



# Pareto Securities Energy Conference

September 15, 2021

## Cautionary Statement

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- This presentation contains forward looking information
- Forward looking information is based on management assumptions and analyses
- Actual experience may differ, and those differences may be material
- Forward looking information is subject to significant uncertainties and risks as they relate to events and/or circumstances in the future
- This presentation must be read in conjunction with the risk factors disclosed in PGS 2020 annual report and the Company's quarterly earnings releases

# PGS - The Only Fully Integrated Marine Seismic Company



## Sales & Services

*MultiClient, Contract  
and Imaging*



## Technology & Digitalization

*R&D, Enterprise IT,  
Digitalization portfolio*



## Operations

*Fleet management,  
Project delivery, Seismic  
acquisition & support*



## New Energy

*Emerging markets,  
Solutions design,  
Partnerships*



Employees:

~900



Countries:

14

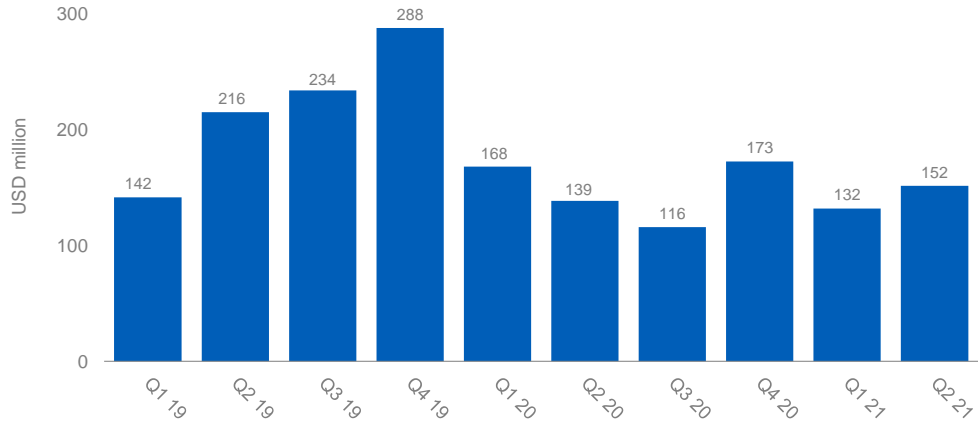


Active Vessels:

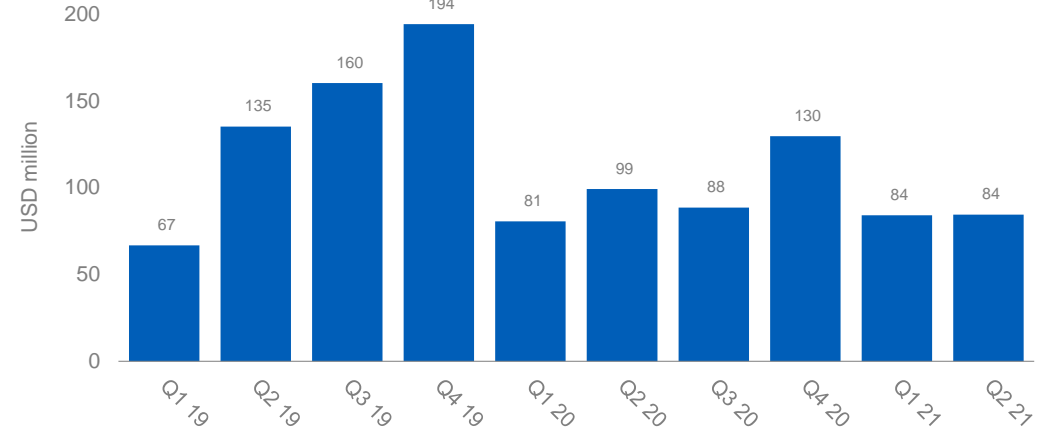
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# Financial Summary

