.7 Rights attached to the PGS shares

PGS had, up until the Effective Date, one class of shares in issue, and in accordance with the Norwegian Public Limited Liability Companies Act, all shares in that class provided equal rights in PGS, including the rights to dividends. Each of the PGS shares carried one vote.

6.8 Material contracts

Save as mentioned in Section 1.1.3 regarding the change of control provisions in the credit agreements, the Merger will not materially affect any of the PGS Group's material contracts that were entered into outside of the ordinary course of business.

6.9 Legal and arbitration proceedings

As of the date of this Exempted Document, PGS is not aware of any governmental, legal or arbitration proceedings during the course of the preceding twelve months, including any such proceedings which are pending or threatened, of such importance that they have had in the recent past, or may have, a significant effect on PGS or the PGS Group's financial position or profitability.

6.10 Disclosure on notifiable holdings

As of 28 June 2024, which was the latest practicable date prior to the date of this Exempted Document, and insofar as known to PGS, the following persons had, directly or indirectly, interest in 5% or more of the issued share capital of PGS (which constitutes a notifiable holding under the Norwegian Securities Trading Act):

Overview of PGS shareholders		
Company	**Shares**	**%**
The Bank of New York Mellon SA/NV	56,026,971	5.86
UBS Securities LLC	55,104,441	5.76

Morgan Stanely & Co. LLC	50,628,473	5.29
UBS AG London Branch	49,603,328	5.19

The table above does not show the effects of the completion of the Merger

7 UNAUDITED PRO FORMA FINANCIAL INFORMATION

7.1 Introduction

The unaudited pro forma financial information has been prepared for inclusion in this Exempted Document to give effect to the Merger between TGS and PGS as described in Section 4.

The Merger represent "a significant gross change" for the TGS Group, as defined in Commission Delegated Regulation (EU) 2021/528 of 16 December 2020. The unaudited pro forma financial information has been prepared by management in accordance with Annex 20 to Commission delegated Regulation (EU) 2019/980 supplementing the EU Prospectus Regulation as incorporated in Norwegian law through Section 7-1 of the Norwegian Securities Trading Act and in accordance with the principles that are consistent with the accounting principles as applied by TGS. Accordingly, the proforma financial information is not appropriate to meet the requirements in other jurisdictions and should not be relied upon for any purpose other than this Exempted Document This information is not in compliance with SEC Regulation S-X, and had the securities been registered under the U.S. Securities Act of 1933, the unaudited pro forma Financial Information, including the report by the independent auditor, would have been amended and / or removed from the Exempted Document.

The unaudited pro forma condensed consolidated balance sheet has been prepared for illustrative purposes as if the Merger had taken place on 31 December 2023 and the unaudited pro forma condensed consolidated income statement for the year ended 31 December 2023 has been prepared as if the Merger had taken place on 1 January 2023. The accompanying unaudited pro forma condensed consolidated financial information give effect to adjustments that are (i) directly attributable to the Merger and (ii) factually supportable.

The unaudited pro forma financial information is based on certain management assumptions and adjustments made to illustrate what the financial results of the Group might have been, had the TGS Group completed the Merger at an earlier point in time.

The unaudited pro forma financial information addresses a hypothetical situation and, therefore, does not represent actual results and is not necessarily indicative of the balance sheet or results of operations that would have been realized had the Merger occurred as of the dates indicated, nor is it meant to be indicative of any anticipated balance sheet or future results of operations that the Combined Company will experience after the Merger.

Prospective investors are cautioned against placing undue reliance on the pro forma financial information.

7.2 Basis of Presentation

The unaudited pro forma condensed consolidated financial information is extracted from the 2023 audited consolidated financial statements for TGS and PGS, respectively, which have been prepared in accordance with IFRS. The unaudited pro forma condensed financial information is prepared in a manner consistent with the accounting policies of TGS as applied in the consolidated financial statements for 2023. The Combined Company will not adopt any new policies as a result of the Merger.

The unaudited pro forma condensed consolidated financial information does not include all information required for financial statements prepared under IFRS and should be read in connection with the historical financial information of TGS and PGS. The 2023 financial statements of TGS and PGS are incorporated by reference to this Exempted Document; see Section 11 “Incorporation by Reference - Documents on Display”.

The Merger is regarded as a business combination with TGS as the acquirer and PGS as the acquiree. The business combination will be accounted for using the acquisition method in accordance with IFRS 3 Business Combinations.

Certain adjustments have been made to conform PGS accounting policies to those of TGS and certain reclassifications between line items of the PGS financial information have been made to make comparable TGS. See 7.8 Appendix to the Pro Forma Financial Information for details of these reclassifications.

The pro forma financial information has been prepared under the assumption of going concern.

The assumptions underlying the pro forma adjustments applied to the historical financial information are described in the notes to the pro forma financial Information. In evaluating the pro forma financial Information, each reader should carefully consider the financial information and the notes included therein and the notes to the pro forma financial Information.

7.3 Independent practitioner's assurance report on the compilation of pro forma financial information

With respect to the unaudited pro forma financial information included in this Exempted Document, KPMG AS ("KPMG") has applied assurance procedures in accordance with ISAE 3420 Assurance Engagement to Report on Compilation of Pro Forma Financial Information Included in a Prospectus in order to express an opinion as to whether the unaudited pro forma financial information has been properly compiled on the basis stated, and that such basis is consistent with the accounting policies of the Combined Company, see Appendix A (Independent Practitioner's Assurance Report on Pro- Forma Financial Information). KPMG's procedures on the unaudited pro forma financial information have not been carried out in accordance with attestation standards and practices generally accepted in the United States of America, and accordingly, should not be relied on as if they had been carried out in accordance with those standards. Therefore, the Independent Practitioner's Assurance Report on Pro- Forma Financial Information should not be used or relied upon for any purpose other than this Exempted Document.

7.4 Purchase price allocation and allocation of goodwill

TGS Group has for the purpose of the pro forma financial information performed a preliminary purchase price allocation ("PPA") of the cost of the business combination to the assets and liabilities and contingent liabilities assumed in accordance with IFRS 3. The purchase price allocation is preliminary and there is uncertainty related to the valuation of the assets and liabilities due to limited access to information and the limited time period available to prepare the pro forma financial information. While management believes it has made reasonable assumptions in preparing the pro forma financial information, the actual purchase price and purchase price adjustments will differ from the estimates. Further there is additional uncertainty related to the consideration, as the consideration shares in the transaction will be issued at in NOK an at a price which equals the volume weighted average share price on the Oslo Stock Exchange for a predetermined period of two trading day prior to closing the Merger.

The preliminary purchase price allocation has formed the basis of the pro forma adjustments to the relevant assets and liabilities in the unaudited pro forma condensed consolidated balance sheet and the related impact in the unaudited pro forma condensed consolidated income statement. The residual excess values not allocated to identifiable assets is recognized as goodwill. Goodwill is not amortized but will be subject to impairment testing in accordance with IAS 36 impairment of assets. No goodwill impairment charges are recognized in the pro forma condensed consolidated income statement.

