



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

| | |
|----------------------|--------------------------------|
| Organisasjonsnummer: | 971 171 537 |
| Organisasjonsform: | Aksjeselskap |
| Foretaksnavn: | MULTIKLIENT INVEST AS |
| Forretningsadresse: | Lilleakerveien 4C 0283 OSLO |

Regnskapsår

| | |
|-------------------------|-------------------------|
| Årsregnskapets periode: | 01.01.2023 - 31.12.2023 |
|-------------------------|-------------------------|

Konsern

| | |
|-----------------------|-----|
| Morselskap i konsern: | Nei |
|-----------------------|-----|

Regnskapsregler

| | |
|--|----------------|
| Regler for små foretak benyttet: | Nei |
| Benyttet ved utarbeidelsen av årsregnskapet til selskapet: | Forenklet IFRS |

Årsregnskapet fastsatt av kompetent organ

| | |
|--|------------------|
| Bekreftet av representant for selskapet: | ERNST & YOUNG AS |
| Dato for fastsettelse av årsregnskapet: | 20.06.2024 |

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 09.07.2025



Resultatregnskap

| Beløp i: NOK | Note | 2023 | 2022 |
|---|------|----------------------|----------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Revenue | 4 | 1 566 000 000 | 2 160 000 000 |
| Sum inntekter | | 1 566 000 000 | 2 160 000 000 |
| Kostnader | | | |
| Depreciation and amortisation expenses | 8 | 618 000 000 | 625 000 000 |
| Nedskrivning av varige driftsmidler og immaterielle eiendeler | 8 | | 48 000 000 |
| Other expenses | | 226 000 000 | 194 000 000 |
| Sum kostnader | | 844 000 000 | 868 000 000 |
| Driftsresultat | | 722 000 000 | 1 292 000 000 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 1 000 000 | 1 000 000 |
| Currency exchange gain (loss) | | 21 000 000 | 19 000 000 |
| Other financial income (expense) | | 12 000 000 | 11 000 000 |
| Sum finansinntekter | | 34 000 000 | 31 000 000 |
| Rentekostnad til foretak i samme konsern | 7 | -136 000 000 | -114 000 000 |
| Sum finanskostnader | | -136 000 000 | -114 000 000 |
| Netto finans | | 171 000 000 | 145 000 000 |
| Ordinært resultat før skattekostnad | | 892 000 000 | 1 437 000 000 |
| Income tax expense | 1, 6 | 194 000 000 | 316 000 000 |
| Ordinært resultat etter skattekostnad | | 698 000 000 | 1 121 000 000 |
| Årsresultat | | 698 000 000 | 1 121 000 000 |
| Årsresultat etter minoritetsinteresser | | 698 000 000 | 1 121 000 000 |
| Totalresultat | | 698 000 000 | 1 121 000 000 |
| Overføringer og disponeringer | | | |
| Transferred to (from) other equity | | 698 000 000 | 1 121 000 000 |



Resultatregnskap

| Beløp i: NOK | Note | 2023 | 2022 |
|-----------------------------------|-------------|-------------|---------------|
| Sum overføringer og disponeringer | | 698 000 000 | 1 121 000 000 |



Balanse

| Beløp i: NOK | Note | 2023 | 2022 |
|--|------|----------------------|----------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Multiclient data library | 8 | 1 447 000 000 | 1 228 000 000 |
| Utsatt skattefordel | 1 | | |
| Sum immaterielle eiendeler | | 1 447 000 000 | 1 228 000 000 |
| Sum anleggsmidler | | 1 447 000 000 | 1 228 000 000 |
| Omløpsmidler | | | |
| Varer | | | |
| Fordringer | | | |
| Accounts receivables | | 309 000 000 | 358 000 000 |
| Other short-term receivables | 9 | 138 000 000 | 515 000 000 |
| Konsernfordringer | 7 | 1 387 000 000 | |
| Sum fordringer | | 1 834 000 000 | 873 000 000 |
| Bankinnskudd, kontanter og lignende | | | |
| Cash and cash equivalents | 5 | 56 000 000 | 121 000 000 |
| Sum bankinnskudd, kontanter og lignende | | 56 000 000 | 121 000 000 |
| Sum omløpsmidler | | 1 890 000 000 | 994 000 000 |
| SUM EIENDELER | | 3 337 000 000 | 2 222 000 000 |
| BALANSE - EGENKAPITAL OG GJELD | | | |
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| Share capital | 2 | 10 000 000 | 10 000 000 |
| Annen innskutt egenkapital | | 596 000 000 | 596 000 000 |
| Sum innskutt egenkapital | | 606 000 000 | 606 000 000 |
| Opptjent egenkapital | | | |

