



Q1 2022 Financial Results

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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 TGS' reliance on a cyclical industry and principal customers, TGS' ability to continue to expand markets for licensing of data, and TGS' ability to acquire and process data products at costs commensurate with profitability. 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.

Highlights

- Strong late sales of USD 70.5 million in Q1 2022 compared to USD 21.9 million in Q1 2021
- Total revenue of USD 132.2 million compared to USD 142.4 million in Q1 2021 due to lower point-in-time recognition of early sales
 - POC revenue of USD 114 million compared to USD 75 million in Q1 2021
- Backlog at USD 293.3 million end of Q1 2022 compared to USD 334.4 million end of Q4 2021
 - Strong Q1 2022 order inflow of USD 91.1 million
- Robust financial position – net cash of USD 215.5 million
 - Quarterly dividend of USD 0.14 per share (USD 16 million)
 - Buy-backs of USD 2.7 million
- Improving market conditions



Operational Highlights

The background is a solid teal color. On the right side, there is a decorative pattern of overlapping hexagons, creating a honeycomb-like effect. The hexagons are slightly offset and have a subtle gradient, giving them a 3D appearance.

Q1 2022 Multi-client Operations

Engagement 2 OBN¹

- OBN survey of close to 4,000 sqkm
- Utilizing underlying WAZ data to provide significant quality uplift
- Data acquisition completed in March 2022
- Final data available in Q3 2022

Sarawak 3D³

- Phase 1 comprises 8,609 sqkm of 3D data
- Acquisition to be completed in Q2 2020
- Final data scheduled for year-end 2022
- Possibility for further phases

Suriname 3D²

- Phase 1 comprises 11,100 sqkm of new 3D data
- Reprocessing of 3,000 sqkm of vintage data in addition
- Potential for additional phases subject to client interest

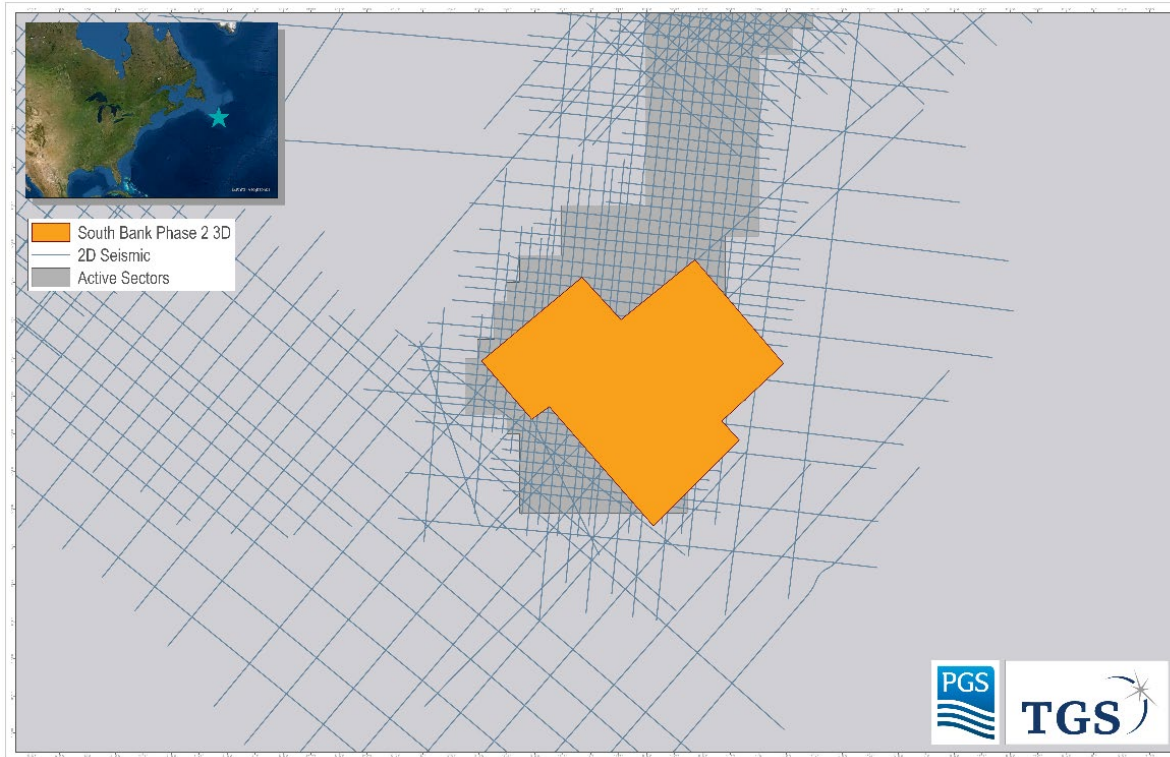
Red Sea 3D¹

- Phase 1 comprises 6,800 sqkm of long-offset 3D data with acquisition completed early April
- Phase 2 comprising minimum 5,000 sqkm commenced in April
- Final data available around year-end 2022 for ph 1 and H1 2023 for ph 2

Ongoing reprocessing projects:

- East Java Sea 2D cubed (Indonesia)
- Tarakan 3D repro (Indonesia)
- Natuna repro (Indonesia)
- Kyranis 3D repro (Timor-Leste/Australia)
- India 2D cubed (India)
- Peninsular Malaysia 3d repro (Malaysia)
- Cooper Basin 2D cubed (Australia)
- West Kermit 3D repro (US onshore)
- Steelman repro (Canada)

New Project in Canada



- Continuing to invest in East Canada in partnership with PGS
- The South Bank Ph2 3D – New acquisition in Newfoundland ahead of license round
- Continues to build the East Coast Canada data library
 - Program will cover 10,000 sq km of prospective area
- Data acquisition is planned to commence late May 2022 and continue until September 2022.
- Final products will be available in H1 2023

Energy transition provides new opportunities for TGS

- Combination of organic and inorganic growth
 - Wind AXIOM becoming key insights platform for offshore wind development
 - 4C growth story continues
- CCS growth opportunities require subsurface data and monitoring
- Goal is to become a leading Energy Data & Intelligence provider across the energy industry



Exploration, Delineation, Evaluation, Monitoring

TGS' Industry-Leading ESG Performance

NEW

OBX
ESG

OBX ESG Index

Included on Euronext Group's OBX ESG Index as one of 40 blue-chip companies listed in Norway demonstrating best ESG practices

**As of May 2022*

Sustainalytics ESG Risk Rating

#1

#1 in our industry, and subindustry "Strong" ESG risk management

**As of September 2021*

State Street Global Advisors

Top
10-30%

Rated as an "Outperformer" in our industry

**As of April 2022*

The Governance Group

A

Among Top 15 companies on Oslo Stock Exchange

**As of September 2021*

MSCI ESG Rating

A

Above industry average in each ESG category

**As of December 2021*



WE SUPPORT

Since 2016, TGS has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, environment, and anti-corruption

In support of

WOMEN'S
EMPOWERMENT
PRINCIPLES

Established by UN Women and the UN Global Compact Office



Financials



Changes in Q1 Earnings Release from prior reporting

- **Definition Revenue**

- Changes the definition of revenue from “Pre-funding revenue” to “Early sales”
 - Early sales now include both EP and LP, whereas Pre-funding revenue only included EP.
 - Late sales will now include late sales and data management, whereas the previous definition also included LP.
 - Proprietary, no changes.