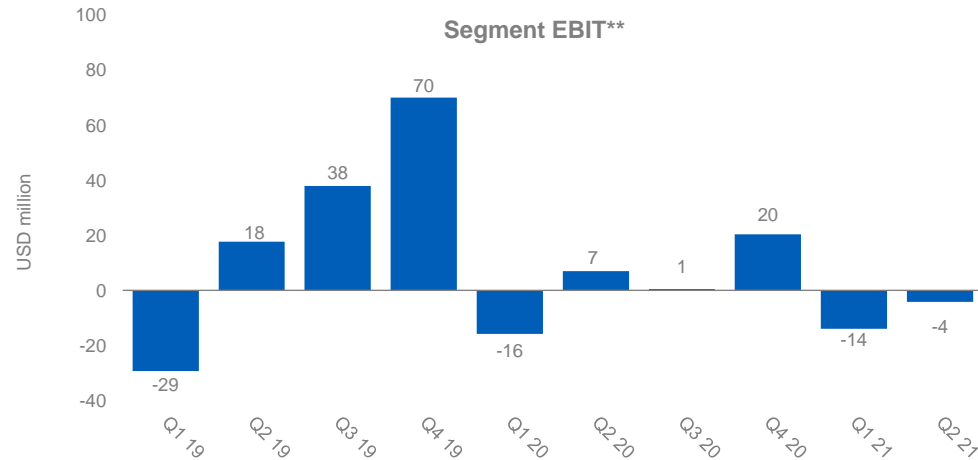
### Segment Revenues and Other Income



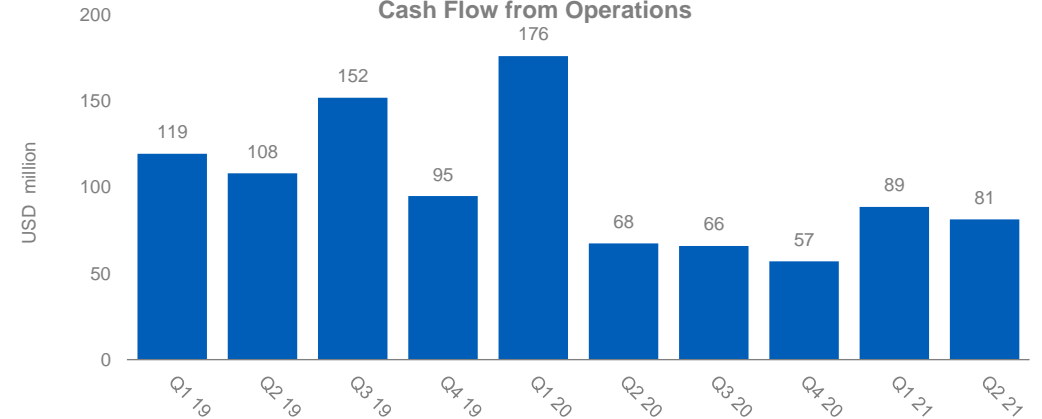
### Segment EBITDA\*



### Segment EBIT\*\*



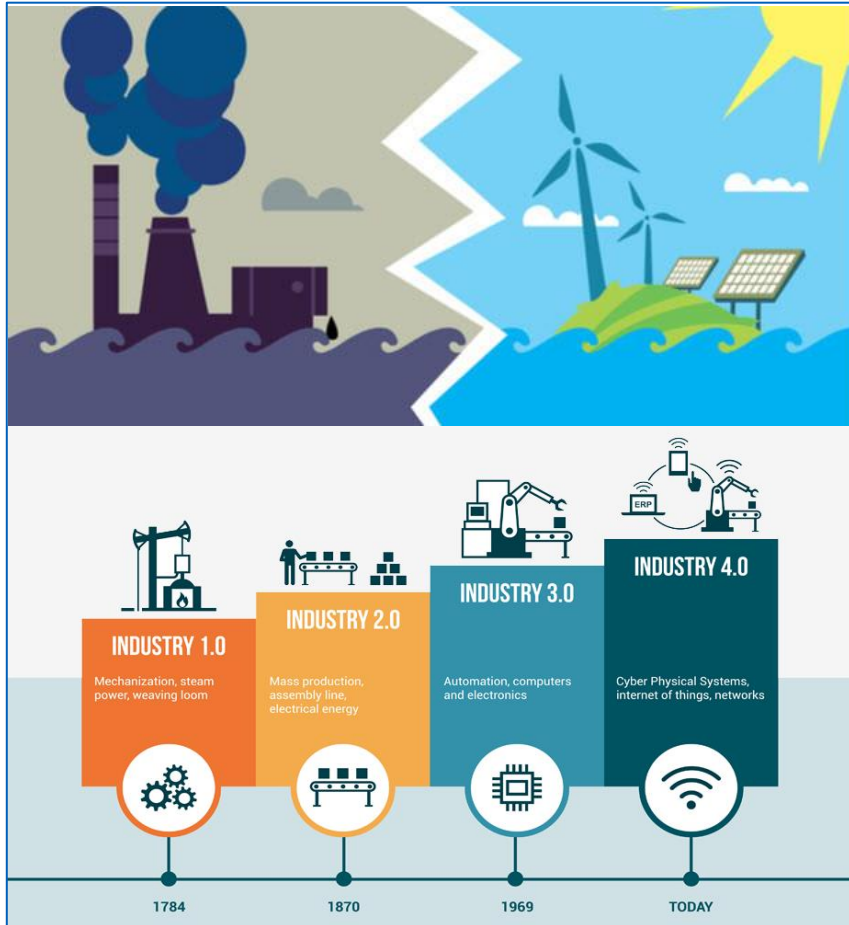
### Cash Flow from Operations



\*EBITDA, when used by the Company, means EBIT excluding Other charges, impairment and loss/gain on sale of long-term assets and depreciation and amortization as defined in Note 14 of the Q2 2021 earnings release published on July 22, 2021

\*\*Excluding impairments and Other charges.

