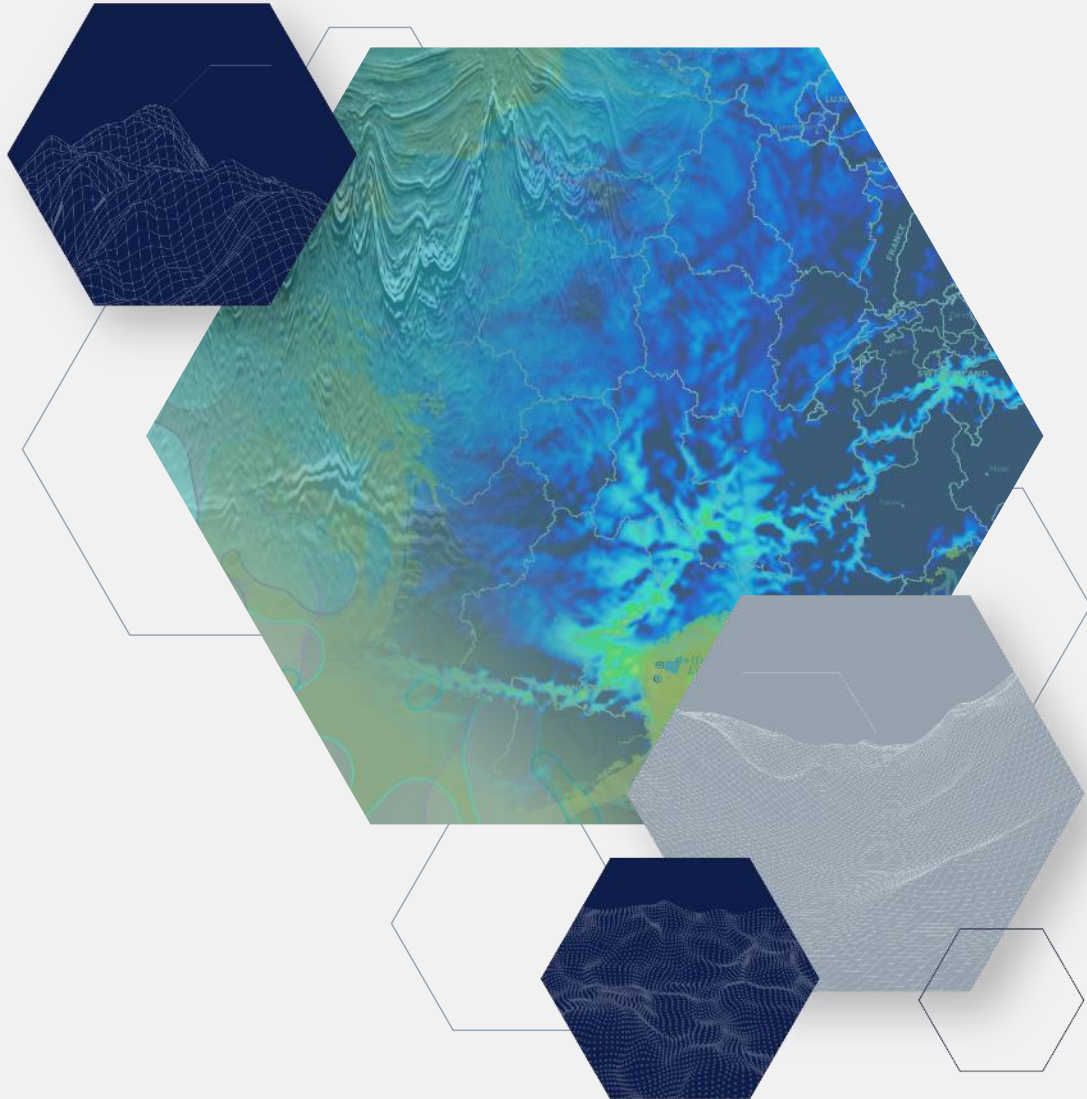


10 JANUARY 2024



SEB NORDIC SEMINAR 2024

# Company Presentation

Sven Børre Larsen  
CFO

Thomas Håve  
Group Finance Director

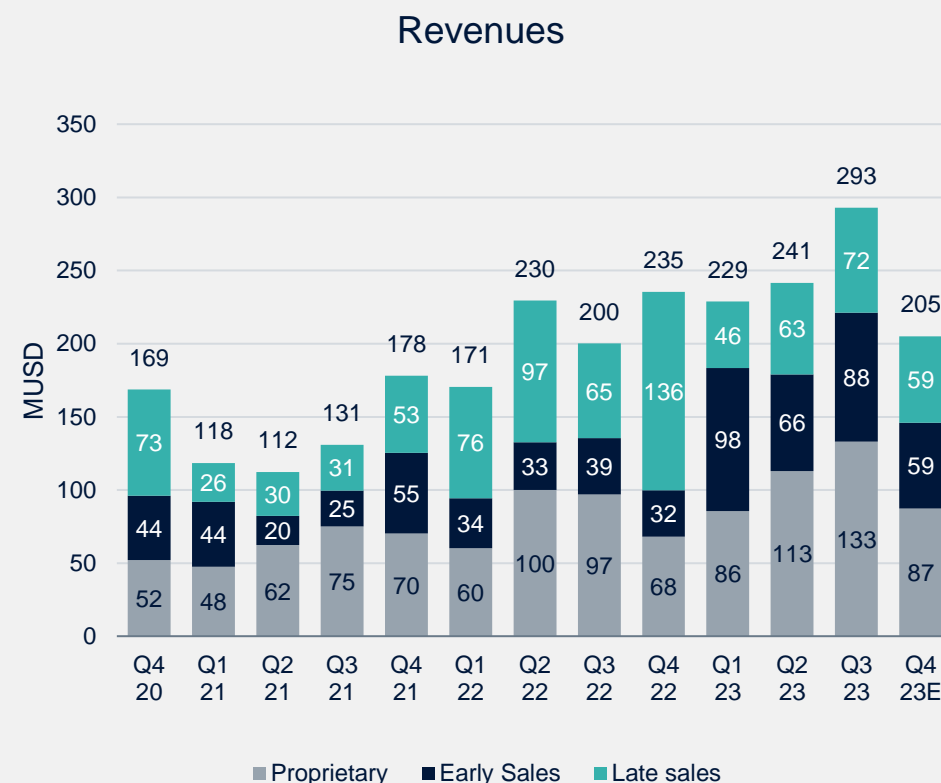
COPENHAGEN, DENMARK

# Forward-Looking Statements

*All statements in this presentation other than statements of historical fact are forward-looking statements, which are subject to a number of risks, uncertainties and assumptions that are difficult to predict and are based upon assumptions as to future events that may not prove accurate. These factors include volatile market conditions, investment opportunities in new and existing markets, demand for licensing of data within the energy industry, operational challenges, and reliance on a cyclical