- **Cash flow statement**

- Cash flow statement of operational cash flow was presented both direct and indirect method in prior reporting. To simplify the reporting process, TGS has in Q1 2022 Earnings Release removed the direct method.

- **Segment disclosure**

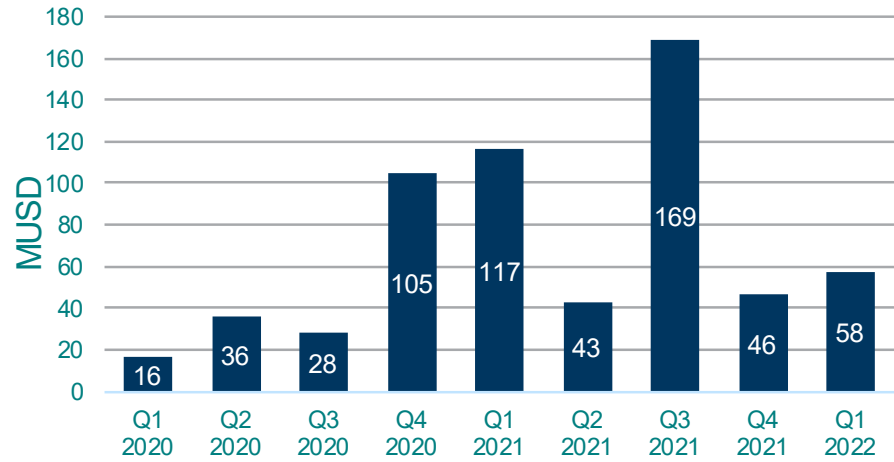
- TGS has previously prepared its internal management reporting based on the principles applied prior to the implementation of IFRS 15, Revenue from Customer Contracts. This method recognized Early Sales revenue on a percentage of completion basis, and related amortization of multi-client library based upon the ratio of aggregated capitalized survey costs to forecasted sales. From January 1, 2022, the Group has changed this, and now applies IFRS 15 as the measurement basis for its monthly management reporting
- In 2022 management reassessed its reportable segments and reports now four overall business units: Western Hemisphere (WH), Eastern Hemisphere (EH), Digital Energy Solutions (DES) and Other Business Units. WH consists of North America, Latin America and Land. In EH we have grouped Europe, Africa & Middle East, Asia Pacific and Interpretative Products. DES consists of three parts: Well Data Products (WDP), New Energy Solutions (NES) and Data Analytics (D&A).

Changes in Q1 Earnings Release from prior reporting

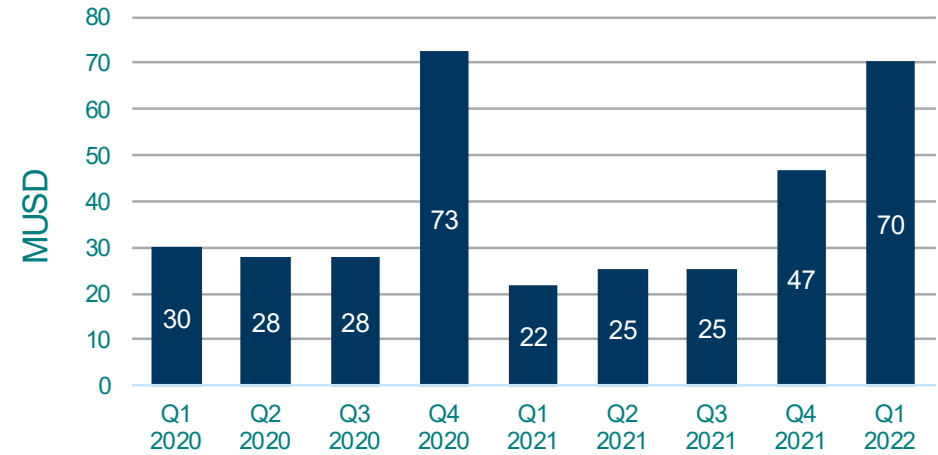
- **New Alternative Performance Measures (APMs)**
 - Contract backlog: Aggregate value of revenue from customer contracts yet to be recognized
 - Contract inflow: Aggregate value of revenue from new contracts entered over a given period of time
 - PoC revenue: Total Group revenue with customer commitments related to projects that are not yet completed (i.e., performance obligations are not yet met) recognized in accordance with the percentage of completion (PoC) (equal to the past definition of Segment revenue)