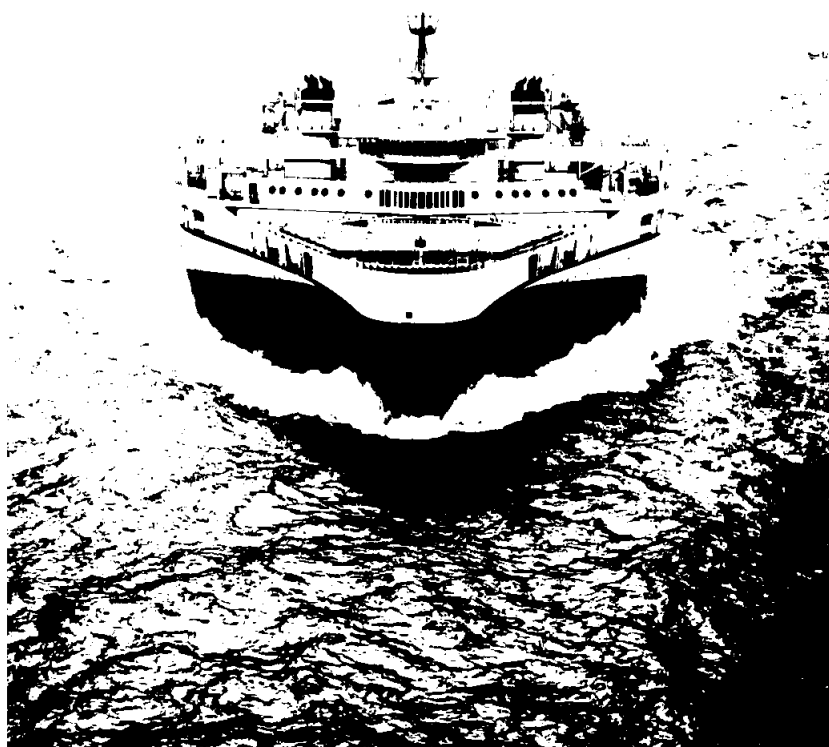


Balanse

| Beløp i: NOK | Note | 2023 | 2022 |
|-----------------------------------|-------------|----------------------|----------------------|
| Other equity | | 390 000 000 | 381 000 000 |
| Sum opptjent egenkapital | | 390 000 000 | 381 000 000 |
| Sum egenkapital | | 996 000 000 | 987 000 000 |
| Gjeld | | | |
| Langsiktig gjeld | | | |
| Utsatt skatt | 1 | | |
| Annen langsiktig gjeld | | | |
| Langsiktig konserngjeld | 7 | 1 659 000 000 | 154 000 000 |
| Sum annen langsiktig gjeld | | 1 659 000 000 | 154 000 000 |
| Sum langsiktig gjeld | | 1 659 000 000 | 154 000 000 |
| Kortsiktig gjeld | | | |
| Leverandørgjeld | | 25 000 000 | 59 000 000 |
| Tax payable | 1 | | |
| Public duties payable | | 90 000 000 | 119 000 000 |
| Kortsiktig konserngjeld | 7 | 89 000 000 | 165 000 000 |
| Other current liabilities | 10 | 479 000 000 | 737 000 000 |
| Sum kortsiktig gjeld | | 683 000 000 | 1 080 000 000 |
| Sum gjeld | | 2 341 000 000 | 1 235 000 000 |
| SUM EGENKAPITAL OG GJELD | | 3 337 000 000 | 2 222 000 000 |



Multiklient Invest AS
Financial Statements 2023



Org. no.971 171 537



Income statement

Multiklient Invest AS

| Values in mill. NOK | Note | 2023 | 2022 |
|--|------|----------------|----------------|
| Operating income and operating expenses | | | |
| Revenue | 4 | 1 565,7 | 2 159,6 |
| Total income | | 1 565,7 | 2 159,6 |
| Depreciation and amortisation expenses | 8 | 617,9 | 625,4 |
| Impairment loss | 8 | - | 48,1 |
| Other expenses | | 226,1 | 194,5 |
| Total expenses | | 844,0 | 868,0 |
| Operating profit | | 721,7 | 1 291,6 |
| Financial income and expenses | | | |
| Currency exchange gain (loss) | | 21,1 | 19,5 |
| Other interest income (expense) | | 1,5 | 1,0 |
| Other financial income (expense) | | 11,7 | 11,0 |
| Intercompany interest income (expense) | 7 | 136,3 | 113,9 |
| Net financial items | | 170,6 | 145,3 |
| Net profit before tax | | 892,3 | 1 436,9 |
| Income tax expense | 1, 6 | 194,5 | 316,2 |
| Net profit after tax | | 697,8 | 1 120,7 |
| Net profit or loss | | 697,8 | 1 120,7 |
| Other comprehensive income | | | |
| Items that will not be classified to profit and loss | | - | - |
| Items that may be subsequently reclassified to profit and loss | | - | - |
| Total other comprehensive income | | - | - |
| Total comprehensive income | | 697,8 | 1 120,7 |
| Attributable to | | | |
| Transferred to (from) other equity | | 697,8 | 1 120,7 |
| Total | | 697,8 | 1 120,7 |

Multiklient Invest AS

Side 1



Balance sheet

Multiklient Invest AS

| Values in mill. NOK | Note | 2023 | 2022 |
|----------------------------------|------|----------------|----------------|
| Assets | | | |
| Non-current assets | | | |
| Intangible assets | | | |
| Multiclient data library | 8 | 1 447,2 | 1 228,3 |
| Total intangible assets | | 1 447,2 | 1 228,3 |
| Total non-current assets | | 1 447,2 | 1 228,3 |
| Current assets | | | |
| Debtors | | | |
| Accounts receivables | | 308,7 | 357,9 |
| Other short-term receivables | 9 | 138,1 | 514,7 |
| Receivables from group companies | 7 | 1 387,1 | - |
| Total receivables | | 1 833,9 | 872,6 |
| Cash and cash equivalents | 5 | 55,9 | 121,0 |
| Total current assets | | 1 889,8 | 993,6 |
| Total assets | | 3 337,0 | 2 221,9 |



Balance sheet

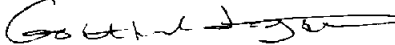
Multiklient Invest AS

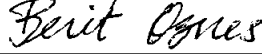
| Values in mill. NOK | Note | 2023 | 2022 |
|--|------|----------------|----------------|
| Equity and liabilities | | | |
| Equity | | | |
| Paid-in capital | | | |
| Share capital | 2 | 10,0 | 10,0 |
| Other paid-in equity | | 596,0 | 596,0 |
| Total paid-in equity | | 606,0 | 606,0 |
| Other equity | | 389,6 | 381,2 |
| Total shareholders equity | | 995,6 | 987,2 |
| Liabilities | | | |
| Other non-current liabilities | | | |
| Non-current liabilities to group companies | 7 | 1 658,7 | 154,4 |
| Total non-current liabilities | | 1 658,7 | 154,4 |
| Current liabilities | | | |
| Trade payables | | 25,4 | 58,7 |
| Public duties payable | | 89,7 | 119,0 |
| Liabilities to group companies | 7 | 88,7 | 165,4 |
| Other current liabilities | 10 | 478,8 | 737,3 |
| Total current liabilities | | 682,6 | 1 080,3 |
| Total liabilities | | 2 341,3 | 1 234,6 |
| Total equity and liabilities | | 3 337,0 | 2 221,9 |

Oslo, 20.06.2024
The board of Multiklient Invest AS


Rune Olav Pedersen
Chairman of the board


Merethe Bryn
Member of the board


Gottfred Langseth
Member of the board


Berit Osnes
General Manager



Multiklient Invest AS
Statements of Changes in Shareholders' Equity

(all figures in millions of NOK)

| | Share capital | Other paid-in capital | Other equity | Total |
|---------------------------------------|---------------|-----------------------|--------------|--------------|
| Equity as of 1 January, 2022 | 10.0 | 596.0 | 381.5 | 987.6 |
| Profit (loss) for the period | - | - | 1,120.7 | 1,120.7 |
| Group contribution | - | - | (1,121.0) | (1,121.0) |
| Equity as of 31 December, 2022 | 10.0 | 596.0 | 381.2 | 987.2 |
| Profit (loss) for the period | - | - | 697.8 | 697.8 |
| Group contribution | - | - | (689.4) | (689.4) |
| Equity as of 31 December, 2023 | 10.0 | 596.0 | 389.6 | 995.6 |