industry and principal customers. Actual results may differ materially from those expected or projected in the forward-looking statements. TGS undertakes no responsibility or obligation to update or alter forward-looking statements for any reason.*

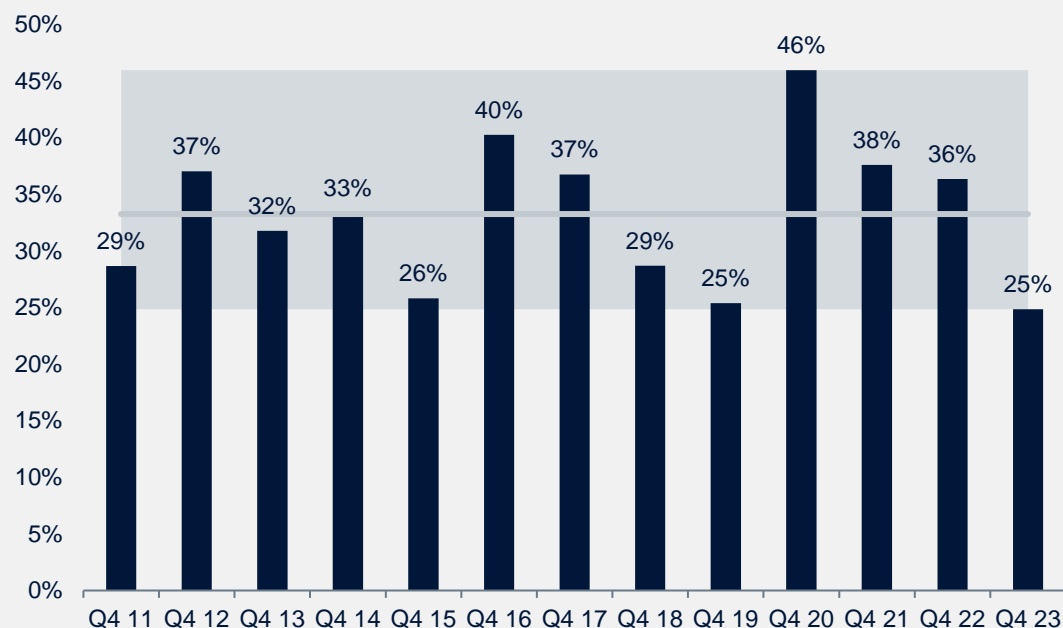
# Q4 2023 revenue update

- Estimated revenues for Q4 2023 released on 9 January 2024
- POC revenues of USD 205 million compared to USD 227 million in Q4 2022
- Lack of year-end spending from supermajors impacting late sales negatively
  - Discretionary spending categories hurt by cost increases elsewhere in the E&P value chain
  - Key customers focusing on ongoing M&A processes
  - Delayed licensing rounds
- Continues strong performance on early sales and proprietary revenues