Operating revenues

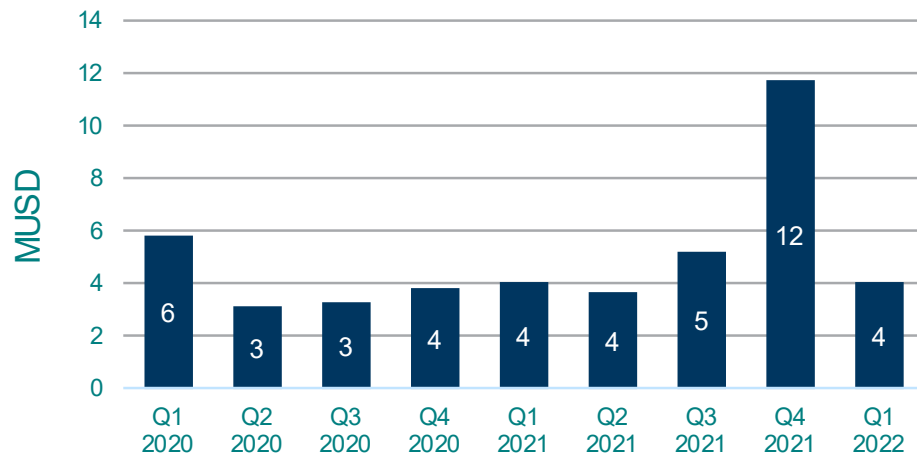
Early sales Revenues



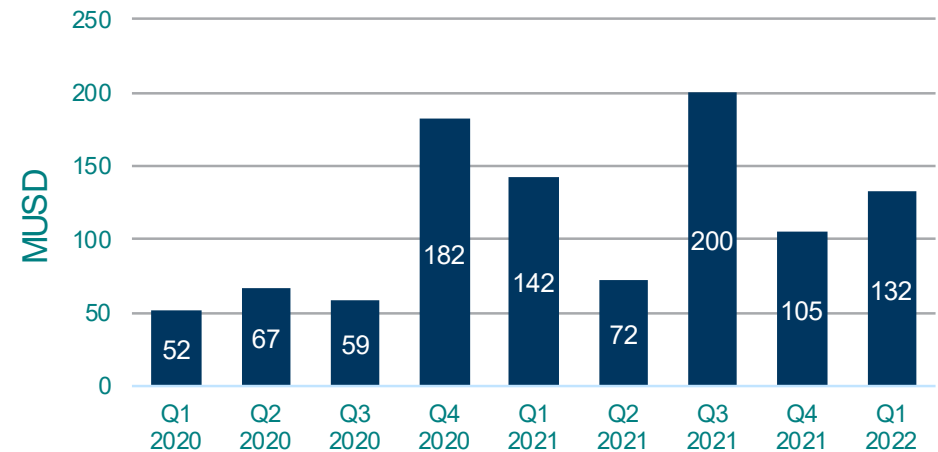
Late sales Revenues



Proprietary Revenues

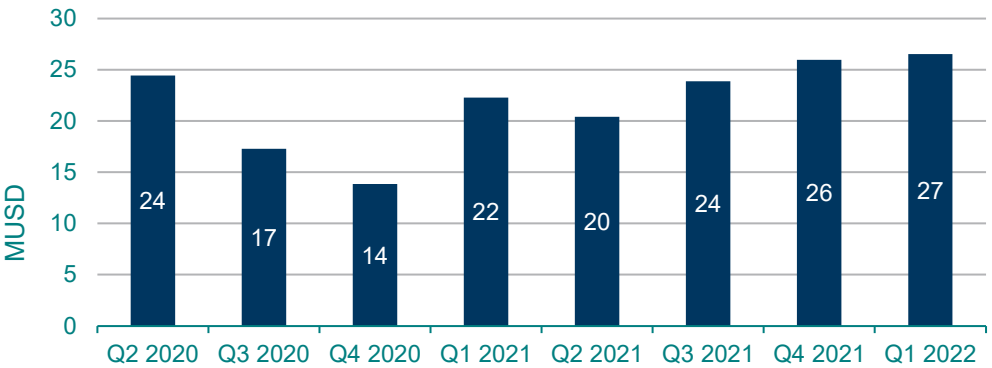


Total Revenues



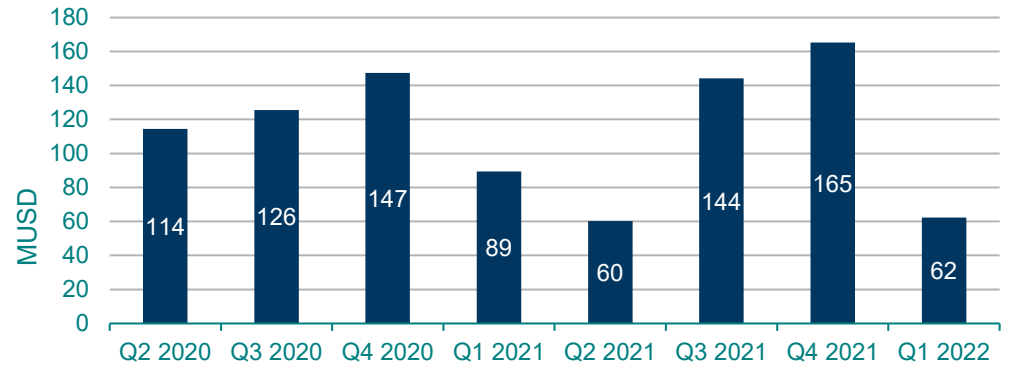
Operating result and Cash Flow

Operating Expenses¹

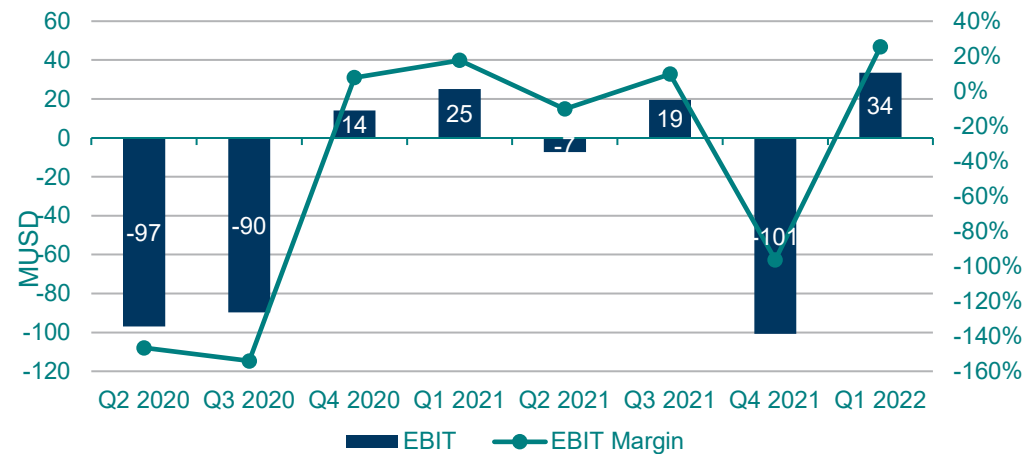


1. Personnel costs and other operating expenses ex. non-recurring items

Amortization and impairments

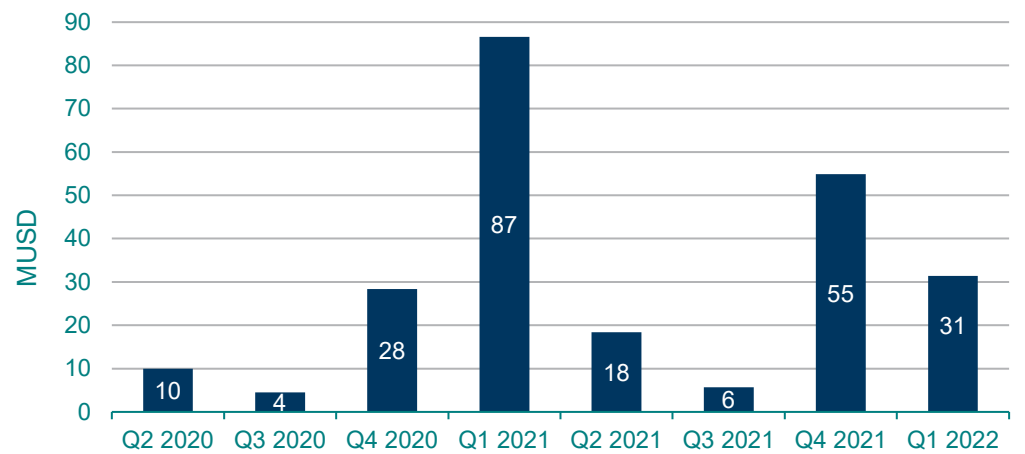


Operating result²



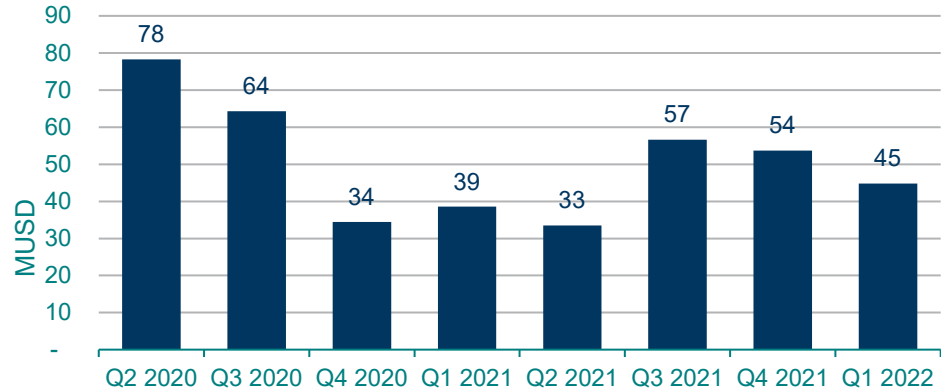
2. Operating result ex. non-recurring items

Free Cash Flow

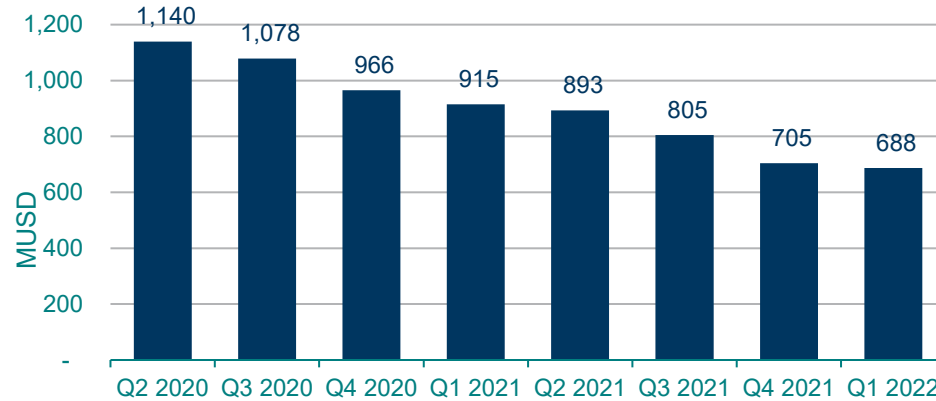


Multi-Client Library

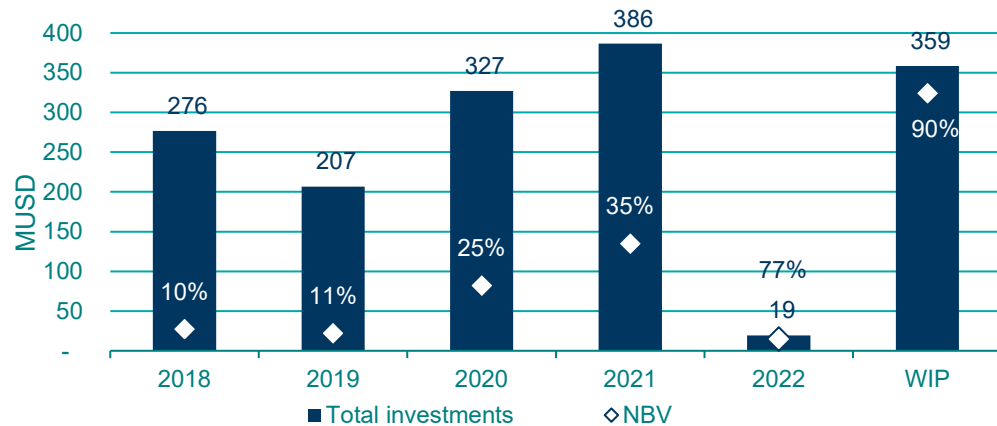
Operational investments



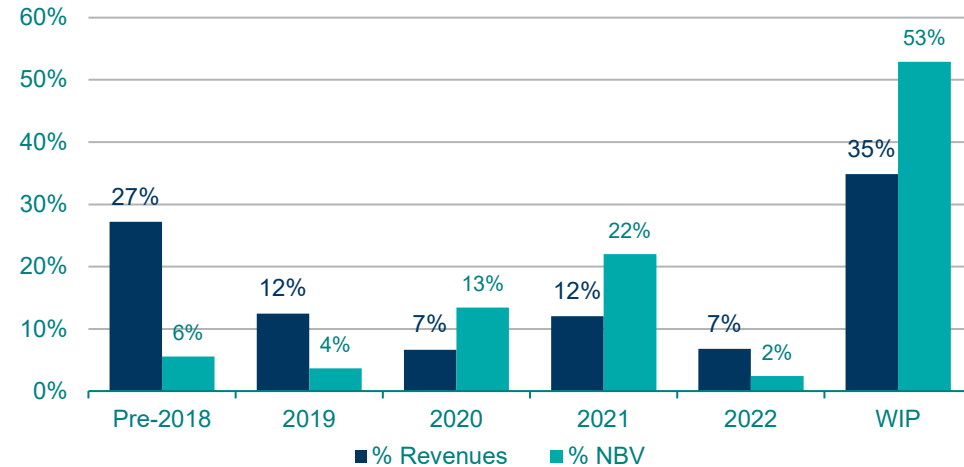
Net Book Value Multi-Client Library



Investments and NBV by year of completion Q1 2022¹



Revenue and NBV by year of completion Q1 2022¹



1. Operational multi-client seismic investments

Income Statement

(MUSD)		Q1 2022	Q1 2021	Change
Early sales		57.7	116.5	-51%
Late sales		70.5	21.9	222%
Proprietary sales		4.0	4.0	1%
Total revenues		132.2	142.4	-7%
Cost of goods sold		1.2	1.3	-5%
Personnel cost		17.5	14.1	25%
Other operational costs		12.4	8.2	50%
EBITDA	76%	101.0	118.8	-15%
Straight-line amortization		36.4	45.3	-20%
Accelerated amortization		25.9	44.0	-41%
Depreciation		5.3	4.4	19%
Operating result	25%	33.5	25.0	34%
Financial income		1.5	0.0	11486%
Financial expenses		-3.7	-0.9	293%
Exchange gains/losses		-3.1	-1.3	135%
Result before taxes	21%	28.3	22.8	24%
Tax cost	26%	7.4	9.8	-25%
Net income	16%	20.9	13.0	61%
EPS (USD)		0.18	0.11	62%
EPS fully diluted (USD)		0.18	0.11	62%