Multiklient Invest AS
Statement of cash flows 01.01 - 31.12

| (all figures in millions of NOK) | Note | 2023 | 2022 |
|--|------|----------------|----------------|
| Cash flow from operating activities | | | |
| Profit (loss) for the year | | 697.8 | 1,120.7 |
| Amortization and impairment of Multiclient data library | 8 | 617.9 | 673.5 |
| Foreign exchange (gain) loss, unrealized | | 60.3 | 2.0 |
| Interest (gain) expense | | (148.0) | (125.1) |
| Dividends and group contributions | | (689.4) | (1,121.0) |
| (Increase) decrease in accounts receivable | | 41.5 | 49.5 |
| (decrease) increase in accounts payable | | (35.1) | 55.4 |
| Change in current intercompany balances | | (76.7) | 116.2 |
| Change in current items related to operating activities | | 87.5 | 232.7 |
| Net cash provided by operating activities | | 555.8 | 1,004.0 |
| Cash flows provided by (used in) investing activities | | | |
| Investments in MultiClient Library | 8 | (836.8) | (663.4) |
| Net cash flow from investing activities | | (836.8) | (663.4) |
| Cash flows provided by (used in) financing activities | | | |
| Change in long-term intercompany balances | | 215.9 | (299.3) |
| Net cash flow from financing activities | | 215.9 | (299.3) |
| Net increase (decrease) in cash and cash equivalent | | (65.1) | 41.4 |
| Cash and cash equivalents at beginning of period | | 121.0 | 79.6 |
| Cash and cash equivalents as of 31 December | | 55.9 | 121.0 |



Multiklient Invest AS Notes to the financial statements

Note 1 Accounting principles

General

The financial statements of Multiklient Invest AS ("the Company") are included in the PGS ASA consolidated financial statements.

Basis of presentation

Multiklient Invest AS' financial statements for 2023 have been prepared and presented in accordance with the regulations on simplified application of the International Financial Reporting Standards (IFRS) (FOR-2014-11-03-1415), ref. the Norwegian Accounting Act § 3.9 5th paragraph, with comparative figures for the prior year.

Going concern

Pursuant to section 3-3a of the Norwegian Accounting Act, the Board confirms that the 2023 financial statements have been prepared based on the assumption of a going concern and that it believes that this assumption is appropriate.

Summary of significant accounting policies:

Main principles for assessing and classifying assets and liabilities

Assets determined for lasting ownership or use are classified as non-current assets. Other assets are classified as current assets. Receivables to be paid within one year are classified as current assets. The same criteria are applied in the classification of liabilities.

Non-current assets are valued at cost, but written down to the recoverable amount when the impairment is not expected to be temporary. Non-current assets with a limited economic lifetime are depreciated on a straight line basis except for the Multiklient data library (see below). Long-term debt is recognized at its nominal value when incurred.

Current assets are valued at the lower of cost and fair value. Current liabilities are recognized at nominal value when incurred. Pursuant to the Accounting Act, some items are assessed in accordance with specific valuation guidelines which are summarized below.

Cash and cash equivalents and restricted cash

Cash and cash equivalents include demand deposits and all highly liquid financial instruments purchased with original maturities of three months or less.

The Company's bank accounts are included in the PGS Group's cash pool and are settled against intercompany balances on a current basis.

Foreign currency translation and transactions

Exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation of realized and unrealized monetary assets and liabilities denominated in foreign currencies are recognized in the statements of profit and loss.



Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment. The cost of internally generated intangible assets, other than those specified below, is expensed as incurred.

MultiClient library

The MultiClient library consists of seismic data surveys which are licensed to customers on a non-exclusive basis. Costs directly incurred in acquiring, imaging and otherwise completing seismic surveys are capitalized to the MultiClient library. Costs incurred while relocating or "steaming" a vessel or crew from one location to another and borrowing costs incurred during the acquisition and imaging phases of the survey are also capitalized to the MultiClient library.

A project remains in surveys-in-progress until imaging is complete which may be some months or up to more than a year after data acquisition ends, at which point it is transferred to completed surveys.

The Company records the costs incurred on the MultiClient library in a manner consistent with its capital investment and operating decision analysis, which generally results in each component of the MultiClient library being recorded and evaluated separately. The cost of projects within the same political regime, with similar geological traits and that are marketed collectively are recorded and evaluated as a group by year of completion.

Straight-line amortization - Upon completion of a survey, straight-line amortization commences over its estimated useful life which is generally over a period of 4 years from the date it is transferred to completed surveys.

Accelerated amortization - Following the adoption of the straight-line amortization policy for completed surveys, recognition of impairment of library may be necessary in the event that sales on a completed survey are realized disproportionately sooner within that survey's 4-year useful life.

Further, when a project is completed and after pre-funding revenue is recognized, recognition of impairment may be necessary in the event the present value of expected Late Sales is lower than the value of the project. This accelerated amortization is included in "Amortization and impairment of MultiClient library" in the consolidated statements of profit and loss and specified in note 8.

Impairment of MultiClient library - The Company updates its sales forecast for each survey at each year-end and when an impairment indicator is deemed to exist. In the event the net book value of survey exceeds its net present value of estimated future cash flows an impairment is recorded in the amount of the excess. This impairment is included in "Amortization and impairment of MultiClient library" in the condensed consolidated statements of profit and loss and specified in note 8.

Research and development costs

Research costs are expensed as incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognized if all of the following have been demonstrated: technical and commercial feasibility of completing the intangible asset so that it will be available for use or sale; the intention to complete the intangible asset and use or sell it; the ability to use or sell the intangible asset; how the intangible asset will generate probable future economic benefits; the availability of adequate technical, financial and other resources to complete the development to use or sell the intangible asset; and the ability to measure reliably the expenditure attributable to the intangible asset during its development.



The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date on which the intangible asset first satisfies the recognition criteria above. All other development costs are expensed as incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment, on the same basis as intangible assets acquired separately. Capitalized development costs are amortized on a straight-line basis over the estimated useful life of the asset.

Patents, licenses and technology

Patents, licenses and technology are stated at cost less accumulated amortization and accumulated impairment. Amortization is calculated on a straight-line basis over the estimated period of benefit, ranging from one to fifteen years.

Steaming costs

Steaming costs relate to relocating or “steaming” a vessel and its crew from one location to another. Steaming costs are deferred to the extent the probable future economic inflows from the projects to which the vessel will steam are sufficient to recover the cost of the steam. The recoverable steaming cost associated with MultiClient surveys is capitalized as a part of the MultiClient library (see above). The recoverable steaming costs associated with exclusive contract surveys is deferred and charged to the statements of profit and loss based upon the percentage of completion of the surveys.