Cash consideration relates to compensation for the existing PGS' shareholders based on dividend in the first two quarters of 2024, this amount is reflected as an adjustment to accrued expenses and other current liabilities in the pro forma. The total consideration for the purpose of the preliminary PPA is estimated to USD 766.1 million as of 31 December 2023.

The number of shares to be issued is fixed, however the value of the consideration is dependent upon the share price of TGS and foreign exchange rate at the time of completion of the transaction. For the purpose of the pro forma and the preliminary PPA the TGS share price and USD/NOK exchange rate as of 26 June 2024 have been applied.

Share price TGS (NOK)	121.3
New TGS shares (million)	65.2
Total value of new shares (NOK)	7,906.6
USD/NOK exchange rate	10.6
Value of shares (USD million)	747.9
Cash consideration (USD million)	18.2
Purchase price (USD million)	766.1

The provisional fair value adjustments idented in the purchase price allocation relate mainly to the multi-client library, recognition of previously unrecognized tax losses, contingent liabilities and bonds in addition to goodwill. The multi-client library is valued based on discounted cash flow approach using management forecasts as a starting point, deferred tax assets relates primarily to PGS' tax loss carry forwards and the estimate of the amount to be realized in the future is based upon expectations of future taxable income based upon current tax rates in effect, contingent liabilities is related to Brazil tax cases, while the fair value adjustment to the outstanding bond is based on the trading prices.

Assets which do not meet the identification criteria in IFRS forms the goodwill and relate to synergies and the organisation's ability to generate future growth. The adjustment in deferred tax reflects the deferred tax on identified excess values from the purchase price allocation.

The preliminary purchase price adjustments as part of the purchase price allocation are presented below:

Provisional fair value adjustments (USD million)

Goodwill	94.2
Customer relationship	2.1
Deferred tax asset	150
Multi-client library	60
Bond	-48.9
Contingent liabilities	-20.5
Deferred tax	1.6
Total fair value adjustments	**238.4**

7.5 Unaudited pro forma condensed consolidated balance sheet for the period ended 31 December 2023

The table below sets out the unaudited pro forma condensed consolidated balance sheet as of 31 December 2023, as if the transaction had occurred 31 December 2023.

Consolidated balance sheet *All amounts in USD 1000*	**TGS ASA 31.12.23**	**PGS ASA[1] 31.12.23**	**GAAP adjustments** *(unaudited)*	**Notes**	**Pro forma adjustments** *(unaudited)*	**Notes**	**Pro forma eliminations** (unaudited)	**Notes**	**Pro forma 31.12.23** *(unaudited)*
Goodwill	384,649	-	-		94,166	*Note 2)*	-		478,814
Intangible assets: Multi-client library	753,084	313,600	-		60,000	*Note 2)*	-		1,126,684
Other intangible assets	73,020	74,900	-		2,100	*Note 2)*	-		150,020
Deferred tax assets	67,895	16,300	-		150,000	*Note 2)*	-		234,195
Buildings, machinery and equipment	131,970	697,700	-		-	*Note 13)*	-		829,670
Right-of-use-asset	78,438	54,100	-		10,160	*Note 7)*	-		142,698
Other non-current assets	24,424	87,500	-		-		-		111,924
Total non-current assets	**1,513,479**	**1,244,100**	**-**		**316,426**		**-**		**3,074,005**
Accounts receivable	93,712	173,100	-		-		(18,497)	*Note 14)*	248,315
Accrued revenues	63,217	135,100	(72,900)	*Note 1)*	-		(777)	*Note 14)*	124,639
Other receivables	76,700	50,500	-		-		-		127,200
Inventory	12,565	31,100	-		-		-		43,665
Cash and cash equivalents	196,741	182,700	-		-		-		379,441
Total current assets	**442,935**	**572,500**	**(72,900)**		**-**		**(19,274)**		**923,262**
Total assets	**1,956,414**	**1,816,600**	**(72,900)**		**316,426**		**(19,274)**		**3,997,267**
Share capital	4,406	325,900	-		(324,359)	*Note 4)*	-		5,948
Treasury shares	(16)	(400)	-		-		-		(416)
Share premium	623,965	-	-		746,359	*Note 5)*	-		1,370,324
Other paid-in equity	45,248	1,063,900	-		(3,534)	*Note 3)*	-		1,105,614
Other equity	601,505	(861,700)	-		(213,767)	*Note 2),3),4),5) 6), 7),8)*	-		(473,962)
Equity attributable to owners of the Parent	**1,275,108**	**527,700**	**-**		**204,700**		**-**		**2,007,508**
Non-controlling interests	468	-	-		-		-		468
Total equity	**1,275,576**	**527,700**	**-**		**204,700**		**-**		**2,007,976**
Long-term interest bearing debt	-	623,400	-		48,937	*Note 2)*	-		672,338
Other non-current liabilities	41,210	3,700	-		20,500	*Note 2)*	-		65,410
Non-current lease liabilities	41,331	45,000	-		5,214	*Note 7)*	-		91,545
Deferred tax liability	16,426	100	-		(1,614)	*Note 2)*	-		14,912
Total non-current liabilities	**98,967**	**672,200**	**-**		**73,037**		**-**		**844,204**
Short-term interest bearing debt	-	131,100	-		-		-		131,100
Accounts payable and debt to partners	95,049	69,200	-		-		(18,497)	*Note 14)*	145,753
Taxes payable	5,464	23,800	-		-		-		29,264
Withheld payroll tax, Social Security and VAT	72,913	-	-		(1,349)	*Note 3)*	-		71,564
Current lease liabilities	43,877	35,800	-		(3,015)	*Note 7)*	-		76,662
Deferred revenue	276,064	206,000	(72,900)	*Note 1)*	-		-		409,164
Accrued expenses and other current liabilities	88,506	150,800	-		43,053	*Note 3),8)*	(777)	*Note 14)*	281,581
Total current liabilities	**581,872**	**616,700**	**(72,900)**		**38,689**		**(19,274)**		**1,145,087**
Total liabilities	**680,838**	**1,288,900**	**(72,900)**		**111,726**		**(19,274)**		**1,989,290**
Total equity and liabilities	**1,956,414**	**1,816,600**	**(72,900)**		**316,426**		**(19,274)**		**3,997,267**

[1]Certain PGS Group accounts have been reclassfied to make comparable to TGS Group accounts. See section 7.8 "Appendix to the Pro Forma Financial Information" for details of these reclassifications.

7.6 Unaudited pro forma condensed consolidated income statement for the financial year ended 31 December 2023

The table below set out the unaudited pro forma condensed consolidated income statement for the year ended 31 December 2023, as if the transaction had occurred 1 January 2023.