# Megatrends Open New Business Opportunities

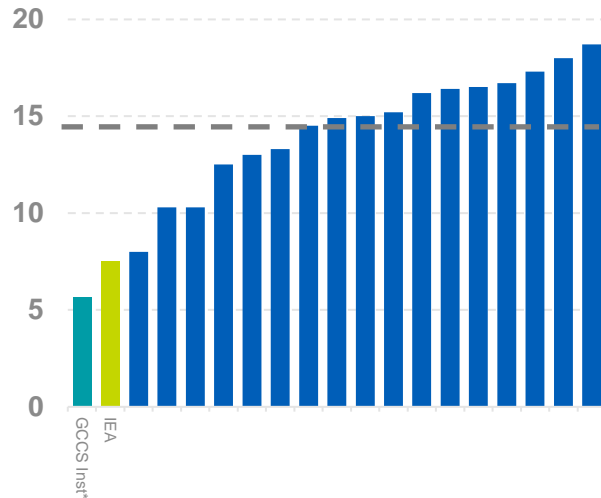


PGS Digital Transformation



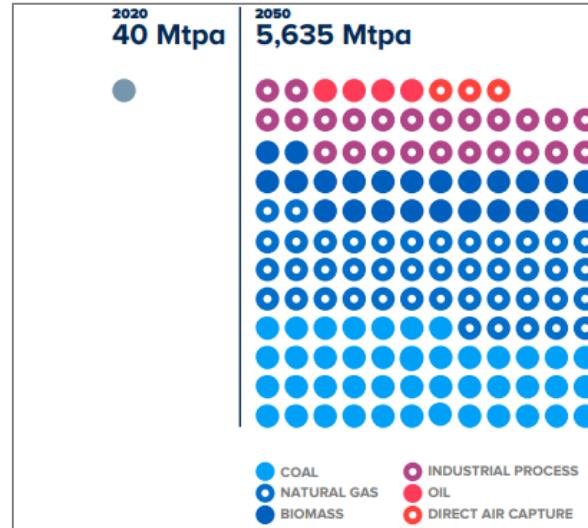
# CCS Seismic Market Size Potential

2050 CO<sub>2</sub> storage scenarios assessed by IPCC (Gtpa)



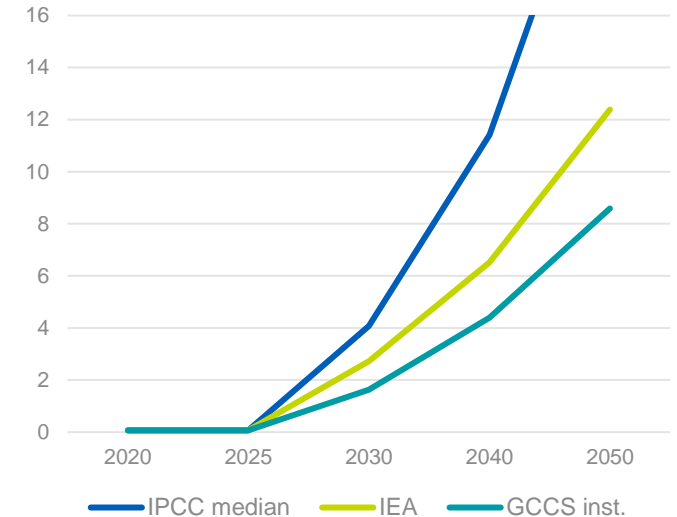
Scenarios assessed by IPCC have a median value of ~15 Gt CO<sub>2</sub> in 2050, approximately double the level in **IEA's NZE 2050**

Global CCS Institute 2050 CO<sub>2</sub> storage scenario