Impairment of property, equipment and intangibles

Tangible and intangible assets are reviewed to determine whether there is any indication of impairment. If such indication exists, or when annual impairment testing for an asset is required, the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. An asset's recoverable amount is the higher of (i) its fair value less cost to sell and (ii) its value in use. This determination is made for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the carrying amount of an asset (or cash generating unit) exceeds its recoverable amount, the carrying amount is reduced to its recoverable amount and the impairment is recognized immediately.

Goodwill does not generate cash flows independently of other assets or groups of assets and is allocated to the cash-generating units expected to benefit from the synergies of the combination that gave rise to the goodwill.

Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Goodwill (and the cash-generating unit to which goodwill is allocated) and intangible assets not yet available for use are evaluated for impairment annually, or whenever there is an indication that the asset may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit (including goodwill allocation), the impairment is applied first to reduce the carrying amount of goodwill and then to reduce the carrying amount of the other assets in the unit pro-rata, based on their relative carrying amounts.

Reversal of an impairment is recognized if the circumstances that gave rise to the impairment no longer exist. The carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount. The increased carrying amount may not exceed the carrying amount that would have existed had no impairment been recognized for the asset (cash-generating unit). Impairment recognized on goodwill is not subject to reversal.



Revenue from contracts with customers

Revenue from contracts with customers arise primarily from granting of licenses to the Company's MultiClient data library. Revenue is recognized at the amount that the Company expects to be entitled to and expects to collect under the contract. If a contract has multiple performance obligations, consideration is allocated among the performance obligations based on their estimated relative fair values.

Amounts received from customers in advance of the Company satisfying its performance obligations are recorded as deferred revenue. In the event most of the consideration under the contract is received more than 12 months in advance of satisfying the related performance obligation, a financing factor is accrued and included in the value of the revenue recognized upon satisfying the performance obligation.

In the rare event the Company has satisfied a performance obligation and is otherwise entitled to compensation under the contract but there is a significant uncertainty as to ultimately collecting the compensation, revenue recognition is delayed until such uncertainty no longer exists.

Where the Company have satisfied its performance obligations and has a right to consideration, an accrued revenue is recognized.

The principles applied for each of the main types of contracts with customers are described in more detail below.

MultiClient late sales licenses - The Company grants a license to a customer, which entitles the customer to have "right to use" a specifically defined portion of the MultiClient data library as it exists at that point in time. The Company's performance obligation is considered to be satisfied at the "point in time" when the customer has received the underlying data or has the right to access the licensed portion of the data.

MultiClient Pre-funding licenses - The Company typically obtains funding from a limited number of customers before a seismic survey project is completed. In return for the pre-funding, the customer typically gains the ability to direct or influence the project specifications and to access data as it is being acquired. The Company recognizes pre-funding revenue as "right to use" licenses and the revenue is to be recognized at the point in time when the "right to use" license is transferred to the customer. This "point in time" depends on the specific contract, but is typically upon completion of processing of the survey and granting of access to the finished data or delivery of the finished data.

The "point in time" of satisfying the performance obligation is generally the same for both MultiClient Late Sale licenses and MultiClient Pre-funding licenses. Accordingly, revenue is generally recognized at this same "point in time" for each of these two types of licenses in accordance with IFRS 15.

Proprietary sales/Marine contract sales/Imaging revenues

The Company performs seismic services under contract in accordance with customer specifications. Such service contracts are considered to contain one performance obligation. This performance obligation is considered to be satisfied over time because the Company performs the service at the customer specification, the resultant data is owned by the customer and the Company has no alternative right to otherwise use or benefit from the resultant data. The Company recognizes proprietary/contract revenue over time as the services are performed and the Company is entitled to the compensation under the contract. Depending on nature of the contract progress is measured either based on square kilometers or time progressed. Progress for imaging services are measured based on a model taking into account both working hours and processing.

Other services

Revenue is recognized over time as the Company satisfies the performance obligation and is entitled to the compensation under the contract.



Income taxes

Income tax expense is comprised of the sum of current tax expense (or benefit) plus the change in deferred tax liabilities and assets during the period, except for current and deferred income tax relating to items recognized directly towards equity, in which case the tax is also recognized in the equity statements.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are calculated using the liability method for all temporary differences between the carrying amount of assets and liabilities in the financial statements and for tax purposes, including tax losses carried forward. A deferred tax liability is not recognized on temporary differences arising from the initial recognition of goodwill.

Deferred income tax is recognized on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary differences can be controlled by the Company and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent it is no longer probable that estimated future taxable profit will be sufficient to recover all or part of the deferred tax assets. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent it has become probable that estimated future taxable profit is sufficient to recover the deferred tax assets. The probability assessment is based on Management's judgment and estimates of future taxable income, including the estimated effect of tax planning opportunities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the estimated year of realization or settlement, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes are related to the same taxable entity and the same taxation authority. Deferred tax assets and liabilities are classified as long-term in the statements of financial position.

Provision for onerous contracts

A provision is made for legally binding obligations (contracts) whereby the unavoidable costs of fulfilling the contracts exceed the economic benefits expected to be received. All costs (including depreciation of assigned assets) directly related to contract fulfillment are included in the calculation.

Statements of cash flow

The Company apply the indirect method in the presentation of cash flows.

Changes in accounting policies and disclosures

Several amendments and interpretations apply for the first time in 2023, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.



Note 2 Share capital, shareholders and parent company information

The share capital comprise of 100,000 ordinary shares at nominal value NOK 100. All shares have equal rights. Multiklient Invest AS is 100% owned by Petroleum Geo-Services AS.

Multiklient Invest AS is included in the consolidated financial statements of PGS ASA. The consolidated financial statements can be downloaded at www.pgs.com

The Company's address is Lilleakerveien 4C, 0216 Oslo.

Note 3 Personnel expenses and remunerations

Multiklient Invest AS had no employees during the year.

The Company is not obliged to carry an occupational pension plan in accordance with the Norwegian Occupational Pension Plan Act.

Multiklient Invest AS General Manager is employed in PGS Geophysical AS. No remuneration has been made to the General Manager or Board of Directors.

As of 31.12.2023, no loans or collateral are given to the General Manager, Board of Directors etc.

Ordinary audit fees for 2023 are NOK 0.93 million ex. VAT, and are entirely related to the audit of the financial statements.

Note 4 Geographical classification of revenues

(in millions of NOK)

The geographic classification of revenues is based upon location of performance or, in the case of MultiClient seismic data sales, the geographic area covered by the data being licensed.

| | Year ended December 31, | |
|---------------------------------|-------------------------|----------------|
| | 2023 | 2022 |
| Europe, Africa and Middle-East | 1,400.6 | 1,027.5 |
| North-America and South-America | 165.1 | 1,110.1 |
| Asia and Far East | - | 22.0 |
| Total | 1,565.7 | 2,159.6 |

Note 5 Restricted cash

The Company has no restricted bank deposits.