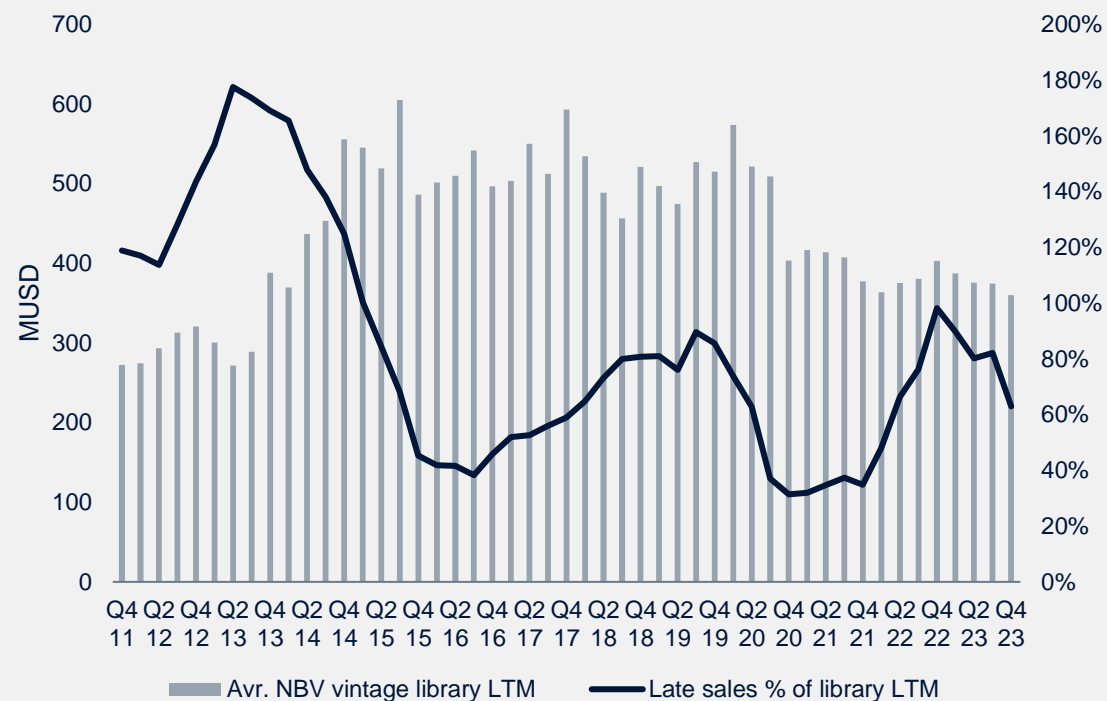
# A negative late sales surprise

Q4 late sales as % of FY late sales



Q4 23 late sales as a share of full-year late sales in the low end of the historical range