Consolidated income statement *All amounts in USD 1000*	**TGS ASA 2023**	**PGS ASA[1] 2023**	**GAAP adjustments** *(unaudited)*	**Notes**	**Pro forma adjustments** *(unaudited)*	**Notes**	**Pro forma eliminations** (unaudited)	**Notes**	**Pro forma 2023** *(unaudited)*
Revenue	**794,297**	**721,500**	-		-		**(69,464)**	*Note 15)*	**1,446,333**
Cost of sales - proprietary and other	217,417	149,706	34,774	*Note 1)*	-		(27,284)	*Note 15)*	374,613
Straight-line amortization of the multi-client library	163,451	162,100	(93,782)	*Note 1)*	-		-		231,768
Accelerated amortization of the multi-client library	62,599	58,300	-		-		-		120,899
Impairment of the multi-client library	7,622	-	-		-		-		7,622
Personnel costs	131,041	162,691	37,790	*Note 1)*	10,925	*Note 9)*	(27,013)	*Note 15)*	315,435
Other operating expenses	61,958	21,247	4,935	*Note 1)*	11,701	*Note 10)*	(3,528)	*Note 15)*	96,313
Depreciation, amortization and impairment	96,942	70,100	16,283	*Note 1)*	13,372	*Note 11), 12)*	(11,639)	*Note 15)*	185,057
Total operating expenses	**741,029**	**624,144**	**-**		**35,998**		**(69,464)**		**1,331,708**
Operating profit/(loss)	**53,268**	**97,356**	**-**		**(35,998)**		**-**		**114,625**
Financial income	11,651	20,100	-		-		(1,361)	*Note 15)*	30,390
Financial expenses	(17,769)	(123,800)	-		1,961	Note 12)	1,361	*Note 15)*	(138,246)
Results from equity accounted investment	465	1,700	-		-		-		2,165
Net exchange gains/(losses)	4,261	(900)	-		-		-		3,361
Net financial items	**(1,392)**	**(102,900)**	**-**		**1,961**		**-**		**(102,331)**
Profit/(loss) before taxes	**51,876**	**(5,544)**	**-**		**(34,037)**		**-**		**12,295**
Taxes	30,229	9,000	-		(7,757)	*Note 9),10),11), 12)*	-		31,473
Net Income/(loss)	**21,646**	**(14,544)**	**-**		**(26,280)**		**-**		**(19,178)**

[1]Certain PGS Group accounts have been reclassfied to make comparable to TGS Group accounts. See section 7.8 "Appendix to the Pro Forma Financial Information" for details of these reclassifications.

7.7 Notes to the unaudited Pro Forma Financial Information

7.7.1 GAAP Adjustments

Reclassification

Reclassifications have been done to align presentation of the balance sheet and income statement of PGS to that of TGS. The basis for the reclassifications has been obtained from the 2023 audited consolidated financial statements for PGS. See section "7.8 Appendix to the Pro Forma Financial Information" for details of these reclassifications.

Note 1) Joint operations

The GAAP adjustments are made to align PGS accounting policies to those of TGS related to joint operations. PGS capitalizes 100% of incurred cost as multi-client library while simultaneously recognizing an amortization based on the partners share. TGS capitalizes its share of incurred cost with a corresponding cost of sales, personnel costs, other operating expenses and depreciation.

In order to conform the reported amounts by PGS to TGS' accounting policies the following adjustments are required: Straight-line amortization of the multi-client library decreases with USD 93.8 million and increases cost of sales of USD 34.8 million, personnel cost of USD 37.8 million, other operating expenses USD 4.9 million and depreciation, amortization and impairment with USD 16.3 million.

For joint ventures where PGS holds the customer contract, deferred revenues represent the gross amount and the revenue share for JV partners is presented as an offsetting asset. To align with TGS' accounting policies, we have adjusted out the revenue share and the related part of deferred revenues which amounts to USD 72.9 million. TGS has assumed no other adjustments to deferred revenue in preparing the preliminary purchase price allocation.

7.7.2 Pro forma adjustments

<u>Pro forma adjustments unaudited condensed consolidated balance sheet</u>

Note 2) Purchase price allocation (PPA)

The table below illustrates the pro forma adjustments related to the provisional fair value adjustments as part of the purchase price allocation to PGS' historical balances to reflect the purchase price allocation.

Provisional fair value adjustments (USD million)	
Goodwill	94.2
Customer relationship	2.1

Deferred tax asset	150
Multi-client library	60
Bond	-48.9
Contingent liabilities	-20.5
Deferred tax	1.6
Total excess value	**238.4**

The pro forma adjustment in deferred tax liabilities of USD 1.6 million reflects deferred tax on identifiable excess values from the purchase price allocation calculated using 22% tax rate. See section 7.4 for basis of the other fair value adjustments.

Note 3) Settlement of performance based restricted stock units (PRSUS) in PGS

The proforma adjustment reflects estimated cost for the settlement of the long-term incentive plans (the LTI Plans), in which employees in PGS have been granted performance based restricted stock units (PRSUs). PRSUs awarded to the employees under the LTI Plans shall be immediately settled in full in cash upon the Merger. The pro forma adjustments of the PRSU's is reflected through an increase in accrued expenses and other current liabilities of USD 13.1 million, decreases other paid-in equity with USD 3.5 million and decreases other equity with USD 8.2 million. In addition, the pro forma adjustment reflects USD 1.3 million in social-security expenses reflected through an increase in current liabilities and a corresponding decrease in other equity.

Note 4) Share capital

The pro forma adjustment of USD 324.4 million reflects the issuance of consideration shares in TGS to the shareholders of PGS (USD 1.54 million) less elimination of share capital in PGS (USD 325.9 million).

Note 5) Share premium

The pro forma adjustment of USD 746.4 million reflects the share premium from the issuance of consideration shares related to the acquisition of PGS. The pro forma adjustment reflects the issue of 65.2 million new shares where the share premium per share is NOK 121.30.

Note 6) Other equity

Change in other equity is fair value of shares issued minus transaction costs that are expensed and any other adjustments that theoretically are expensed upon purchase

Note 7) Leases

At the acquisition date, lease liabilities in PGS are remeasured as if the lease contracts were new at the acquisition date, based on the principles of IFRS 3 Business Combinations. The equity effect of the remeasurement of lease liabilities in PGS is reflected as a pro forma adjustment in the pro forma balance sheet.

The pro forma adjustment of the remeasurement increases right of use asset with USD 10.1 million, decreases current lease liability with USD 3.0 million, increases non-current liability with USD 5.2 million and increases other equity with USD 8.0 million.

Note 8) Transaction costs – equity and other current liabilities

The transaction costs are estimated to be USD 11.7 million (on a pre-tax basis). The pro forma adjustments of the transaction costs decrease other equity with USD 11.7 million with a corresponding increase in other current liabilities of USD 11.7 million. The transaction cost consists mainly of external cost to financial and legal advisors.

<u>Pro forma adjustments unaudited condensed consolidated income statement</u>

Note 9) Settlement of performance based restricted stock units (PRSUS) in PGS

The proforma adjustment of USD 10.9 million reflects estimated salary cost for the settlement of the long-term incentive plans (the LTI Plans), in which employees in PGS have been granted performance based restricted stock units (PRSUs). PRSUs awarded to the employees under the LTI Plans shall be immediately settled in full upon the Merger. The pro forma adjustment gives a tax expense of USD 2.4 million, calculated at local tax rate.

The pro forma adjustments will not have continuing impact.

Note 10) Transaction costs – other operating expenses

The transaction cost consists mainly of external cost to financial and legal advisors, which will be triggered by the transaction. The transaction cost is expensed in the unaudited pro forma condensed consolidated income statement as an other operating expense. The transaction cost increases other operating expense with USD 11.7 million. The pro forma adjustment gives a tax expense of USD 2.6 million, calculated at local tax rate.