Balance Sheet

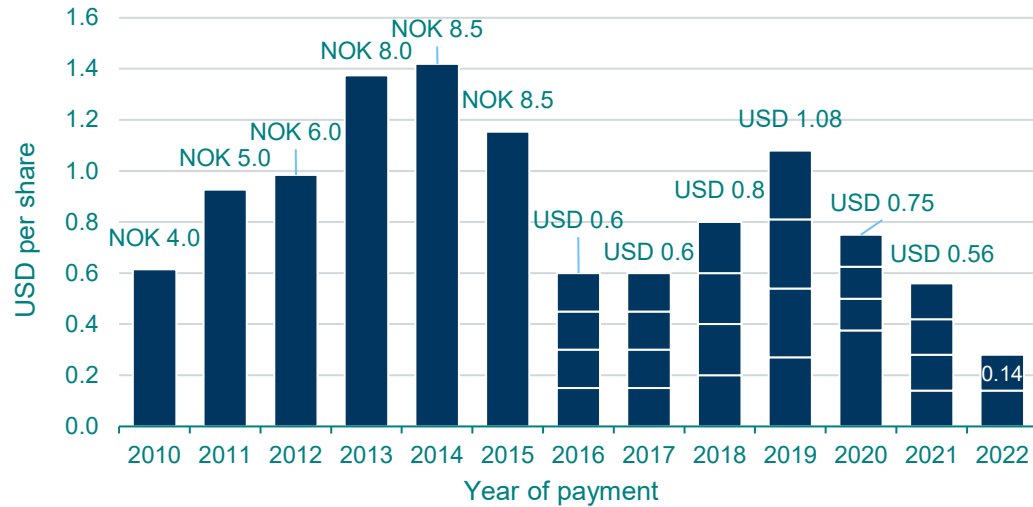
Balance sheet	31-Mar-22	31-Mar-21	31-Dec-21	Change from 31 Dec 21
Goodwill	304.0	288.4	304.0	0%
Multi-client library	687.6	914.8	704.9	-2%
Deferred tax asset	89.3	76.3	95.9	-7%
Other non-current assets	88.8	104.5	89.8	-1%
Total non-current assets	1,169.6	1,383.9	1,194.5	-2%
Cash and cash equivalents	215.5	253.5	215.3	0%
Other current assets	226.6	248.5	220.0	3%
Total current assets	442.1	502.0	435.3	2%
TOTAL ASSETS	1,611.7	1,885.9	1,629.8	-1%
Total equity	1,117.6	1,264.4	1,115.3	0%
Deferred taxes	32.1	33.7	32.1	0%
Non-current liabilities	31.3	42.2	35.7	-12%
Total non-current liabilities	63.4	75.8	67.8	-7%
Taxes payable, withheld payroll tax, social security and VAT	80.6	36.0	77.9	3%
Other current liabilities	350.2	509.6	368.8	-5%
Total current liabilities	430.8	545.7	446.7	-4%
TOTAL EQUITY AND LIABILITIES	1,611.7	1,885.9	1,629.8	-1%

Q1 2022 Cash Flow Statement

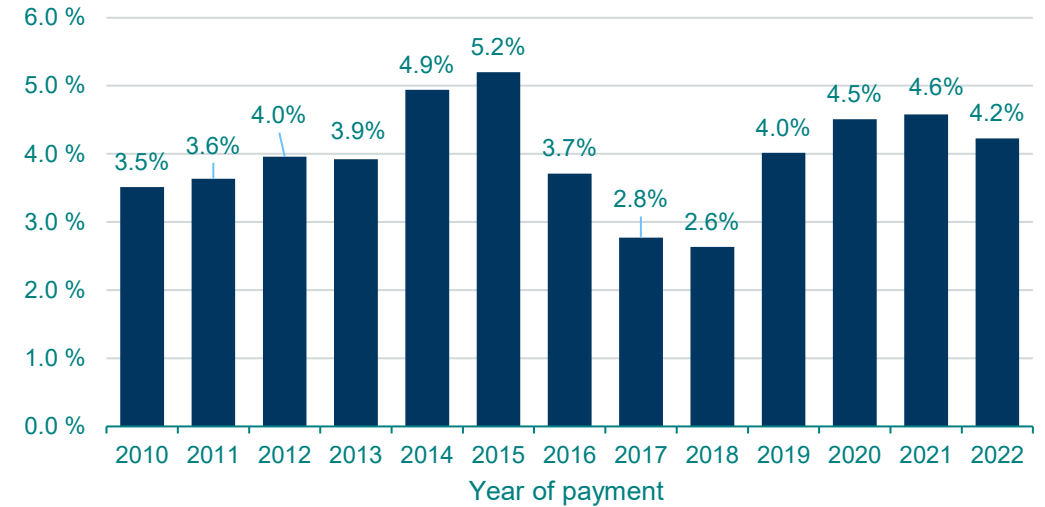
	Q1 2022	Q1 2021	Change
<i>(All amounts in USD 1,000s unless noted otherwise)</i>			
<i>Cash flow from operating activities:</i>			
Profit before taxes	28,294	22,790	24%
Depreciation/amortization/impairment	67,626	93,794	-28%
Changes in accounts receivables and accrued revenues	-8,711	117,335	-107%
Changes in other receivables	5,492	-584	-1040%
Changes in other balance sheet items	5,624	-117,469	-105%
Paid taxes	-2,459	-4,328	-43%
Net cash flow from operating activities	95,866	111,538	-14%
<i>Cash flow from investing activities:</i>			
Investments in tangible and intangible assets	-5,361	-372	1341%
Investments in multi-client library	-64,451	-25,053	157%
Interest received	124	13	854%
Net cash flow from investing activities	-69,688	-25,412	174%
<i>Cash flow from financing activities:</i>			
Net change in short term loans	-	-2,500	-100%
Interest paid	-795	-925	-14%
Dividend payments	-16,255	-16,411	-1%
Repayment of lease liabilities	-3251	-2,595	25%
Purchase of own shares	-2,669	-2,702	-1%
Net cash flow from financing activities	-22,970	-25,133	-9%
<i>Net change in cash and cash equivalents</i>			
Cash and cash equivalents at the beginning of period	215,329	195,716	10%
Net unrealized currency gains/(losses)	-3,052	-3,178	-4%
Cash and cash equivalents at the end of period	215,485	253,531	-15%