IEA Net Zero 2050 and Global CCS Institute 2020 report are less bold on CCUS than most models assessed by IPCC, but still require growth of >>100 times today's storage volumes.

Annual seismic vessel demand potential



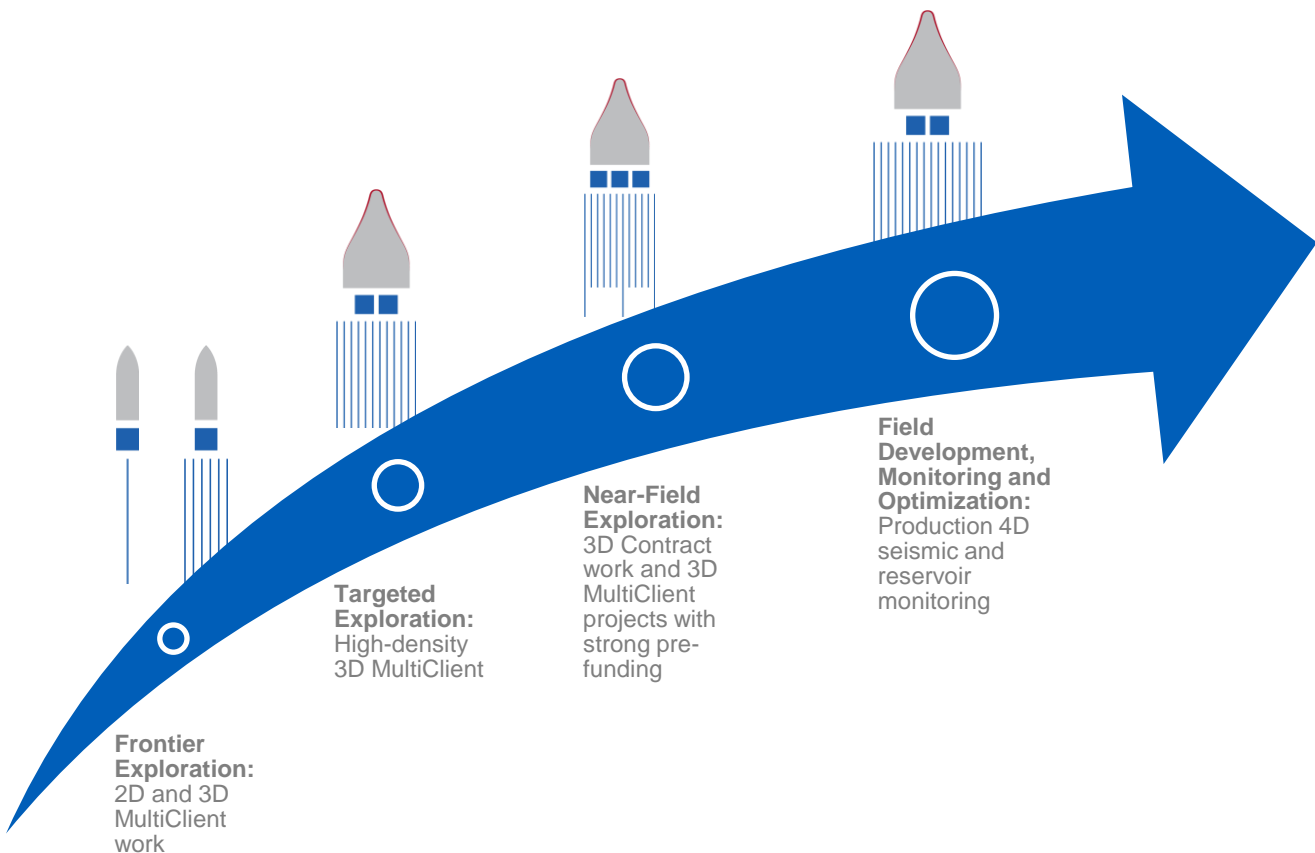
CO<sub>2</sub> storage volumes can be used to estimate potential for vessel demand. Such estimates require several assumptions, including the number of and size of offshore storage projects, survey size and survey frequency