The pro forma adjustments will not have continuing impact.

Note 11) Amortization of purchase accounting adjustments

As describe in Section 7.4 "Preliminary purchase allocation and calculation price of goodwill", purchase price allocations have been performed for the Merger. The table below presents the effect of depreciation/amortization of excess values on the pro forma condensed consolidated income statement for the financial period ended 31 December 2023. The pro forma adjustment of USD 11.3 million reflects estimated amortization of customer relationships and multi-client library for the year ended 2023.

Depreciation/amortization of excess values (USD million)

Customer relationships	0.7
Multi-client library	10.6
Total	11.3
Income tax	2.8

For the purpose of preparing the pro forma adjustments, we assumed the estimated useful life of customer relationships are 3 years and for multi-client library it is 2.8 years. The useful life of multi-client library is based on a weighted average of remaining useful life of PGS book values. We have allocated excess values to both work-in-progress and completed multi-client surveys, but only completed multi-client libraries are subject for amortization. The pro forma adjustment of USD 2.8 million reflects the tax effect of the amortization.

The pro forma adjustments will have continuing impact.

Note 12) Leases

At the acquisition date, lease liabilities in PGS are remeasured as if the lease contracts were new at the acquisition date, based on the principles of IFRS 3 Business Combinations. The P&L effect of the remeasurement of lease liabilities in PGS is reflected as a pro forma adjustment in the pro forma condensed consolidated income statement.

The pro forma adjustment of the remeasurement increases deprecation of USD 2.0 million and decreases financial expenses of USD 2.0 million. The pro forma adjustment gives a tax effect of USD 0.03 million, calculated at local tax rate.

The pro forma adjustments will have continuing impact.

Note 13) Buildings, machinery and equipment

We have no fair value adjustments to Buildings, machinery and equipment. PGS' significant part of property and equipment relates to seismic vessel and equipment to these vessels. The vessels have previously been impaired in accordance with IFRS, and no reversal of impairment has been booked. As a result, management considers it is a reasonable assumption that fair value and book values are approximately equal because there remain unreversed impairment charges in PGS.

7.7.3 Notes to pro forma eliminations

Transactions between TGS and PGS

The adjustments below represent the elimination of transactions between TGS and PGS in 2023. Revenue recognized in PGS for joint projects between PGS and TGS has been eliminated along with related operating expenses in the unaudited pro forma condensed consolidated income statement.

<u>Pro forma eliminations of condensed consolidated balance sheet</u>

Note 14) Eliminations

The pro forma adjustment of USD 18.5 million relates to an elimination of trade and other receivables due to sales between PGS and TGS. The corresponding effect is a decrease in accounts payable and debt to partners.

The pro forma adjustment of USD 0.77 million relates to an elimination of accrued revenue due to sales between PGS and TGS. The corresponding effect is a decrease in accrued expenses and other current liabilities.

<u>Pro forma eliminations of condensed consolidated income statement</u>

Note 15) Eliminations

The pro forma adjustment of USD 69.5 million reflects an elimination of transactions between TGS and PGS, prior to acquisition date. The elimination decreases sales revenue by USD 69.5 million and decreases cost of sales by USD 27.2 million, personnel cost of USD 27.0 million, Other operating expenses of USD 3.5 million and depreciation, amortization and impairment by USD 11.7 million.

The pro forma adjustment of USD 1.4 million reflects an elimination of transactions between TGS and PGS, prior to acquisition date. The elimination decreases financial income by USD 1.4 million and decreases financial by USD 1.4 million.

7.8 Appendix to the pro forma financial statements

The sections below show how the financial information of the PGS, including the reclassifications of the PGS accounting lines to align with TGS's presentation in the unaudited pro forma condensed consolidated balance sheet and unaudited pro forma condensed consolidated income statement for the financial year ended 31 December 2023.

7.8.1 Condensed consolidated balance sheet reclassifications

Consolidated balance sheet ***All amounts in USD 1000***	**PGS**	**Note**	**Amount**	**PGS reclassified to TGS Grup accounting lines**
ASSETS				
Cash and cash equivalents	177,700	*A)*	177,700	Cash and cash equivalents
Restricted cash	5,000	*A)*	5,000	Cash and cash equivalents
Accounts receivables	173,100		173,100	Accounts receivables
Accrued revenues and other receivables	137,100	*B)*	135,100	Accrued revenues Other receivables
Other current assets	79,600	*C)*	31,100	Inventory
			48,500	Other receivables
Total current assets	572,500		572,500	Total current assets
Property and equipment	751,800	*D)*	697,700	Buildings, machinery and equipment
		D)	54,100	Right-of-use assets
MultiClient library	313,600		313,600	Intangible assets: Multi-client library
Restricted cash	53,400	*A)*	53,400	Other non-current assets
Deferred tax assets	16,300		16,300	Deferred tax assets
Other non-current assets	34,100		34,100	Other non-current assets
Other intangible assets	74,900		74,900	Other intangible assets
Total non-current assets	1,244,100		1,244,100	Total non-current assets
Total assets	**1,816,600**		**1,816,600**	**Total assets**
LIABILITIES AND SHAREHOLDERS' EQUITY				
Interest-bearing debt	131,100		131,100	Short-term interest bearing debt
Lease liabilities	35,800		35,800	Current lease liabilities
Accounts payable	69,200		69,200	Accounts payable and debt to partners
Accrued expenses and other current liabilities	150,800		150,800	Accrued expenses and other current liabilities
Deferred revenues	206,000		206,000	Deferred revenue
Income taxes payable	23,800		23,800	Taxes payable
Total current liabilities	616,700		616,700	Total current liabilities
Interest-bearing debt	623,400		623,400	Long-term interest bearing debt
Lease liabilities	45,000		45,000	Non-current lease liabilities
Deferred tax liabilities	100		100	Deferred tax liabilities
Other non-current liabilities	3,700		3,700	Other non-current liabilities
Total non-current liabilities	672,200		672,200	Total non-current liabilities
Common stock; par value NOK 3;				
Issued and outstanding 955,310,440 shares	325,900		325,900	Share capital
Treasury shares, par value	(400)		(400)	Treasury shares
Additional paid-in capital	1,063,900		1,063,900	Other paid-in equity
Total paid-in capital	1,389,400		1,389,400	
Accumulated earnings	(856,300)		(856,300)	Other equity
Other capital reserves	(5,400)		(5,400)	Other equity
Total shareholders' equity	527,700		527,700	Equity attributable to owners of the Parent
Total liabilities and shareholders' equity	**1,816,600**		**1,816,600**	**Total equity and liabilities**

Note A) Cash and cash equivalents and restricted cash

The following adjustment relates to reclassification of cash and cash equivalents and restricted cash derived from note 14 in the 2023 PGS Financial Statements and consist of the assets specification below. The assets are classified to the following accounting lines in TGS:

USD 1 000	**12/31/2023**		**Accounting line, TGS**
Cash and cash equivalents	177,700	177,700	Cash and cash equivalents
Restricted cash	5,000	5,000	Cash and cash equivalents
Restricted cash	53,400	53,400	Other non-current assets
Cash and cash equivalents		236,100	

Note B) Accrued revenues and other receivables

The following adjustment relates to reclassification of from note 15 in the 2023 PGS Financial Statements and consist of the assets specification below. The assets are classified to the following accounting lines in TGS:

USD 1 000	**12/31/2023**		**Accounting line, TGS**
Accrued revenues	62,200	62,200	Accrued revenues
Revenue share JV partners	72,900	72,900	Accrued revenues
Other receivables	2,000	2,000	Other receivables
Total		137,100	

Note C) Other current assets

The following adjustment relates to reclassification of from note 16 in the 2023 PGS Financial Statements and consist of the assets specification below. The assets are classified to the following accounting lines in TGS:

USD 1 000	**12/31/2023**		**Accounting line, TGS**
Consumables, supplies and fuel inventory	31,100	31,100	Inventory
Deferred steaming and project costs	20,300	20,300	Other receivables
Prepaid operating expenses	12,400	12,400	Other receivables
Withholding taxes and taxes receivable	10,500	10,500	Other receivables
Prepaid reinsurance	3,600	3,600	Other receivables
Other	1,700	1,700	Other receivables
Other current assets		79,600	

Note D) Property plant and equipment

The following adjustment relates to reclassification of from note 17 in the 2023 PGS Financial Statements and consist of the assets specification below. The assets are classified to the following accounting lines in TGS:

USD 1 000	**12/31/2023**		**Accounting line, TGS**
Property and equipment	751,800	697,700	Buildings, machinery and eq
		54,100	Right-of-use assets
Total		751,800	

7.8.2 Condensed consolidated statement of total comprehensive income reclassifications

Consolidated statements of total comprehensive income ***All amounts in USD 1000***	**PGS**	**Note**	**Amount**	**PGS reclassified to TGS Grup accounting lines**
Revenues	720 700		720 700	Revenue
Other income	800		800	Revenue
Total revenues and other income	**721 500**		**721 500**	**Revenue**
Cost of sales	285 800		149 706	Cost of sales - proprietary and other
		A)	136 094	Personnel costs
Research and development costs	5 900	*B)*	5 900	Other operating expenses
Selling, general and administrative costs	42 000	*B)*	15 402	Other operating expenses
		A)	26 598	Personnel costs
Amortization and impairment of MultiClient library	220 400	*C)*	162 100	Straight-line amortization of the multi-client library
		C)	58 300	Accelerated amortization of the multi-client library
Depreciation and amortization of non-current assets (excl. MultiClient library)	63 500	*D)*	63 500	Depreciation, amortization and impairment
Impairment and gain/(loss) on sale of non-current assets (excl. MultiClient library)	6 600	*D)*	6 600	Depreciation, amortization and impairment
Other charges, net	(56)	*B)*	(56)	Other operating expenses
Total operating expenses	**624 144**		**624 144**	**Total operating expenses**
Operating profit (loss)/EBIT	**97 356**		**97 356**	**Operating profit (loss)**
Share of results from associated companies	1 700	*E)*	1 700	Results from equity accounted investment
Interest expense	(110 100)	*E)*	(110 100)	Financial expenses
Other financial expense, net	5 500	*E)*	20 100	Financial income
			(13 700)	Financial expenses
			(900)	Net exchange gains/(losses)
Income (loss) before income tax expense	**(5 544)**		**(5 544)**	**Profit/(loss) before taxes**
Income tax	(9 000)		(9 000)	Taxes
Net income (loss) to equity holders of PGS ASA	**(14 544)**		**(14 544)**	**Net Income**

Note A) Cost of sales and selling, general and administrative costs

Personnel costs from the PGS financial statement are included in cost of sales and selling, general and administrative costs from note 30 in the 2023 PGS Financial Statements and consist of:

USD 1 000		**2023** Personnel cost adjustments		**Accounting line, TGS**
Cost of sales	285 800	(149 706)	136 094	Personnel costs
Selling, general and administrative costs	42 000	(15 402)	26 598	Personnel costs
Total personnel costs			162 691	

Note B) Cost of Sales, research and development costs and selling, general and administrative costs

The following adjustment relates to reclassification of cost of sales, research and development costs and selling, general and administrative costs in PGS and consist of the costs specification below. The costs are classified to the following accounting lines in TGS:

USD 1 000		**2023**		**Accounting line, TGS**
Research and development costs	5 900		5 900	Other operating expenses
Selling, general and administrative costs	15 402		15 402	Other operating expenses
Other charges, net	(56)		(56)	Other operating expenses
Other operating expenses			21 247	

Note C) Amortization and impairment of multi-client library

The following adjustment relates to reclassification of amortization and impairment of multi-client library, derived from note 8 in the 2023 PGS Financial Statements and consist of the costs specification below. The costs are classified to the following accounting lines in TGS:

USD 1 000		**2023**		**Accounting line, TGS**
Amortization of MultiCLient library	162 100		162 100	Straight-line amortization of the multi-client library
Acclerated amortization of MultiClient library	58 300		58 300	Accelerated amortization of the multi-client library
Impairment of multiClient library	-		-	Impairment of the multi-client library
Total			220 400	

Note D) Depreciation, amortization and impairment of non-current assets (excl. multi-client library)

The following adjustment relates to reclassification of depreciation, amortization and impairment of non-current assets derived from note 8 in the 2023 PGS Financial Statements and consist of the costs specification below. The costs are classified to the following accounting lines in TGS:

USD 1 000		**2023**		**Accounting line, TGS**
Depreciation and amortization of non-current assets (excl. MultiClient library)	63 500		63 500	Depreciation, amortization and impairment
Impairment and gain/(loss) on sale of non-current assets (excl. MultiClient library)	6 600		6 600	Depreciation, amortization and impairment
Total			70 100	

Note E) Interest expense, share of results from associated companies and other financial expense (net)

The following adjustment relates to reclassification of Interest expense, share of results from associated companies and other financial expense (net), derived from note 10,11 and 19 in the 2023 PGS Annual Financial Statements and consist of the cost and income specification below. The cost and income are classified to the following accounting lines in TGS:

Interest expense and share of results from associated companies:

USD 1 000		**2023**		**Accounting line, TGS**
Share of results from associated companies	1 700		1 700	Results from equity accounted investment
Interest expense	(110 100)		(110 100)	Financial expenses
Total			(108 400)	

Other financial expense (net):

USD 1 000		**2023**		**Accounting line, TGS**
Interest income	20 100		20 100	Financial income
Currency exchange gain (loss)	(900)		(900)	Net exchange gains/(losses)
Write off deferred and other loan cost	(11 200)		(11 200)	Financial Expense
Net gain/(loss) on separate derivative financial i	-		-	
Other	(2 500)		(2 500)	Financial Expense
Other financial expense, net			5 500	

8 REGULATORY DISCLOSURES

8.1 TGS ASA

Companies listed on the Oslo Stock Exchange are subject to disclosure requirements according to Regulation (EU) No. 596/2014 of the European Parliament and of the Council ("**MAR**"). Below is an overview of the disclosures published by TGS ASA pursuant to MAR on its ticker "TGS" on www.newsweb.no during the last twelve months prior to the date of this Exempted Document.