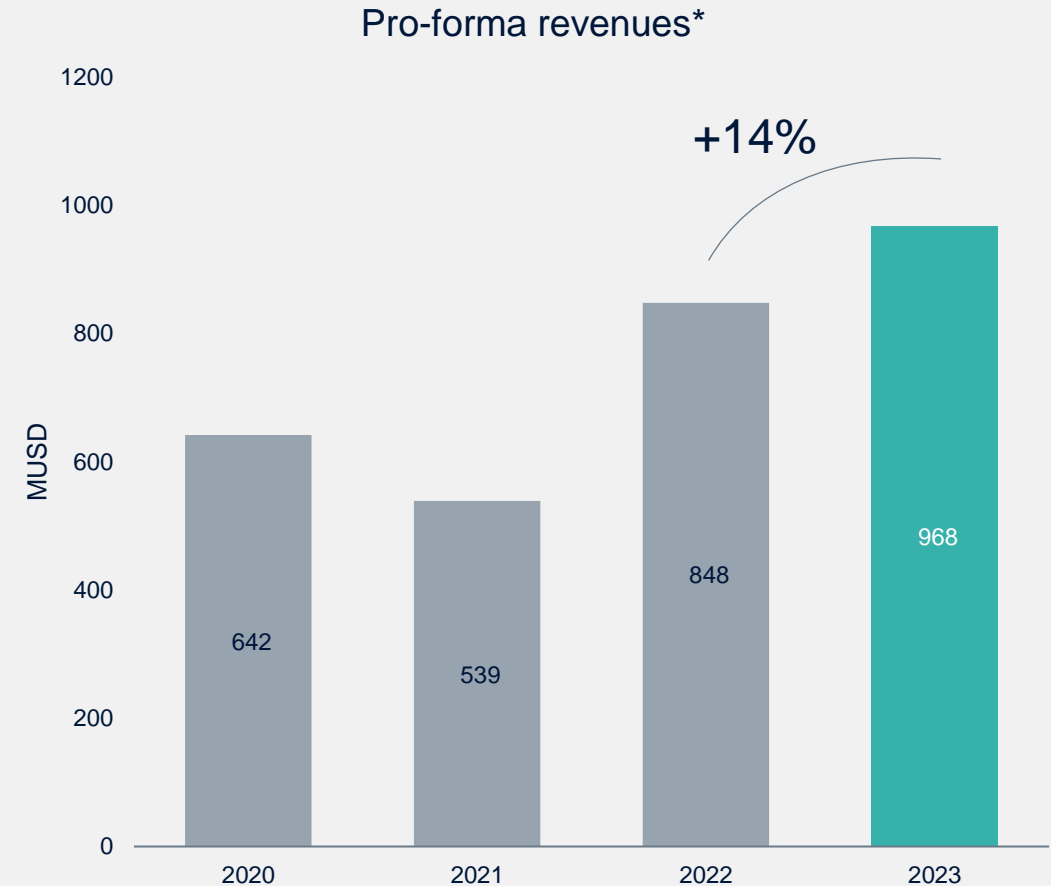
Late sales vs. vintage library LTM



Vintage library (i.e. “late sales inventory”) the lowest since 2013 – should increase substantially in 2024 as 2023 projects are coming to completion