IEA Net Zero 2050 scenario: 7.6 Gtpa in 2050

CCUS total growth requires large-scale projects

CCS has the potential to create a meaningful seismic market

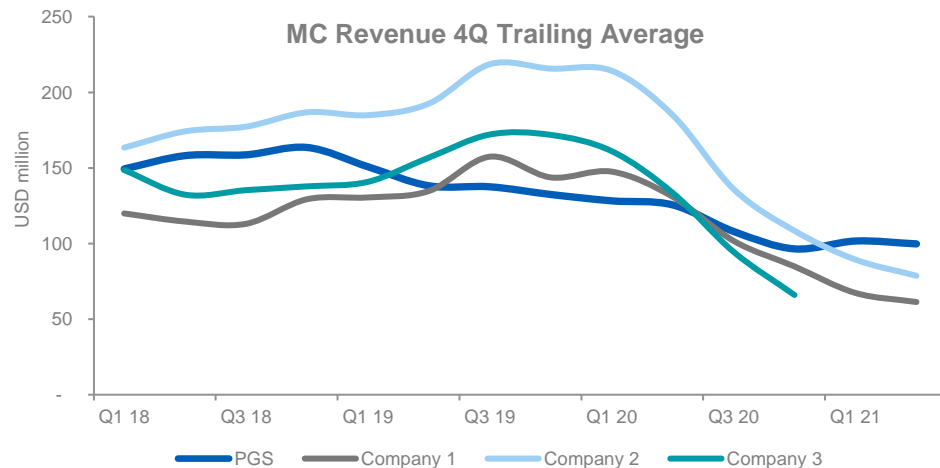
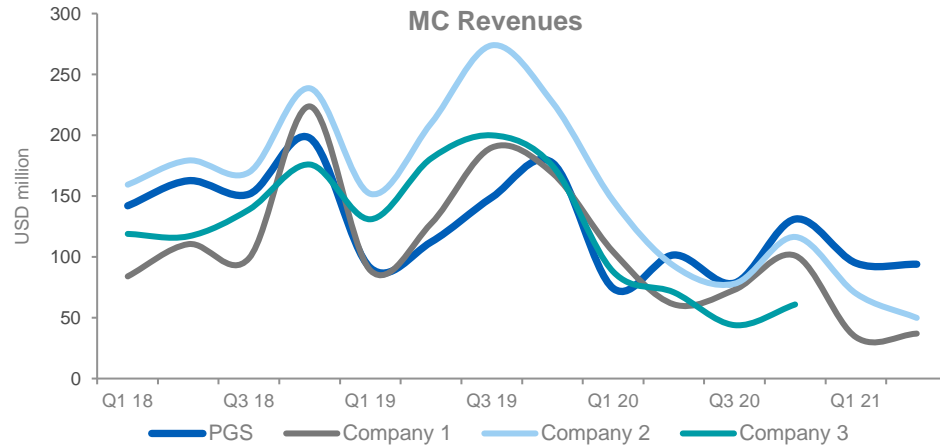
# Megatrends Impact Traditional Business: Integrated Services Position PGS Well for Energy Transition



- Energy transition drives focus towards producing fields and proven hydrocarbon basins
- Seismic market is developing towards more near-field exploration and 4D reservoir optimization
- Trend makes it more relevant with access to high-capacity vessels