Overview of TGS' regulatory disclosures

Date	Title	Description	Category
20 July 2023	TGS Announces Q2 2023 Results	TGS announced its interim financial results for Q2 2023.	Additional regulated information required to be disclosed under the laws of a member state
9 August 2023	TGS Awards Performance Share Units and Restricted Share Units	TGS issued awards of Performance Share Units and Restricted Share Units to 221 key employees of the Company.	Additional regulated information required to be disclosed under the laws of a member state
10 August 2023	TGS Vesting Under the 2020 Long-term Incentive Plan	A total of 79 PSU/RSU holders had the right to request the issuance of a total of 131,977 TGS shares at par value NOK 0.25.	Additional regulated information required to be disclosed under the laws of a member state
31 August 2023	TGS: Shares Received by Board of Directors	TGS announced that the board of directors of TGS had received restricted shares in TGS as part of their compensation. The chair of the board received 3,300 shares and the other directors 1,650 shares each.	Additional regulated information required to be disclosed under the laws of a member state
11 September 2023	TGS Mandatory Notification of Trades	TGS announced that certain primary insiders received shares from a purchase made under the Employee Share Purchase Program on 8 September 2023.	Mandatory notification of trade primary insiders
11 September 2023	Correction: TGS Mandatory Notification of Trades	TGS announced the same stock exchange announcement as set out above. In this version, the schedule was attached to the announcement.	Mandatory notification of trade primary insiders
18 September 2023	TGS and PGS Combine to Establish the Premier Energy Data Company	TGS announced that it had agreed with PGS ASA the principal terms of a combination of TGS and PGS to create a full-service energy data company.	Additional regulated information required to be disclosed under the laws of a member state
18 September 2023	TGS ASA – contemplated private placement	TGS announced a contemplated private placement of shares in TGS, consisting of up to 6,250,000 new shares, corresponding to approx. 5% of the shares outstanding at that time.	Additional regulated information required to be disclosed under the laws of a member state
18 September 2023	TGS ASA – Private placement successfully completed	TGS announced that its board of directors had, pursuant to an authorization granted by the general meeting of TGS, resolved to issue and allocate 6.25 million new shares at a subscription price of NOK 152.5 per new share, raising gross proceeds of NOK 953,125,000.	Additional regulated information required to be disclosed under the laws of a member state
25 October 2023	TGS and PGS Execute Definitive Merger Agreement	TGS announced that both TGS' and PGS ASA's board of directors had unanimously approved and decided upon a definitive merger agreement in line with the terms previously announced.	Additional regulated information required to be disclosed under the laws of a member state
26 October 2023	TGS Announces Q3 2023 Results	TGS announced its interim financial results for Q3 2023.	Additional regulated information required to be disclosed under the laws of a member state
8 November 2023	TGS – Mandatory notification of trade	TGS announced that Svein Harald Øygard, Member of the Board of Directors, has today purchased 15,000 shares in TGS ASA at a price of NOK 144.50 through his wholly owned company Energy Investors AS.	Mandatory notification of trade primary insiders
1 December 2023	TGS Shareholders Approve the Merger Plan with PGS	TGS announced that the extraordinary general meeting of TGS had approved all proposals on the agenda with the requisite majorities, including the merger plan dated 25 October 2023 and the corresponding share capital increase in TGS.	Additional regulated information required to be disclosed under the laws of a member state
13 December 2023	TGS – Mandatory notification of trade	TGS announced that Christopher Geoffrey Finlayson, chair of the board of directors, had purchased 9,000 shares in TGS at a price of NOK 117.80 per share.	Mandatory notification of trade primary insiders
9 January 2024	TGS Q4 Revenue Update	TGS announced that, based on preliminary reporting from operating units, that management of TGS expected IFRS revenues for Q4 2023 to be approx. USD 189 million, compared to USD 219 million in Q4 2022.	Additional regulated information required to be disclosed under the laws of a member state
10 January 2024	TGS: Mandatory notification of trade	TGS announced that Kristian Johansen, Chief Executive Officer, had purchased 4,500 shares in TGS at a price of NOK 109.61 per share.	Mandatory notification of trade primary insiders
24 January 2024	TGS – Mandatory notification of trade	TGS announced that Svein Harald Øygard, member of the board of directors, had purchased 35,000 shares in TGS at a price of NOK 103.99 per share through his wholly owned company Energy Investors AS.	Mandatory notification of trade primary insiders
1 July 2024	TGS and PGS – Last Day of Trading in PGS Shares	TGS announced that the last day of trading in and listing of the PGS shares would be 1 July 2024.	Additional regulated information required to be disclosed under the laws of a member state
1 July 2024	TGS and PGS Merger Completed	TGS announced completion of the Merger by registration with the Norwegian Register of Business Enterprises. As a result, and following the issuance of the merger consideration shares to the former shareholders of PGS, the new share capital of TGS was NOK 49,068,323.25 divided on 196,273,293 shares, each with a nominal value of NOK 0.25.	Additional regulated information required to be disclosed under the laws of a member state
1 July 2024	TGS Launches New Chapter with Announcement of Merger Completion, New Executive Team and Capital Markets Day	TGS announced its new executive team and that it would hold a capital markets day on 29 August 2024.	Non-regulatory press releases

8.2 PGS ASA

Companies listed on the Oslo Stock Exchange are subject to disclosure requirements according to, inter alia, MAR. Below is an overview of the disclosures published by PGS ASA pursuant to MAR on its ticker "PGS" on www.newsweb.no during the last twelve months prior to the date of this Exempted Document.