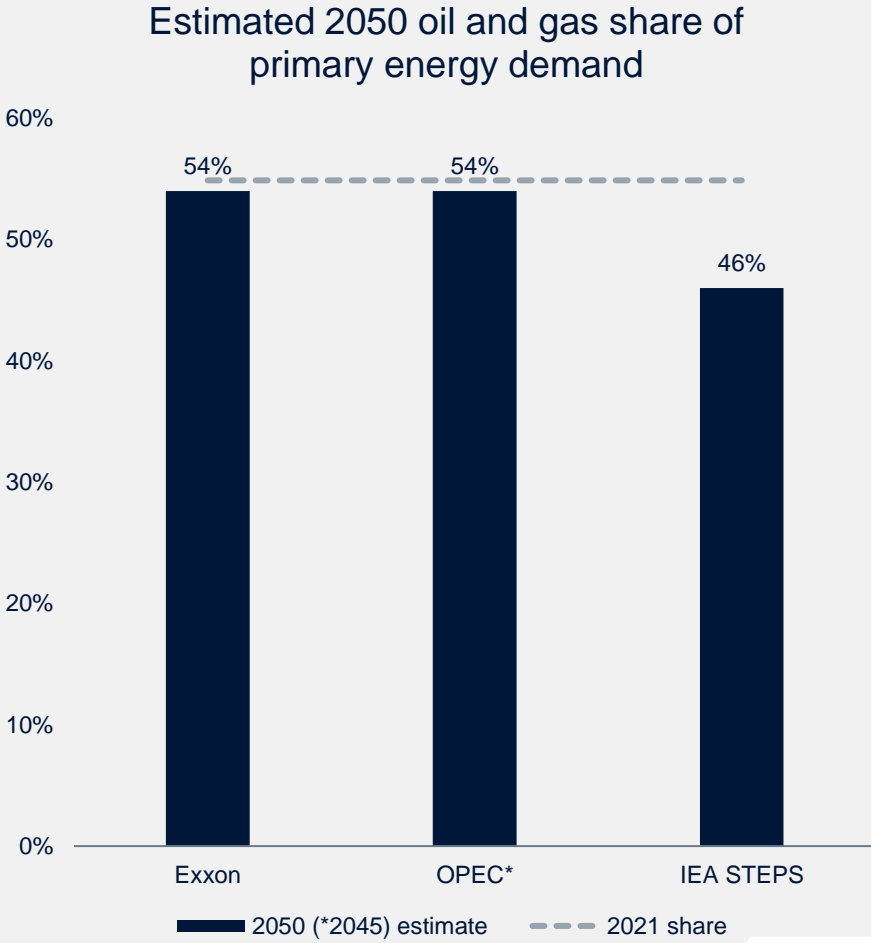
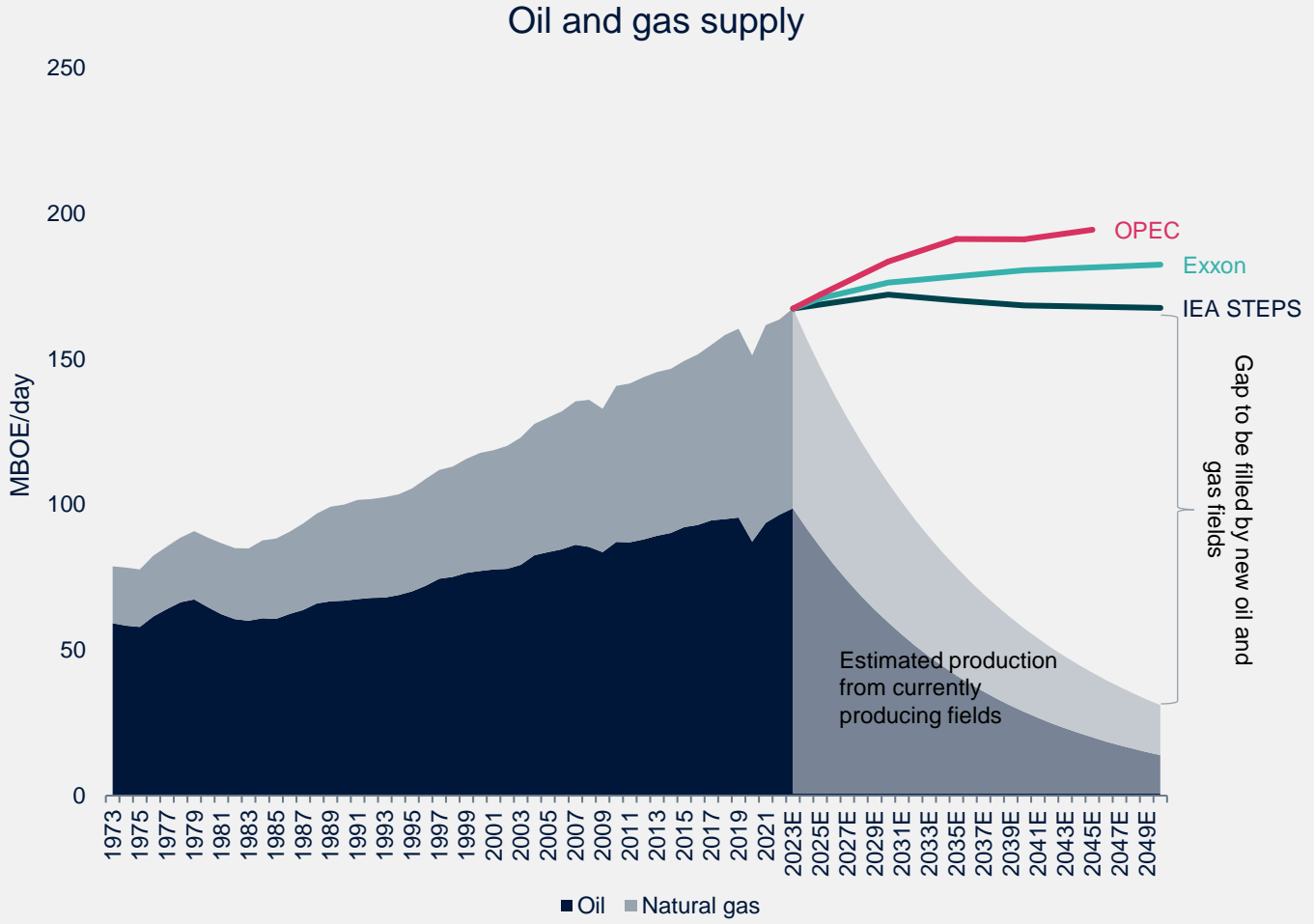
# Significant growth in full-year 2023 revenues

- Growth of 14% compared to 2022
- Significant change in revenue mix
  - Proprietary sales up 29%
  - MC early sales up 127%
  - MC late sales down 56% (partly caused by lack of transfer fees)



\*Incl. Magseis. 2023 estimate based on preliminary reporting from business units