Note 6 Income taxes

(in millions of NOK)

Income tax consists of the following:

| | Year ended December 31, | |
|---------------------------------|-------------------------|--------------|
| | 2023 | 2022 |
| Current taxes | 194.5 | 316.2 |
| Deferred taxes | - | - |
| Total income tax expense | 194.5 | 316.2 |

The income tax differs from the amounts computed when applying the Norwegian statutory tax rate to income (loss) before income tax as a result of the following:

| | Year ended December 31, | |
|---|-------------------------|--------------|
| | 2023 | 2022 |
| Income (loss) before income tax expense | 892.3 | 1,436.9 |
| Norwegian statutory rate | 22% | 22% |
| Provision for income taxes at statutory rate | 196.3 | 316.1 |
| Permanent differences | - | - |
| Foreign tax | - | - |
| Change in temporary differences | (1.8) | 0.1 |
| Calculated income tax expense for the year | 194.5 | 316.2 |

Calculation of taxable income

| | | |
|---|--------------|----------------|
| Ordinary result before tax | 892.3 | 1,436.9 |
| Permanent differences including foreign tax | - | - |
| Change in temporary differences | (8.4) | 0.3 |
| Use of NOL carry-forward | - | - |
| Taxable income | 883.9 | 1,437.2 |

| | | |
|--|----------|----------|
| Income tax payable before group contribution and foreign tax | 194.5 | 316.2 |
| Tax effect of group contribution | (194.5) | (316.2) |
| Income tax payable to Norway | - | - |

The tax effects of the Company's temporary differences are as follows:

| | December 31, | |
|--|--------------|--------------|
| | 2023 | 2022 |
| Receivables | - | (8.4) |
| NOL carry-forward | - | - |
| Deferred tax assets base | - | (8.4) |
| Deferred tax (assets) liabilities on temporary differences | - | (1.8) |
| Deferred tax assets not recognized | - | 1.8 |
| Recognized deferred tax (assets) liabilities | - | - |

Based on the uncertainty with regards to if the Company will have taxable income in the nearest future no deferred tax asset is recognized.



Note 7 Intercompany transactions

(in millions of NOK)

Multiklient Invest AS is part of the PGS ASA Group, and has significant transactions with other companies within the Group. Intercompany transactions are mainly related to business support functions, operational support and financing activities.

Intercompany operating expenses consist mainly of cost allocations of operational services delivered from other companies within the PGS Group and group shared services.

| | Year ended December 31, | |
|---|-------------------------|--------------|
| | 2023 | 2022 |
| PGS Geophysical AS | 729.4 | 703.3 |
| PGS Falcon AS | 203.1 | 46.9 |
| Petroleum Geo Services Inc | 51.1 | 76.4 |
| PGS Shipowner AS | 30.1 | 2.4 |
| PGS Exploration (UK) Ltd | 5.2 | 3.3 |
| PGS Data Processing Middle East SAE | 1.7 | - |
| Total operating expenses Group companies | 1,020.6 | 832.3 |

Numbers presented gross before capitalization.

Intercompany interest are received from (delivered to) the following Group companies:

| | Year ended December 31, | |
|--|-------------------------|--------------|
| | 2023 | 2022 |
| Petroleum Geo-Services AS | 136.3 | 113.9 |
| Total other (expenses) and revenues Group companies | 136.3 | 113.9 |

Multiklient Invest AS is funded by the parent Petroleum Geo-Services AS, and intercompany interest income and expenses are entirely towards the parent company.

The Company hold the following receivables (liabilities) towards Group companies:

| | December 31, | |
|--|----------------|----------------|
| | 2023 | 2022 |
| Current intercompany receivables | 1,387.1 | - |
| Current intercompany liabilities | (88.7) | (165.4) |
| Long-term intercompany liabilities | (1,658.7) | (154.4) |
| Net intercompany balances Group companies | (360.3) | (319.8) |

Current intercompany receivables and payables towards other group companies are offset against the parent Petroleum Geo-Services AS on a regular basis. Non-current intercompany liabilities are entirely towards the parent company Petroleum Geo-Services AS, and are offset continuously with no fixed due date. Non-current intercompany receivables carry interest of 3MTH SOFER + 0.5% margin. The Company has the possibility to borrow up to USD 250 million from Petroleum Geo-Services AS.



Note 8 Multiclient data library

(in millions of NOK)

The changes in the MultiClient Library are as follows:

| | 2023 | 2022 |
|----------------------------|----------------|----------------|
| Balance as of 01.01 | 1,228.3 | 1,238.4 |
| Capital expenditures | 836.8 | 663.4 |
| Amortization expense | (617.9) | (625.4) |
| Impairments | - | (48.1) |
| Balance as of 31.12 | 1,447.2 | 1,228.3 |

Impairment relates mainly to surveys where the level of previously expected sales has not materialized or are no longer probable. All impairments relates to Europe and America.

Multiklient Invest AS has cooperation agreements to invest in certain MultiClient data projects with other parties. These agreements are classified as joint operations where the parties have rights to the assets and liability of the investment. The Company generally holds an interest between 30-50% and recognizes its relative share of the revenue.

Note 9 Other current receivables

(in millions of NOK)

Other current receivables consist of the following:

| | December 31, | |
|---------------------------|--------------|--------------|
| | 2023 | 2022 |
| Accrued revenues | 132.1 | 507.9 |
| Prepaid foreign tax | 6.0 | 5.7 |
| Other current receivables | - | 1.1 |
| Total | 138.1 | 514.7 |

Note 10 Other current liabilities

(in millions of NOK)

Other short-term liabilities consist of the following:

| | December 31, | |
|------------------------------|--------------|--------------|
| | 2023 | 2022 |
| Accrued revenue share | 101.5 | 130.8 |
| Prepayments from customers | 353.5 | 605.7 |
| Other short term liabilities | 23.8 | 0.7 |
| Total | 478.8 | 737.2 |



Note 11 Debt and guarantees

On March 31, 2023, PGS issued bonds of \$450 million at 98% of par (the "Bonds"). The Bonds have a 4-year tenor, maturing March 31, 2027, with a coupon of 13.5% paid semiannually. The Bonds are non-callable for 2 years and can thereafter be called at 106.75 per cent of par between March 31, 2025, and September 29, 2025, 105.06 per cent of par between September 30, 2025, and March 30, 2026, 103.38 per cent of par between March 31, 2026, and September 29, 2026, and thereafter 100.50 per cent of par.