Overview of PGS' regulatory disclosures			
Date	**Title**	**Description**	**Category**
11 July 2023	PGS ASA: Q2 2023 Update	PGS announced, based on preliminary review, that it expected to report revenues and other income according to IFRS for Q2 2023 of approximately USD 156 million, compared to USD 273.6 million in Q2 2022.	Inside information
25 August 2023	PGS ASA: Settlement of 2020 Long-term Incentive Plan	PGS announced that the PGS ASA 2020 Long Term Incentive Plan, under which Performance based Restricted Stock Units were awarded to employees and primary insiders in PGS ASA and its subsidiaries, settled on August 25, 2023.	Mandatory notification of trade primary insiders
31 August 2023	PGS ASA: Settlement price of 2020 Long-term Incentive Plan	PGS announced a settlement of a selling price of NOK 7.3604 NOK per share in connection with the 2020 Long-term Incentive Plan.	Mandatory notification of trade primary insiders
18 September 2023	PGS ASA - CONTEMPLATED PRIVATE PLACEMENT	PGS announced that it was contemplating a private placement of 45,760,726 new ordinary shares in PGS.	Inside information
18 September 2023	PGS ASA - PRIVATE PLACEMENT SUCCESSFULLY PLACED	PGS announced that a private placement had been successfully completed, raising gross proceeds of NOK 439,302,970 (approximately USD 40.6 million), through the allocation of 45,760,726 new shares, each at a price per new share of NOK 9.60.	Inside information
8 December 2023	PGS ASA: Mandatory Notification of Trade	PGS announced that Ebrahim Attarzadeh, board member of PGS, had sold 140,000 shares in PGS at an average price of NOK 8.084 per share.	Mandatory notification of trade primary insiders
9 January 2024	PGS ASA: Q4 2023 Update	PGS announced that, based on a preliminary review, it expected to report Revenues and Other Income according to IFRS for Q4 2023 of approximately USD 265 million, compared to USD 216.7 million in Q4 2022.	Inside information
9 April 2024	PGS ASA: Q1 2024 Update	PGS announced information about its preliminary reported revenues for Q1 2024.	Inside information
28 June 2024	PGS ASA: Settlement of Long-term Incentive Plans	Reference is further made to the Merger and the long-term incentive plans issued by PGS dated 21 April 2021, 27 April 2022 and 26 April 2023 (the "LTI Plans") pursuant to which employees in PGS and its subsidiaries have been granted Performance based Restricted Stock Units ("PRSUs"). PGS announced that pursuant to the LTI Plans and the Merger, all outstanding PRSUs awarded under the LTI Plans to employees and primary insiders in PGS and its subsidiaries have settled as calculated by multiplying the number of eligible PRSUs and the volume weighted average price of the PGS share on the Oslo Stock Exchange on 27 June 2024.	Mandatory notification of trade primary insiders
1 July 2024	TGS and PGS – Last Day of Trading in PGS Shares	PGS announced that the last day of trading in and listing of the PGS shares would be 1 July 2024.	Additional regulated information required to be disclosed under the laws of a member state

9 INCORPORATION BY REFERENCE; DOCUMENTS ON DISPLAY

9.1 Incorporation by reference

The information incorporated by reference in this Exempted Document should be read in connection with the following cross- reference table.

Incorporation by reference			
Minimum disclosure requirement for exempted documents		**Reference document**	**Page of reference document**
Item 2.5	TGS Annual Report 2023	https://www.tgs.com/hubfs/Financial%20Reports/Annual%20Reports/2023%20Annual%20Report/2023%20TGS%20Annual%20Report%20and%20Sustainability%20Report_final.pdf	1-95; 101-169
Item 2.5	TGS Audit Report 2023	https://www.tgs.com/hubfs/Financial%20Reports/Annual%20Reports/2023%20Annual%20Report/2023%20TGS%20Annual%20Report%20and%20Sustainability%20Report_final.pdf	96-100
Item 2.5	TGS Q1 Report 2024	https://www.tgs.com/hubfs/Investor%20Relations/TGS%20Q1%202024%20Earnings%20Release.pdf	
Item 2.5	PGS Annual Report 2023	https://www.pgs.com/globalassets/investor-relations/annual/2023/pgs-annual-report-2023.pdf	1-98
Item 2.5	PGS Audit Report 2023	https://www.pgs.com/globalassets/investor-relations/annual/2023/pgs-annual-report-2023.pdf	99-103
Item 2.5	PGS Q1 Report 2024	https://www.pgs.com/globalassets/investor-relations/reports-and-results/q1-2024--earnings-release.pdf	1-19

9.2 Documents on display

For twelve months from the date of this Exempted Document, copies of the following documents will be available for inspection at TGS' registered office during normal business hours from Monday through Friday each week (except public holidays):

- the articles of association of TGS;
- all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at TGS' request any part of which is included or referred to in this Exempted Document;
- TGS' historical financial statements as of and for the year ended 31 December 2022 as well as for the preliminary annual account for the 12 month period ended 31 December 2023; and
- this Exempted Document.

10 ADDITIONAL INFORMATION

10.1 Independent auditors

TGS' independent auditor is KPMG AS (registration number 935 174 627) with registered address at Sørkedalsveien 6, 0369 Oslo, Norway. PGS' independent auditor is Ernst & Young AS (registration number 976 389 387) with registered address at Stortorvet 7, 0155 Oslo, Norway. The partners of KPMG AS and Ernst & Young AS are members of The Norwegian Institute of Public Accountants (Nw.: *Den Norske Revisorforening*).

The consolidated financial statements of TGS ASA as of 31 December 2023 and for the year then ended, incorporated by reference herein, have been audited by KPMG AS, as independent auditors as stated in their reports incorporated by reference herein.

The consolidated financial statements of PGS ASA as of 31 December 2023 and for the year then ended, incorporated by reference herein, have been audited by Ernst & Young AS AS, as independent auditors as stated in their reports incorporated by reference herein.

With respect to the unaudited pro forma financial information included herein, KPMG AS has applied assurance procedures in accordance with ISAE 3420 Assurance Engagement to Report on Compilation of Pro Forma Financial Information Included in a Prospectus in order to express an opinion as to whether the unaudited pro forma financial information has been properly compiled on the basis stated, and that such basis is consistent with the accounting policies of the Combined Company as stated in their report included herein.

10.2 Legal advisors

Advokatfirmaet Schjødt AS is acting as legal advisor to TGS in connection with the Merger. Advokatfirmaet BAHR AS is acting as legal advisor to PGS in connection with the Merger.

10.3 VPS registrar

TGS' VPS registrar is DNB Bank ASA, Registrars Department, which has their registered address at Dronning Eufemias gate 30, 0191 Oslo, Norway.

10.4 Important information

This Exempted Document does not constitute a prospectus within the meaning of the EU Prospectus Regulation and has not been subject to the scrutiny and approval by the Norwegian Financial Supervisory Authority (Nw. Finanstilsynet) in accordance with Article 20 of the EU Prospectus Regulation. This Exempted Document does not constitute an offer or solicitation to buy, subscribe or sell the securities described herein, and no securities are being offered or sold pursuant to this Exempted Document. The content of this Exempted Document has been prepared on the basis of the European Commission's draft commission delegated regulation supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the minimum information content of the document to be published for a prospectus exemption in connection with a takeover by means of an exchange offer, a merger or a division, as published by the European Commission for feedback on 16 June 2020. (Ref. Ares (2020)3028878 - 11/06/2020).

11 DEFINITIONS AND GLOSSARY

In the Exempted Document, the following defined terms have the following meanings:

Definitions and glossary	
Defined terms	**Meanings**
Articles of Association	The articles of association of the Company.
ACQ	Acquisition
Bonds	PGS' bond issue in the amount of USD 450 million
CCS	Carbon Capture and Storage
D&A	Data Analytics
DES	Digital Energy Solutions
EEA	The European Economic Area
EH	Eastern Hemisphere
ESMA	European Securities and Markets Authority
EU	The European Union
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market
EUR	Euro, the single and lawful currency of member states of the EU participation in the European Monetary Union.
Exchange Ratio	The ratio for determining the share compensation of the Merger consideration, i.e., 0.06829 ordinary shares of TGS for each PGS share held (on a fully diluted basis)
Forward-looking statements	All statements other than historic facts or present facts, typically indicated by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” and similar
IAS 34	International Accounting Standard 34, IAS 34 Interim Financial Reporting
IFRS	IFRS Accounting Standards as adopted by the EU
ISIN	International Securities Identification Number
ISS	Municipal tax services
LEI	Legal Entity Identifier
Merger Plan	The merger plan entered into between the boards of directors of TGS and PGS on 25 October 2023, under which the board of directors of TGS and PGS agreed to propose that PGS be merged into TGS Newco, in accordance with the rules on triangular mergers in Section 13-2 (2) of the Norwegian Public Limited Liability Companies Act
NES	New Energy Solutions
NOK	Norwegian Kroner, the lawful currency of Norway
NOM-account	Nominee account
Non-Norwegian Corporate Shareholders	Shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes
Non-Norwegian Personal Shareholders	Shareholders who are natural persons not resident in Norway for tax purposes
Non-resident or foreign shareholders	Shareholders who are not resident in Norway for tax purposes
Norwegian Code of Practice	The Norwegian Code of Practice for Corporate Governance of 14 October 2021
Norwegian Corporate Shareholders	Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes
Norwegian FSA	The Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*)
Norwegian Personal Shareholders	Shareholders who are natural persons resident in Norway for tax purposes
Norwegian Public Companies Act	The Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45
Norwegian Securities Trading Act	Securities Trading Act of 29 June 2007 no. 75 (Nw.: *Verdipapirhandelloven*)
OBN	Ocean Bottom Node
Oslo Børs or Oslo Stock Exchange	Oslo Børs, a stock exchange operated by Oslo Børs ASA
PGS Annual Financial Statements	PGS' audited consolidated historical financial statements as of and for the year ended 31 December 2023 prepared in accordance with IFRS, including the audit reports in respect of the PGS Annual Financial Statements
PGS Board	The board of directors of PGS ASA

PGS Group	PGS ASA together with its direct and indirect subsidiaries
PGS Interim Financial Statements	PGS' unaudited condensed consolidated interim financial statements as of and for the 3-month' period ended 31 March 2024 with comparative figures for the same period in 2023, prepared in accordance with IAS34
PGS Management	The executive management of PGS
POC	Percentage-of-completion
Public Companies Act	The Norwegian Public Limited Liability Companies Act
QIBs	Qualified institutional buyers as defined in Rule 144A under U.S Securities Act.
Regulation S	Regulation S the U.S. Securities Act
Resident or Norwegian shareholders	Shareholders who are resident in Norway for tax purposes
RSUs	Restricted Stock Units
Rule 144A	Rule 144A under the U.S. Securities Act
Shares	The ordinary shares in TGS, each with a nominal value of NOK 0.25.
The TLB	PGS' term loan B in the amount of USD 69.8 million
TGS Annual Financial Statements	TGS' audited consolidated historical financial statements as of and for the year ended 31 December 2023 prepared in accordance with IFRS Accounting Standards ® as adopted by the European Union, including the audit reports in respect of the TGS Annual Financial Statements
TGS Board	The board of directors of TGS ASA
TGS Group	TGS ASA together with its direct and indirect subsidiaries
TGS Interim Financial Statements	The unaudited condensed consolidated interim financial statements for TGS, as of and for the 3 month' period ended 31 March 2024, with comparative figures for the same period in 2023 prepared in accordance with IAS34
U.S. Exchange Act	The U.S. Securities Exchange Act of 1934
U.S Securities Act	The U.S. Securities Act of 1933
USD	US dollar, the lawful currency of the United States
VPS	The Norwegian Central Securities Depository (Nw.: *Verdipapirsentralen*)
VPS Registrar	DNB Bank ASA, Registrars Department
WDP	Well Data Products
WH	Western Hemisphere

APPENDIX 1:

Independent Practitioner's Assurance Report on Pro Forma Financial Information

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To the Board of Directors of TGS ASA

Independent Practitioner´s Assurance Report on the Compilation of Pro Forma Financial Information included in an Exempted Document

Opinion

In our opinion:

- the pro forma financial information has been properly on the basis stated in section 7 of the Exempted Document; and
- such basis is consistent with the accounting policies of the Company.

Basis for Opinion

We have completed our assurance engagement to report on the compilation of the accompanying pro forma financial information of TGS ASA (the "Company") by the Board of Directors and Chief Executive Officer of TGS ASA ("Management"). The pro forma financial information included in section 7 of the Exempted Document consists of the unaudited pro forma condensed consolidated balance sheet and the unaudited pro forma condensed consolidated income statement for the year ended 31 December 2023, and related unaudited notes integral to the pro forma financial information (the "Pro Forma Financial Information.") The applicable criteria on the basis of which the Company have compiled the Pro Forma Financial Information are specified in the Commission Delegated Regulation (EU) 2019/980 supplementing the EU Prospectus Regulation as incorporated in the Norwegian Securities Trading Act and the Securities Regulations § 7-1 and as described in the beforementioned Pro Forma Financial Information (the "Applicable Criteria").

The Pro Forma Financial Information has been compiled by Management to illustrate the impact of the transaction described in section 7 of the Exempted Document (the "Transaction") on the Company's financial position as at 31 December 2023 as if the Transaction had taken place at 31 December 2023, and on the Company's financial performance for the year ended 31 December 2023 as if the Transaction had taken place at 1 January 2023. As part of this process, information about the Company's and PGS ASA's financial position and financial performance has been extracted by Management from the applicable audited consolidated financial statements as at and for the year ended 31 December 2023.

Our Independence and Quality Management

We are independent of the Company as required by laws and regulations and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We apply the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Managements’ Responsibility for the Pro Forma Financial Information

Management are responsible for compiling the Pro Forma Financial Information on the basis of the Applicable Criteria.

Practitioner’s Responsibilities

Our responsibility is to express an opinion, as required by section 3 of Annex 20 to the Commission Delegated Regulation (EU) 2019/980 about whether the Pro Forma Financial Information has been compiled, in all material respects, by Management on the basis of the Applicable Criteria.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner plan and perform procedures to obtain reasonable assurance about whether Management has compiled, in all material respects, the Pro Forma Financial Information on the basis of the Applicable Criteria described in section 7 of the Exempted Document.

Our work primarily consisted of comparing the unadjusted financial information with the source documents as described in section 7 of the Exempted Document, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with Management of the Company.

The aforementioned opinion does not require an audit of historical unadjusted financial information, the adjustments to conform the accounting policies of the acquired entity to the accounting policies of the Company, or the assumptions summarized in section 7 of the Exempted Document. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Financial Information.

The purpose of Pro Forma Financial Information included in the Exempted Document is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction, as at 31 December 2023 and for the year ended 31 December 2023, would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by Management in the compilation of the Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information; and

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- The Pro Forma Financial Information has been compiled on a basis consistent with the accounting policies of the Company.

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the Company, the event or transaction in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Distribution and use

This report has been prepared solely in connection with the listing of consideration shares on the Oslo Stock Exchange in connection with the merger between the Company and PGS ASA as set out in the Exempted Document. Our work has not been carried out in accordance with auditing, assurance or other standards and practices generally accepted in the United States and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Therefore, this report is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the listing and issuance of shares described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this report in connection with any type of transaction other than for the listing of the consideration shares described above.

Oslo, 2 July 2024
KPMG AS

Dave Vijfvinkel
State Authorised Public Accountant

TGS ASA

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