LOW ← Importance of vessels and technology → HIGH

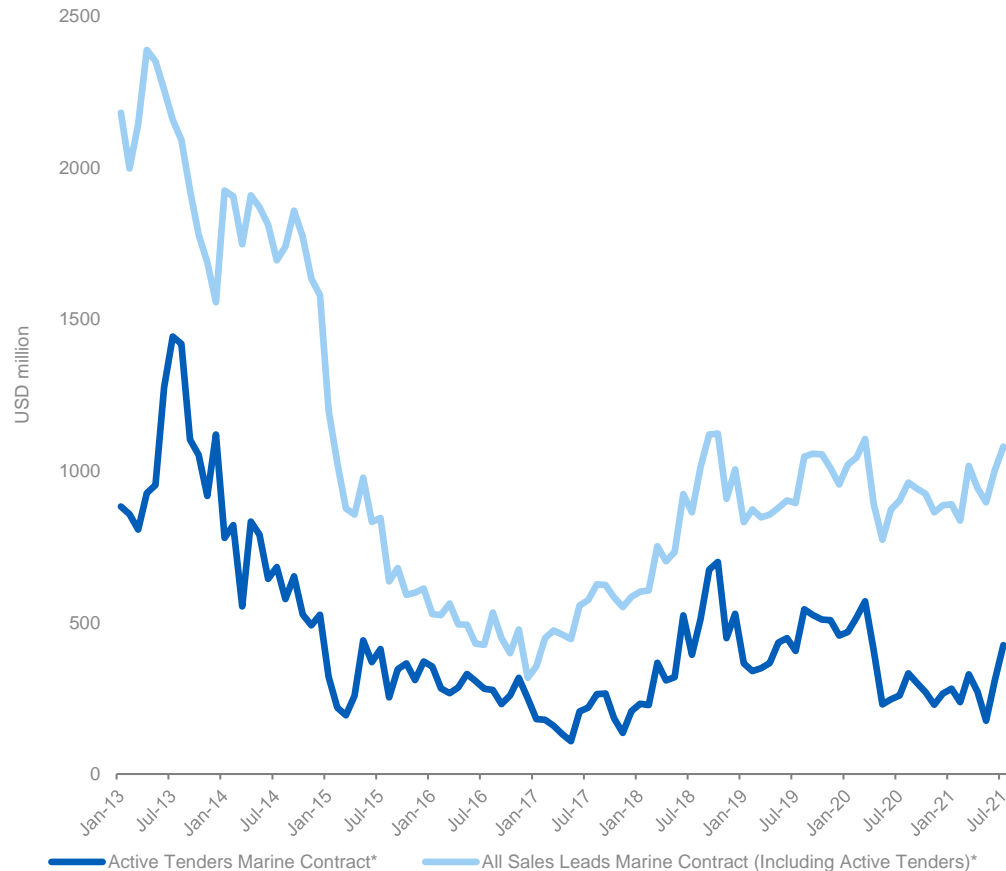
# Industry Leading MultiClient Sales Performance



- PGS has MultiClient data mainly in more mature basins with proven hydrocarbon reserves
- Highest MultiClient revenues in the industry for 5 consecutive quarters
- PGS is the only company with increasing MultiClient revenues compared to 2020