The proceeds from the Bonds, together with cash on balance sheet, were used to repay \$600 million of the PGS Group term loan B ("TLB").

A new \$75 million loan (the "Loan") was drawn September 18, 2023, with the net proceeds used to repay the TLB. The Loan has an interest rate of SOFR + 7.00% and matures December 15, 2026, with quarterly amortization at a rate of 6.25% of the original principal amount beginning on June 30, 2024. The Loan is subject to the same financial covenants as the \$450 million Bonds.

The December 31, 2023, remaining \$69.8 million balance of the TLB (due March 19, 2024) was fully repaid from cash in February 2024.

The PGS Group Super Senior Loan of \$50 million had a scheduled maturity on March 18, 2024. To align the terms of the Super Senior Loan to the other remaining debt instruments post the full repayment of the TLB, PGS has after December 31, 2023, refinanced the loan through amending, extending and increasing the Super Senior Loan to \$60 million with TGS ASA as the sole lender.

The main credit agreements contain minimum liquidity and maximum leverage ratio covenants. The Bonds and Loan terms have a minimum liquidity covenant of \$50 million and a maximum leverage ratio (Net Interest-Bearing Debt to last twelve months IFRS EBITDA) of 3.00:1 from Q1 2023 to Q4 2024 and 2.50:1 thereafter. On December 31, 2023, the leverage ratio was 1.66:1. The Company expects to remain in compliance with the financial covenants in its credit agreements going forward.

Further, the main credit agreements contain general and financial undertakings usual for these kinds of financing arrangements, restricting PGS in various ways.

PGS announced on September 18, 2023, an intention to merge with TGS ASA or one of its subsidiaries ("TGS"). PGS and TGS announced on October 25, 2023, that their respective Board of Directors had approved and decided upon a definitive merger agreement and formal merger plan. On December 1, 2023, shareholders of PGS and TGS approved the merger plan with close to 100% support at the extraordinary general meetings.

PGS and TGS received merger clearance from Norwegian Competition Authority on 17th April 2024 and clearance from UK Competition and Markets Authority (the CMA) on 11th June 2024. It is expected that the Merger will be completed 1 July 2024.

The agreements for the Bonds and the Loan both contain change-of-control provisions triggering put options/mandatory call for the bondholders/lenders at 101% and 100% of par, respectively, when the Merger is completed 1 July 2024. The Bonds are currently trading at a price above 110% of par which should make it unlikely that the bondholders will exercise the put option at 101% of par. It is expected that the Loan will be called or repaid at the time of completing the Merger.

In Q3 2023, PGS raised approximately \$40.6 million of new equity. The proceeds were used to increase liquidity and to further contribute to a financially robust combined entity in preparation for the merger with TGS.



Skattedirektoratet

Saksbehandler
Rune Tystad

Deres dato
23.07.2015

Vår dato
11.08.2015

Telefon
977 59 464

Deres referanse
Tomas Bratterud

Vår referanse
2015/701094

PETROLEUM GEO-SERVICES ASA
Postboks 251 Lilleaker
0216 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Multiklient Invest AS, org.nr. 971 171 537

– Vi viser til deres brev mottatt 23. juli 2015 der dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Multiklient Invest AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Multiklient Invest AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Multiklient Invest AS er et heleid datterselskap av Petroleum Geo-Services ASA (PGS ASA) og inngår i PGS ASA konsernet (PGS konsernet). Selskapet har et omfattende bibliotek av seismiske data som tilbys eksterne kunder på en ikke-eksklusiv basis («multiklient-data»). Normalt vil eksternt sluttkunde være et nasjonalt eller multinasjonalt oljeselskap. Selskapet kjøper tjenester fra andre selskap i PGS konsernet i forbindelse med innhenting og bearbeiding av seismiske data. Selskapets styre består av ansatte i PGS ASA. Selskapet har ingen ansatte, og leier inn administrasjonskapasitet fra andre selskaper i PGS konsernet i den grad det er nødvendig. Selskapet finansieres av PGS ASA, og har således ingen eksternt gjeld. PGS ASA og selskapets datterselskaper har en betydelig mengde ansatte fra ulike nasjoner, og engelsk benyttes gjennomgående som arbeidsspråk i PGS-konsernet. Ved inngåelse av avtaler om salg av multiklientdata, og/eller finansiering i forkant av undersøkelser («prefunding»), etterspør kundene regelmessig regnskap. Da kundene i stor grad er utenlandske selskap eller selskap med engelsk som arbeidsspråk etterspørres regnskap på engelsk. Da selskapet videre selger seismiske data knyttet til undersøkelser i utlandet kan det også forekomme spørsmål fra utenlandske myndigheter. Som følge av dette kan det med jevne mellomrom være behov for å oversette regnskapet til engelsk. Selskapets regnskap er således hovedsaklig av interesse for selskapets aksjonærer, kunder og offentlige myndigheter i Norge og andre land. Det norske regnskapet utarbeides hovedsaklig for å oppfylle språkkravet i regnskapsloven.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk.*

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 06 60



Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “*informative regnskaper for ulike grupper av regnskapsbrukere*”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er et heleid datterselskap av PGS ASA og at eierkretsen er begrenset. Videre er det vektlagt at selskapet opererer innen en bransje der engelsk er det dominerende språket og at konsernets arbeidsspråk er engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



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Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Multiklient Invest AS

Opinion

We have audited the financial statements of Multiklient Invest AS (the Company), which comprise the financial statements as at 31 December 2023, the balance sheet, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the requirements of the relevant laws and regulations in Norway 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the Managing Director) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



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going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, Norway, 28 June, 2024
ERNST & YOUNG AS

The auditor's report is signed electronically

Terje Havn
State Authorised Public Accountant (Norway)

Independent auditor's report - Multiklient Invest AS 2023

A member firm of Ernst & Young Global Limited

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Havn, Terje

Statsautorisert revisor

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Serienummer: no_bankid:9578-5994-4-464108

IP: 147.161.xxx.xxx

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MULTIKLIENT INVEST AS The Board of Directors' Report 2023

Nature of the business

Multiklient Invest AS (the Company) is a wholly owned subsidiary of Petroleum Geo-Services AS and part of the PGS Group (PGS).

The Company owns and maintains an extensive multiklient data library, containing marine seismic data acquired worldwide. The seismic data is acquired and processed using PGS' seismic vessels and data processing capabilities. Seismic multiklient data offer oil and gas companies with cost effective solutions to explore identified development and production opportunities.

Multiklient Invest AS headquarters is located at Lilleaker in Oslo.