Dividends and Share Buybacks

Dividend per share¹



Dividend yield²



- The Board has resolved to maintain the dividend to USD 0.14 per share for Q1 2022
 - Ex date 19 May 2022 – payment date 2 June 2022
- In addition, TGS acquired 218,592 own shares for a total amount of USD 2.7 million in Q1 22. The total value of shares bought back under the current share repurchase program is USD 18.4 million
- TGS has paid out more than USD 1.1 billion of dividends since 2010

1. Quarterly dividends defined in USD from 2016. Annual dividends defined in NOK prior to 2016, converted to USD with the FX rate at ex-dividend dates

2. Average yield at the time of announcement of dividends

Market Outlook



Progress on the 5 foundations for recovery

#1 Energy demand continues to rise

#2 Significant underinvestment in oil & gas in the past

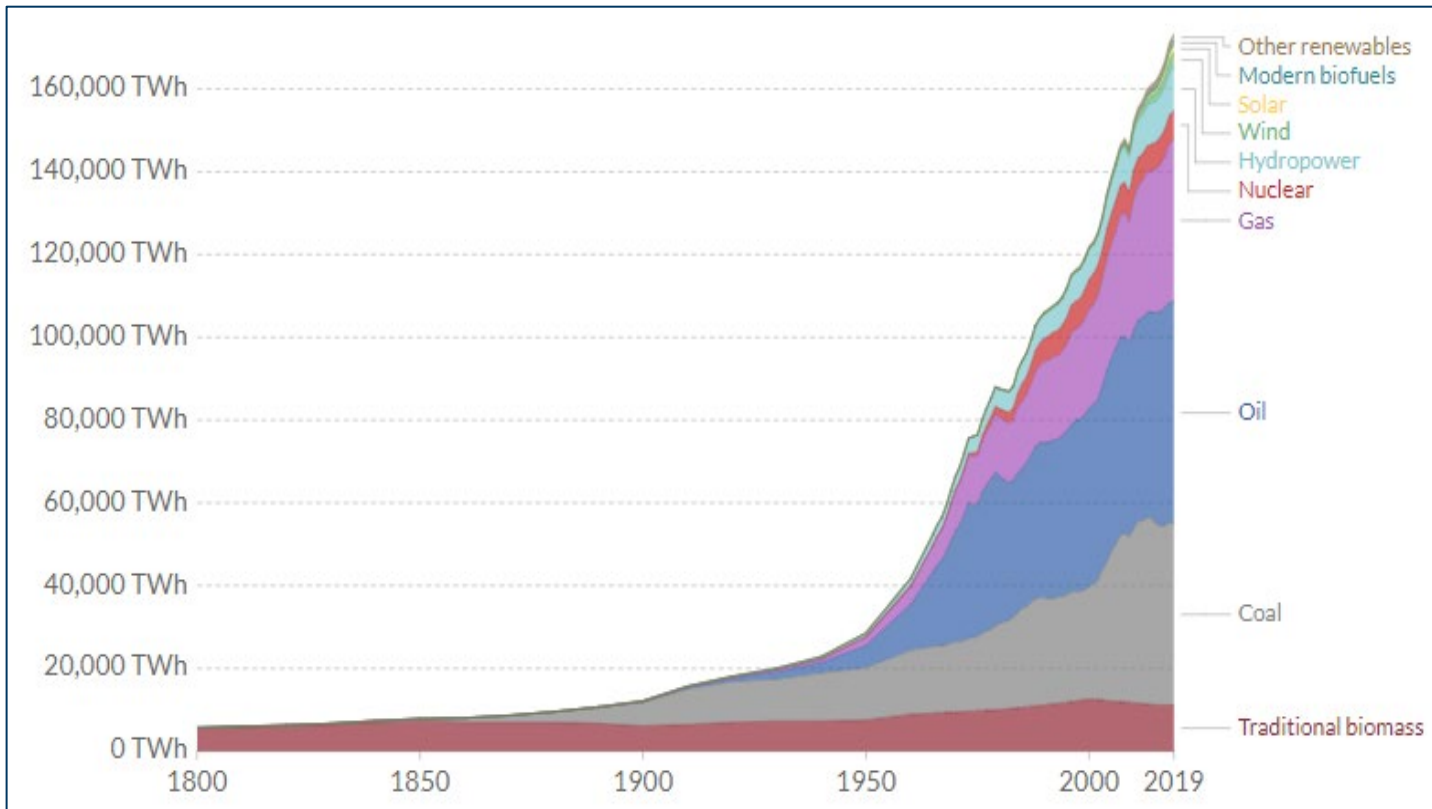
#3 Exploration success

#4 Improving licensing round activity

#5 Increased E&P spending forecasts

#1 Energy demand continues to rise

Primary energy consumption



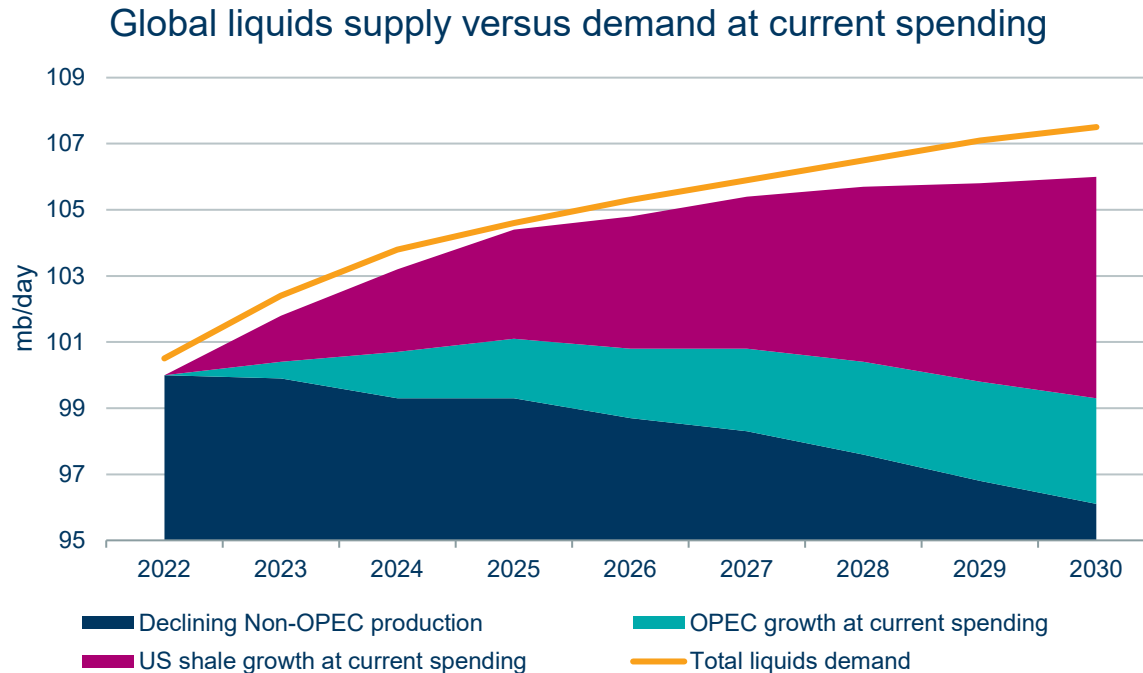
Source: Vaclav Smil

- Global Energy consumption will continue to increase over the next decades across a variety of economic scenarios as population and economic growth outpace energy efficiency gain
- Strong growth post-COVID
- Power consumption in China (Y/Y growth of 10.7%) in 2021
- Airline traffic picking up significantly – American Airlines hit record sales in March 2022
- U.S. vehicle traffic volumes back at pre-COVID levels

We have built a massive system over the last 150 years - energy transition will take a generation (-s)

#2

Significant under-investments in oil and gas in the past



Source: J.P Morgan

“Oil: Supercycle to play out as supply growth continues to lag demand; current spend implies 2022-30 avg. deficit of 0.7 mb/d”

J.P. Morgan Annual Energy Outlook April 2022

- J.P. Morgan Annual Energy Outlook April 2022
 - World needs USD 1.3 trillion incremental energy investment by 2030
 - All energy sources from renewables to oil and gas
 - By 2030 energy demand growth will exceed supply growth by approximately 20%
 - Oil demand expected to grow by around 10% by 2030 and gas by 18%

#3

Exploration success - frontier exploration paying off

26 April 2022