# More oil and gas needed to meet long-term energy demand



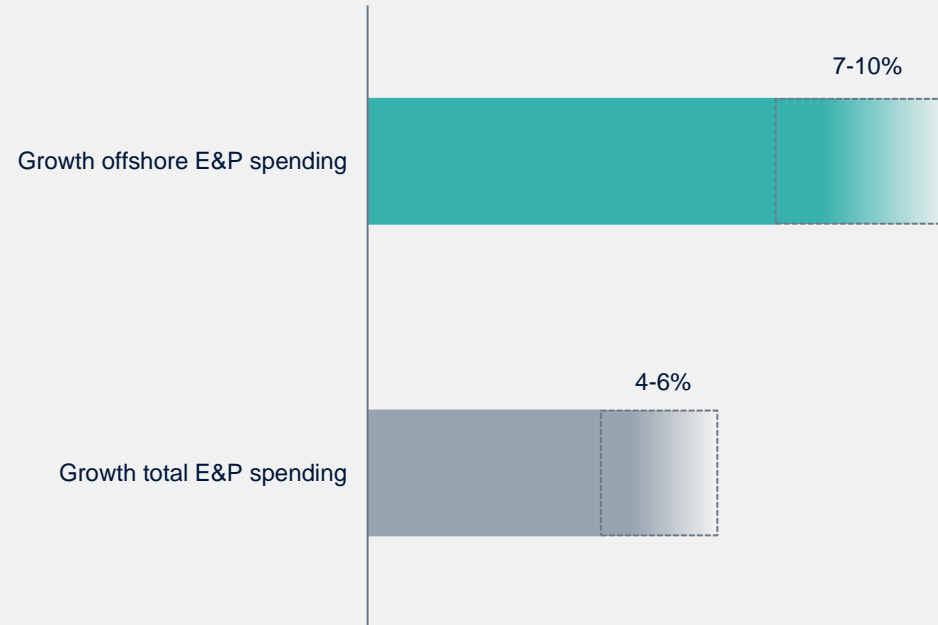
Source: TGS, IEA World Energy Outlook 2023, ExxonMobil Global Outlook, OPEC World Oil Outlook 2045



# Positive 2024 outlook

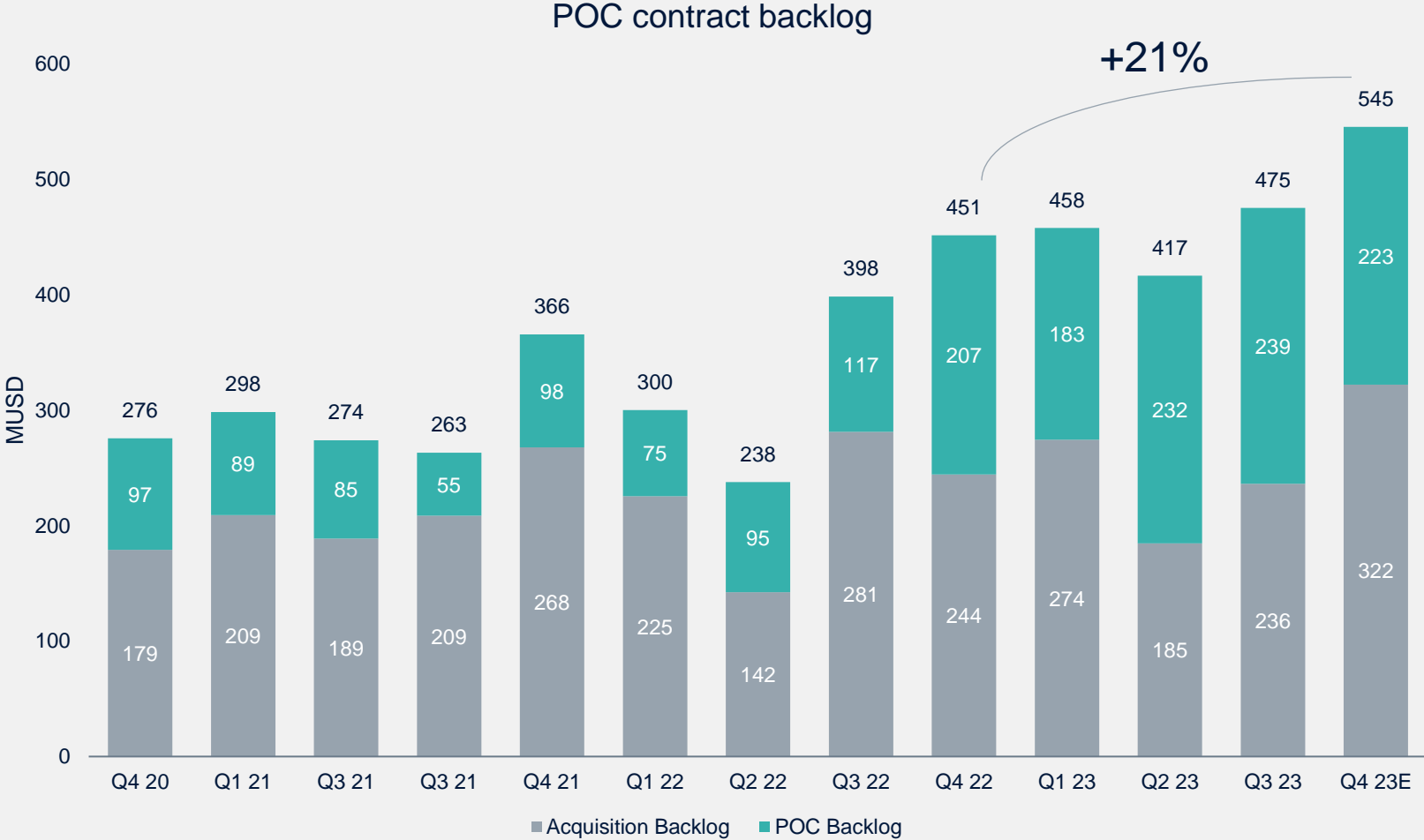
- Continued tight oil market
- Optimistic signals from customers
- E&P spending guidance indicating continued growth in 2024
- Due to cost increases in the E&P value chain, seismic spending has made up a lower-than-normal portion of overall spending in 2023