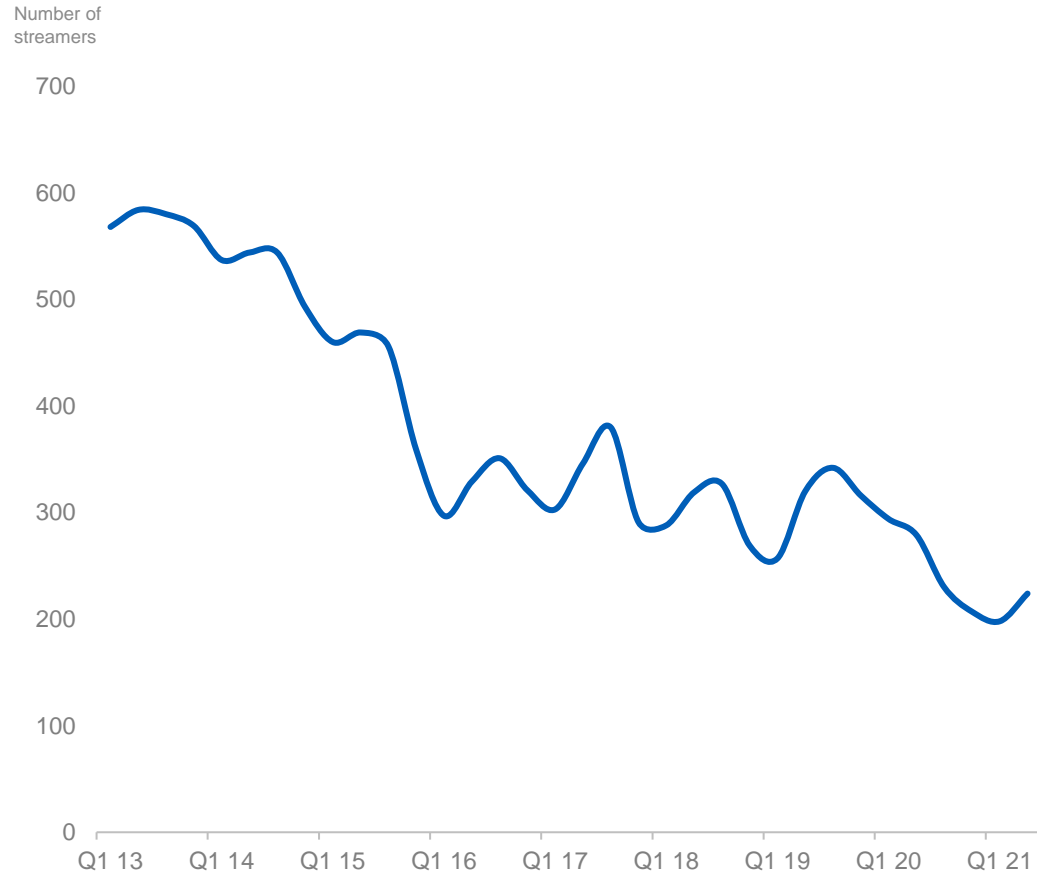
# Increasing Contract Bids and Leads



- Increasing demand for new acquisition surveys
- Contract bids and sales leads approaching pre Covid-19 levels
  - Expect healthy bidding activity in 2H
  - Challenging for the industry to get optimal vessel schedule immediately post North Atlantic summer season
- The first 2022 North Sea bids are in the market