Equality, Health, Safety and Environment

As of December 31, 2023 the Company had no employees. The Company's Board of Directors consists of one woman and two men.

HSEQ management and reporting are key parameters for the evaluation of business performance at all management levels and by the Board of Directors in the PGS ASA Group.

The Group (core fleet vessels and PGS offices) had the following health and safety incident levels:

| Incident | 2023 | 2022 |
|---------------------------|------|------|
| Fatalities | 0 | 0 |
| Lost time injuries | 1 | 2 |
| Restricted work-day cases | 0 | 1 |
| Medical treatment cases | 2 | 1 |
| High potential incidents | 0 | 0 |

The activity level of the Group increased from 3.9 to 4.8 million man-hours for the full year, compared to 2022. Concurrently, there was a reduction in the number of recordable cases, decreasing from four to three. It is also noteworthy that the severity potential of the three recordable injuries were medium to low.

Furthermore, there were no high-potential incidents recorded for the year 2023. This commendable achievement can be attributed to strategic initiatives implemented towards the end of 2022 and throughout 2023. These included training programs, updates to existing procedures and leveraging data analytics for predicting trends and initiating targeted preventive campaigns.

| Incident | 2023 | 2022 |
|--|------|------|
| Lost Time Injury Frequency (LTIF) | 0.21 | 0.52 |
| Total Recordable Case Frequency (TRCF) | 0.62 | 1.03 |
| High Potential Frequency (HIPOF) | 0.00 | 0.00 |

The Group has performed thorough investigations of all recordable incidents. Immediate and preventive actions have been implemented as well as safety stand-downs, safety campaigns and safety courses to prevent reoccurrence.

To mitigate the risks and the unique nature of offshore working, PGS formed a partnership with International SOS and established the BeWell program for offshore crew. The objective was to provide the opportunity to undertake voluntary health checks with individual follow-up to promote and maintain a healthy lifestyle onboard and at home. The program was fully rolled out 1 December 2023 onboard all vessels, and in only 30 days a total of 180 participants had complete the voluntary health check.

Sustainability

The PGS ASA Group Code of Conduct reflects the commitment to its shareholders, clients, employees, and other stakeholders to carry out business with the utmost integrity. The Code of Conduct outlines both what stakeholders can expect from PGS, and what PGS expects from employees and anyone working for PGS. Employees of PGS are also guided by the Company's Core Values and Leadership Principles that drive



desired behaviour and culture. The Code of Conduct, Core Values and Leadership Principles are available in full on www.pgs.com.

In 2022, PGS committed to net-zero greenhouse gas ("GHG") emissions by 2050 with an absolute reduction in maritime emissions of 75% and 100% renewable energy usage onshore. The Company has also identified activities under the EU Taxonomy, and in 2023, the total revenues for these activities was approximately \$34 million, with \$10 million from CCS and \$24 million from offshore wind site characterization projects.

PGS is committed to the ten principles of the United Nations Global Compact in the areas of human rights, labour, environment, and anti-corruption. The PGS ASA Group Board of Directors and CEO actively ensure that the Company properly responds to sustainability challenges. To identify and assess actual and potential sustainability risks and opportunities for PGS, the PGS ASA Group Board of Directors and CEO are involved in the Company's double materiality assessment of material topics and the development of our strategic objectives and goals to manage them. In 2023, the double materiality assessment was extended to all PGS employees in our journey to full Corporate Sustainability Reporting Directive ("CSRD") compliance for FY 2024.

To identify and report on risks and opportunities associated with climate change and the energy transition PGS uses the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the frameworks developed by the Carbon Disclosure Project ("CDP") and the Task Force on Climate Related Financial Disclosures ("TCFD").

Since 2011, PGS ASA Group has published a separate sustainability and ESG report, which communicates the progress in alignment with the recommendations of the Global Reporting Initiative ("GRI"), and in 2022, we started to transition our reporting with the CSRD and European Sustainability Reporting Standards ("ESRS"). From 2023 the sustainability reporting is integrated in the Annual Report of PGS. PGS has an ambition to promote the UN Sustainable Development Goals ("SDGs") through concrete actions and goals that are relevant for the Company's activities and global presence. From the materiality assessment PGS has identified 6 of the 17 SDGs where the Company contributes; 4-Quality Education, 7-Affordable and clean energy, 9-Industry, Innovation and Infrastructure, 13-Climate Action, 14-Life Below Water and 16-Peace Justice and Strong Institutions.

Climate Risk

PGS is exposed to both transition risk and physical risks associated with climate change. PGS has a structured approach to monitoring the development of the seismic exploration market and opportunities created by the transition to renewable energy sources globally. The Company's strategy is based on market scenario analysis and positioning of the Company for the energy transition by establishing and developing the 'New Energy' business unit, which is a core component of the Company's strategy. The physical risks associated with climate change may directly affect both onshore and offshore operations through increased occurrence of extreme weather conditions. The Company mitigates this risk through reducing the dependency of on-premise computing by shifting data and processing to the cloud, careful fact-based planning of projects, and by leveraging the inherent weather resilience of the Ramform fleet and GeoStreamer technology.

Financial risk

The PGS Group is exposed to market risks such as interest rate risk, currency exchange risk, credit risk, liquidity risk and commodity price risk, as discussed below. The risk management policies are approved by the PGS Board of Directors. The treasury function reports regularly to management and any breach of limits set in the policy is reported to the Board of Directors.

Interest Rate Risk

PGS has a mixture of fixed and floating interest rate debt to manage the impact of interest rate fluctuations.

Currency Exchange Risk

PGS predominantly sells products and services in US dollars, and to a limited extent in other currencies. In addition to USD, a significant proportion of PGS' 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.

A stronger US dollar reduces PGS' operating expenses as reported in US dollars. It is estimated that a 10% change of the US dollar against the two most significant non-USD currencies, NOK and GBP, would have an annual impact on gross cash cost of \$11-14 million and \$3-5 million, respectively.



PGS Group did not have any open foreign currency forward contracts as of December 31 in 2023 or 2022. All interest-bearing debt is denominated in US dollars.

Credit Risk/Liquidity risk

PGS' accounts receivable is primarily from multinational, integrated energy companies and independent oil and natural gas companies, including companies that are owned in whole or in part by governments. PGS manages the exposure to credit risk through ongoing credit evaluations of clients. Due to the nature of PGS' client base, a low level of losses on accounts receivable has been incurred over the years. PGS has a structured approach to monitoring the credit risk of the company's banking partners, including the institutions in which cash is held on deposit.

Presentation of the financial statements and the Group's development

For Multiklient Invest AS the operating revenue was NOK 1 565.7 million in 2023 compared to NOK 2,159.6 million in 2022. Net Income before tax was NOK 892.3 million compared to NOK 1,436.9 million in 2022.