SEB 2024 E&P spending growth tracker



Source: SEB

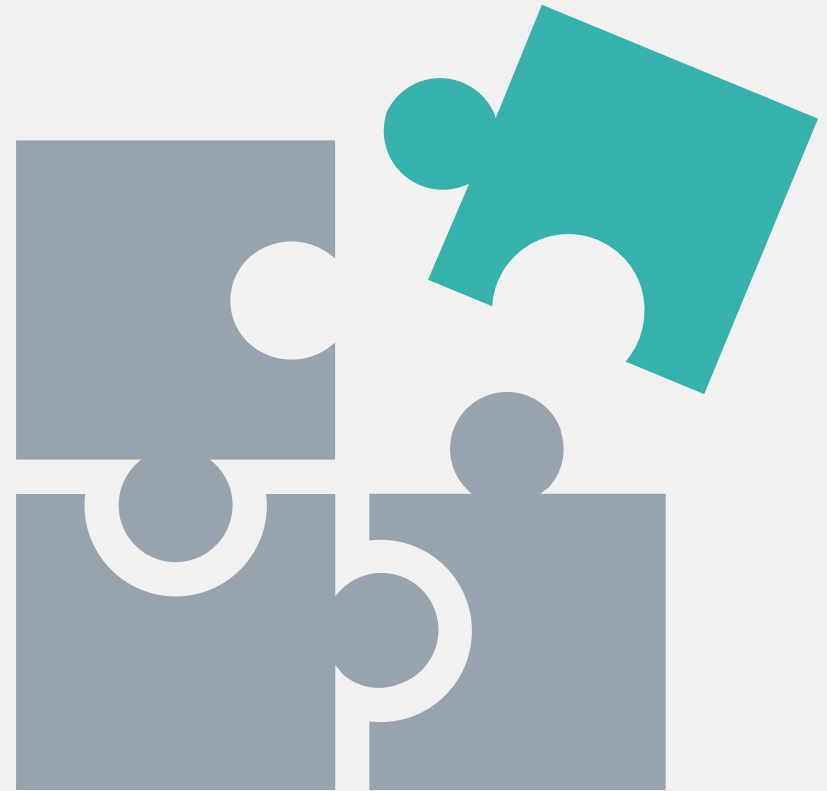
# Solid order backlog going into 2024





# PGS transaction update

- Extra-ordinary General Meetings in both companies approved merger
- Regulatory approvals pending
- Estimated closing first half of 2024
- Planning for post-merger integration has started



# Rationale behind diversification strategy

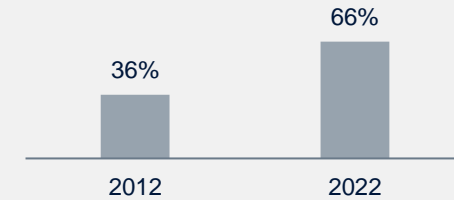
More of exploration budgets to mature basins