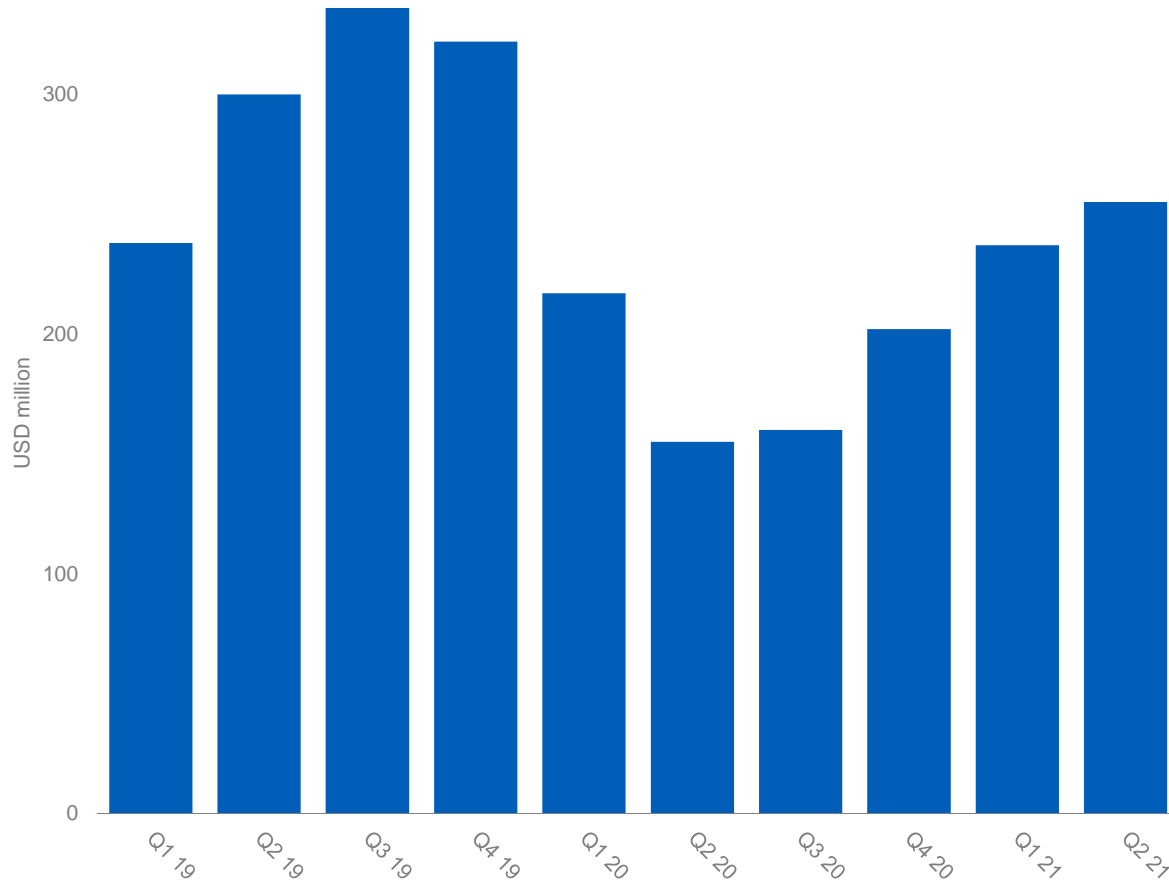
\*Contract bids to go (in-house PGS) and estimated \$ value of bids + risk weighted leads as of Mid July 2021

# Historically Low Supply



- Moderate capacity increase for 2021 summer season
- Do not expect any significant capacity increases for the winter season

# Increasing Order Book



- Order book of \$255 million on June 30, 2021
  - \$57 million relating to MultiClient
  
- Vessel booking\*
  - Q3 21: 17 vessel months
  - Q4 21: 8 vessel months
  - Q1 22: 3 vessel months

\*As of July 14, 2021.

## Improving Cash Flow 2H 2021

	Q2 2021	YTD 2021
In millions of US dollars		
Cash provided by operating activities	81.4	172.2
Investment in MultiClient library	(25.7)	(69.0)
Capital expenditures	(9.8)	(18.1)
Other investing activities	(3.0)	(5.2)
<b>Net cash flow before financing activities</b>	<b>42.9</b>	<b>79.9</b>
Proceeds, net of deferred loan costs, from issuance of non-current debt/net cash payment for debt amendment*	(0.8)	(19.2)
Interest paid on interest bearing debt	(20.1)	(40.0)
Payment of lease liabilities and related interest (recognized under IFRS 16)	(12.3)	(24.2)
Decrease (increase) in non-current restricted cash related to debt service	1.8	2.2
<b>Net increase (decr.) in cash and cash equiv.</b>	<b>11.5</b>	<b>(1.3)</b>
Cash and cash equiv. at beginning of period	143.9	156.7
<b>Cash and cash equiv. at end of period</b>	<b>155.4</b>	<b>155.4</b>

- Expect higher 2021 Segment revenues vs. 2020
- Returned to positive cash flow in Q2 2021 with reduced cost base
- Neutral on cash flow in 1H 2021, after \$19.2 million net payment in connection with debt amendment
- Expect positive 2H 2021 cash flow generation

# Summary



- Significant business opportunities from ongoing megatrends
- Well positioned in a recovering market
- Industry leading MultiClient sales performance
- Increasing demand for new acquisition surveys
- Healthy order book
  - Challenging to get optimal vessel schedule immediately post summer season
- Expect higher 2021 Segment revenues vs. 2020
- Expect positive cash flow generation in 2H 2021



# Questions?

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This presentation must be read in conjunction with the Q2 2021 Earnings Release and the disclosures therein.

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