The Company's cash flow from operating activities was positive with NOK 555.8 million in 2023 compared to NOK 1004.0 million in 2022.

Amortization and impairment related to the multicient data library was NOK 617.9 million in 2023, compared to NOK 673,5 million in 2022. Investments in the multicient data library was NOK 836.8 million in 2023, compared to NOK 663.4 million in 2022.

For 2023, Multiklient Invest AS reported a profit after tax of NOK 697.8 million. The Company also gave an intra-group contribution of NOK 689.4 million, resulting in a net transfer to other equity of NOK 8.4 million.

Financing status and liquidity

On March 31, 2023, PGS issued bonds of \$450 million at 98% of par (the "Bonds"). The Bonds have a 4-year tenor, maturing March 31, 2027, with a coupon of 13.5% paid semiannually. The Bonds are non-callable for 2 years and can thereafter be called at 106.75 per cent of par between March 31, 2025, and September 29, 2025, 105.06 per cent of par between September 30, 2025, and March 30, 2026, 103.38 per cent of par between March 31, 2026, and September 29, 2026, and thereafter 100.50 per cent of par.

The proceeds from the Bonds, together with cash on balance sheet, were used to repay \$600 million of the PGS Group's' term loan B ("TLB").

A new \$75 million loan (the "Loan") was drawn September 18, 2023, with the net proceeds used to repay on the TLB. The Loan has an interest rate of SOFR + 7.00% and matures December 15, 2026, with quarterly amortization at a rate of 6.25% of the original principal amount beginning on June 30, 2024. The Loan is subject to the same financial covenants as the \$450 million Bonds.

The \$69.8 million remaining balance of the TLB as of December 31, 2023, was fully repaid from cash in February 2024.

The PGS Group's' Super Senior Loan of \$50 million had a scheduled maturity on March 18, 2024. To align the terms of the Super Senior Loan to the other remaining debt instruments post the full repayment of the TLB, PGS has after December 31, 2023, refinanced the loan through amending, extending and increasing the Super Senior Loan to \$60 million with TGS ASA as the sole lender.

The main credit agreements contain minimum liquidity and maximum leverage ratio covenants. The Bonds and Loan terms have a minimum liquidity covenant of \$50 million and a maximum leverage ratio (Net Interest-Bearing Debt to last twelve months IFRS EBITDA) of 3.00:1 from Q1 2023 to Q4 2024 and 2.50:1 thereafter. On December 31, 2023, the leverage ratio was 1.66:1. The Company expects to remain in compliance with the financial covenants in its credit agreements going forward.

Further, the main credit agreements contain general and financial undertakings usual for these kinds of financing arrangements, restricting PGS in various ways.

PGS ASA announced on September 18, 2023, an intention to merge with TGS ASA or one of its subsidiaries ("TGS"). PGS ASA and TGS ASA announced on October 25, 2023, that their respective Board of Directors had approved and decided upon a definitive merger agreement and formal merger plan. On December 1, 2023, shareholders of PGS and TGS approved the merger plan with close to 100% support at the extraordinary general meetings.



PGS and TGS received merger clearance from Norwegian Competition Authority on 17th April 2024 and clearance from UK Competition and Markets Authority (the CMA) on 11th June 2024. It is expected that the Merger will be completed 1 July 2024.

The agreements for the Bonds and the Loan both contain change-of-control provisions triggering put options/mandatory call for the bondholders/lenders at 101% and 100% of par, respectively, when the Merger is completed 1 July 2024. The Bonds are currently trading at a price above 110% of par which should make it unlikely that the bondholders will exercise the put option at 101% of par. It is expected that the Loan will be called or repaid at the time of completing the Merger.

In Q3 2023, PGS raised approximately \$40.6 million of new equity. The proceeds were used to increase liquidity and to further contribute to a financially robust combined entity in preparation for the merger with TGS.

During 2023, PGS reduced gross interest-bearing debt by \$273.2 million (\$279.6 million including lease liabilities) and net interest-bearing debt ended at \$542.0 million, a reduction of \$74.7 million (\$81.1 million including lease liabilities).

PGS Group cash and cash equivalents totaled \$177.7 million as of December 31, 2023, compared to \$363.8 million as of December 31, 2022.

Going concern

Pursuant to section 3-3a of the Norwegian Accounting Act, the Board confirms that the 2023 financial statements have been prepared based on the assumption of a going concern and that it believes that this assumption is appropriate.

Board of Directors

As of December 31, 2023, the Board of Directors has the following members: Rune Olav Pedersen (Chairperson), Gottfred Langseth and Merethe Bryn.

The Board of Directors are covered by PGS ASA's Directors and Officers Liability Insurance ("D&O") placed in the international insurance market on market standard terms and conditions. The insurance comprises the directors' and officers' personal legal liabilities, including defense and legal costs. The cover also includes employees in managerial positions or employees who become named in a claim or investigation, or is named co-defendant, and is extended to include members of the Company's steering committee, audit committee, compensation committee, litigation committee, advisory committee or other management or board committees.

Transparency Act

The PGS ASA Group is committed to comply with the requirements set out in The Norwegian Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (the "Transparency Act"). This due diligence report covers the fiscal year of 2023, from 1 January to 31 December 2023. The report is prepared and provided by the PGS ASA Group pursuant to Section 5 of the Transparency Act. See www.pgs.com for more information.

Market and outlook

Many future energy outlook scenarios predict global energy consumption to continue to increase longer term with oil and gas remaining an important part of the energy mix. Offshore reserves will be vital for future energy supply and support the longer-term demand for marine seismic services. The seismic market is improving on the back of increased focus on energy security, several years of low investments in new oil and gas supplies, and attractive oil and gas prices.

Offshore energy investments are expected to continue to increase in 2024. The Board expects the marine seismic acquisition market to benefit from the higher spending level and a limited supply of seismic vessels. Further, the Board expects PGS New Energy to benefit from an increasing demand for geophysical services for offshore wind site characterization projects.

The Board emphasizes that valuations in the financial statements and forward-looking statements are based on various assumptions made by management and the Board, depend on factors beyond our control, and are subject to risks and uncertainties. Accordingly, actual results may differ materially.



It is the opinion of the Board of Directors that the presented income statement, balance sheet and cashflow statement with accompanying notes show a true and fair view of the results and financial position of Multiklient Invest AS.

Oslo, June 20th 2024
The Board of Multiklient Invest AS

Rune Olav Pedersen
Chairperson

Gottfred Langseth
Board member

Merethe Bryn
Board member

Berit Osnes
General Manager