Customers getting bigger and fewer

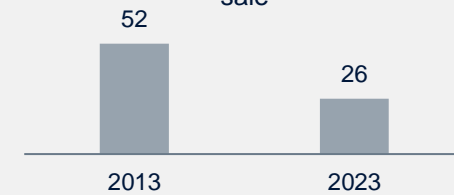
Supply chain increasingly consolidated

Substantial synergies

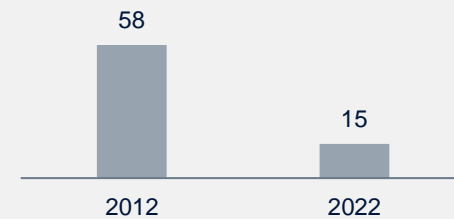
Market share mature areas



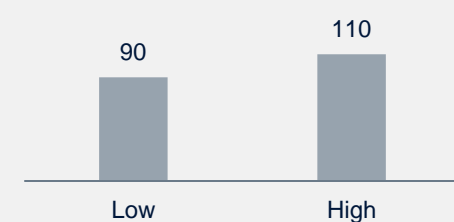
No. of bidders US GoM lease sale



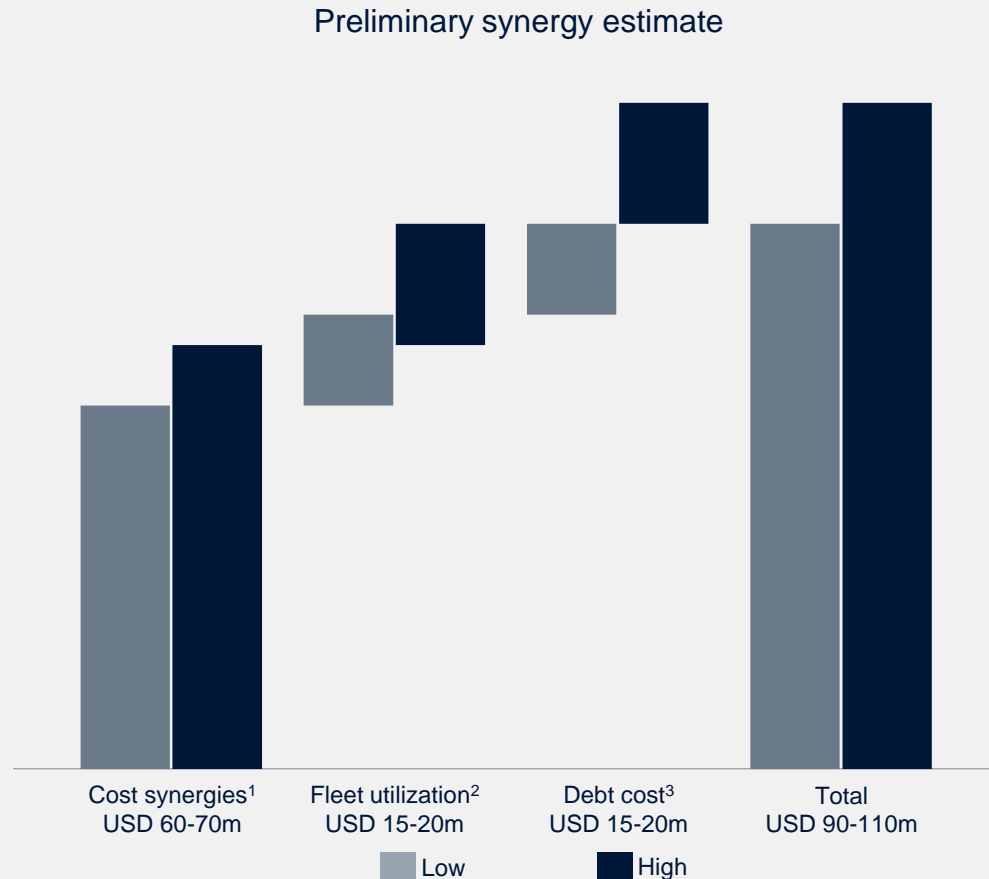
No. of active 3D vessels



Est. annual synergies MUSD



# Substantial synergy potential in PGS transaction



1. Related to corporate and admin costs, office leases, software costs, data management, high-performance computing, source vessels etc.
2. Assuming 2-3% higher fleet utilization rate from TGS MC projects
3. Assuming 3-4% lower interest rate on USD 500m of gross debt

- Preliminary synergy estimate of approximately USD 100 million (ex. tax)
- Operating costs
  - Updated estimate of USD 60-70 million
  - Previous indication of “above USD 50 million”
- Fleet utilization
  - Analysis of combined historical vessel need suggest 2-3% higher utilization rate
  - Value of USD 15-20 million p.a.
- Debt cost
  - PGS bond yield reduced almost 3.5% after announcement
  - Potential annual saving of USD 15-20 million p.a. long-term
- Additional savings from deferred tax assets

## Summary

Q4 2023: Weak late sales – other revenue streams meeting expectations

Positive outlook for 2024

Strong growth in contract backlog – up 21% compared to 31 Dec 2022

Creating the premier energy data company through acquisition of PGS

# Thank you

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