- Exxon announced another three discoveries in the Starboek block in Guyana – lifts discoverable reserves by nearly 1 bn boe
- Takes total number of discoveries in the block to 31

21 February 2022

- Total and Apache announced a significant oil and associated gas discovery offshore Suriname
- The Krabdagu-1 well in the central area of Block 58

24 February 2022

- Total announced a significant discovery of light oil and associated gas off the coast of Namibia
- The Venus well in the Orange Basin found a good quality reservoir with possibly more than 1 bn boe

23 March 2022

- Santos announced a significant oil discovery in Australia
- The Pavo well is situated close to the Dorado discovery and a tie-back solution could be utilized for a cost-efficient development.

4 February 2022

- Shell announced a significant oil discovery in Namibia
- The Graff-1 well (Block 2913A) is in an area where previous explorers have largely failed to find commercial resources.

#4

Improving License Round Activity

North America

Canada:

- Flemish Pass/Grand Banks/Jeanne d'Arc - Q4 2022 (close)

Latin America

Brazil:

- Presalt Offer – H2 2022 (Close)

Suriname:

- Shallow Water Central/East – 2023 (close)

Argentina:

- Offshore Round 2 – 2023 (close)

Trinidad:

- Deep Water Bid Round – H1 22 (close)

Uruguay:

- Open Round – May and November (annual)

Barbados:

- Offshore – 2022 (open)

Europe

Norway:

- 2022 APA round – Q2 2022 (open)

Africa

Angola:

- 2021 round – May 2022 (awards)
- 2023 round – 8 blocks
- 2025 round – 10 blocks

Gabon:

- Open Door

Gambia:

- Block A1 Round – 28 Jun 2022 (close)

Lebanon

- 2022 Round – 15 Jun 2022 (close)

Liberia:

- Open Door until 31 May

Mozambique

- 6th Round - Aug 2022 (close)

Sierra Leone

- 2022 Round – Nov 2022 (close)

Somalia:

- 1st Round – Jun 2022 (close)

Asia-Pacific

Australia:

- 2021 Acreage Release – awards expected 2022
- 2021 CCS Acreage Release – awards expected 2022
- 2022 Acreage Release – planned for 2022

India

- Bid Round VI – awards announced
- Bid Round VII – bids opened

Indonesia:

- 2021 2nd round – awards announced
- 2022 1st round – planned for H2 2022

Malaysia:

- 2022 MBR round – 30th Jun 2022 (close)

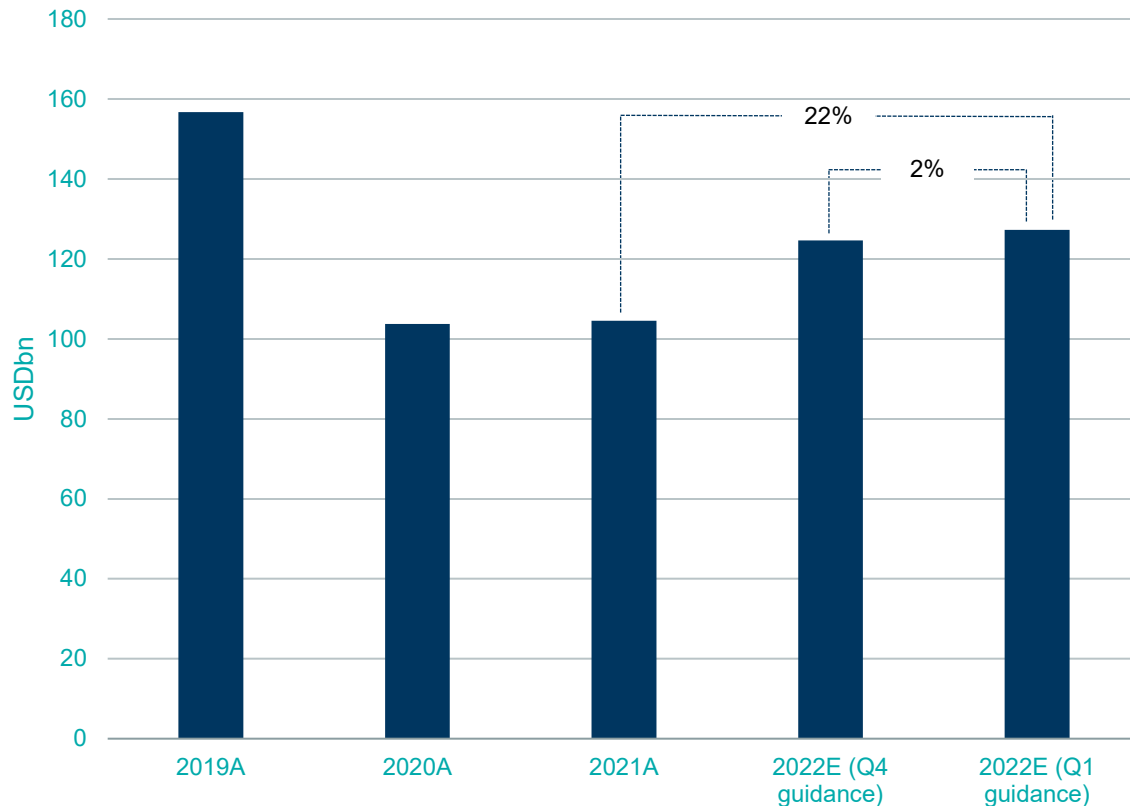
Timor-Leste:

- 2nd round awards announced

Overview is showing scheduled rounds only and is not exhaustive. Several countries, particularly in Africa and Latin America, are planning rounds over the next couple of years

#5 Increased E&P spending forecasts

E&P capex¹



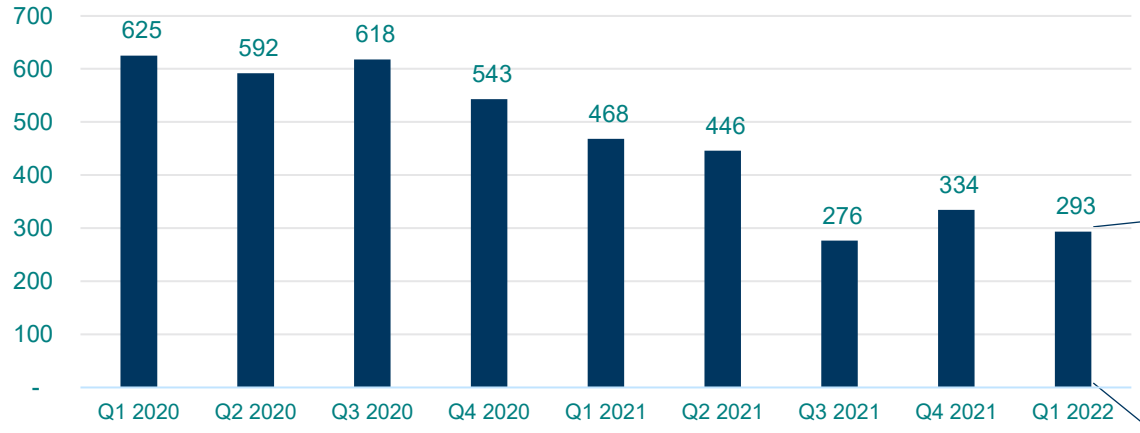
Source: SEB

1. Companies included: BP, Chevron, Exxon, Shell, TotalEnergies, Conoco, Eni, Repsol, Equinor, Aker BP, APA Corp., Chesapeake, Continental, Devon, Diamondback, EOG, Hess, Lundin Energy, Marathon, Murphy, Pioneer, Whiting, Woodside

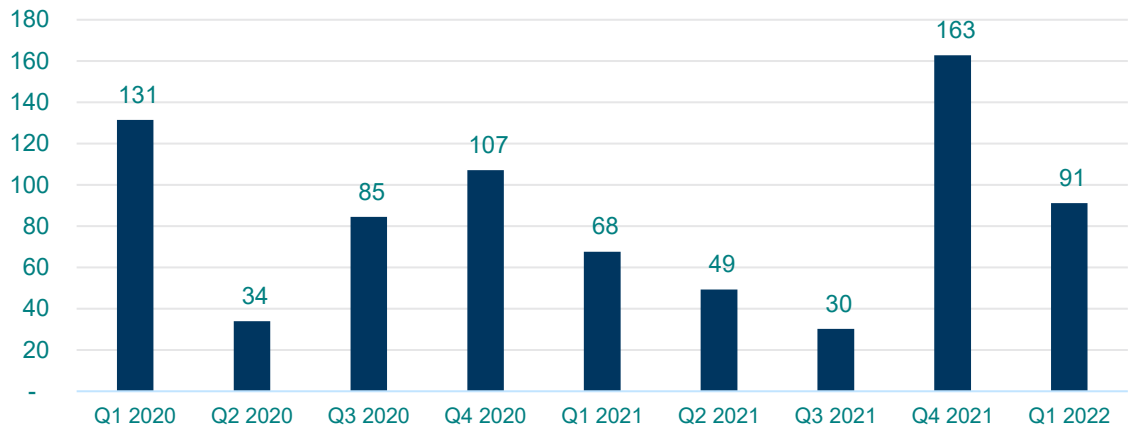
- E&P companies continuing to increase spending
 - Combined growth of 22% expected for 2022
- Several companies have guided significantly up on 2022 E&P spending lately
 - Shell, TotalEnergies, ConocoPhillips, Continental, APA Corp, Hess, Murphy
- 2022E still 19% pre-COVID levels (2019)

Contract Backlog & Inflow

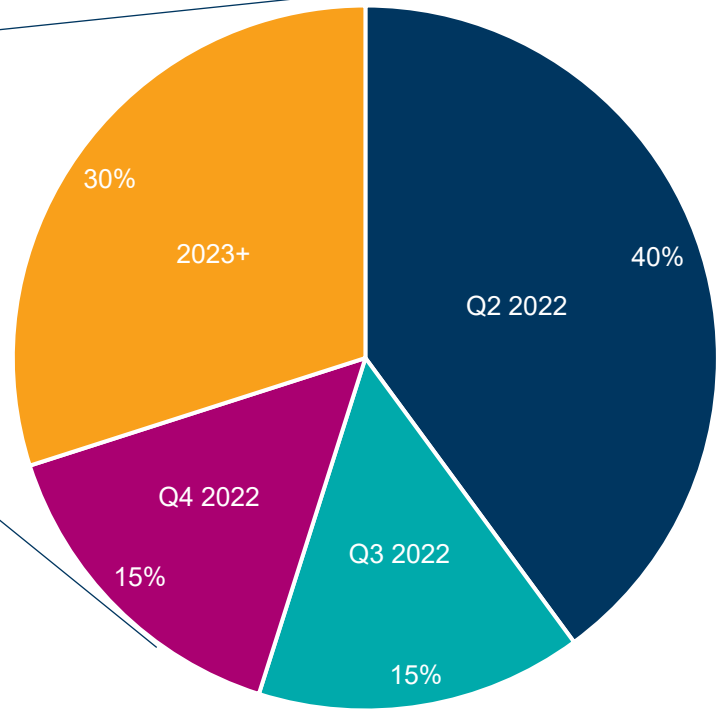
Contract Backlog



Contract Inflow

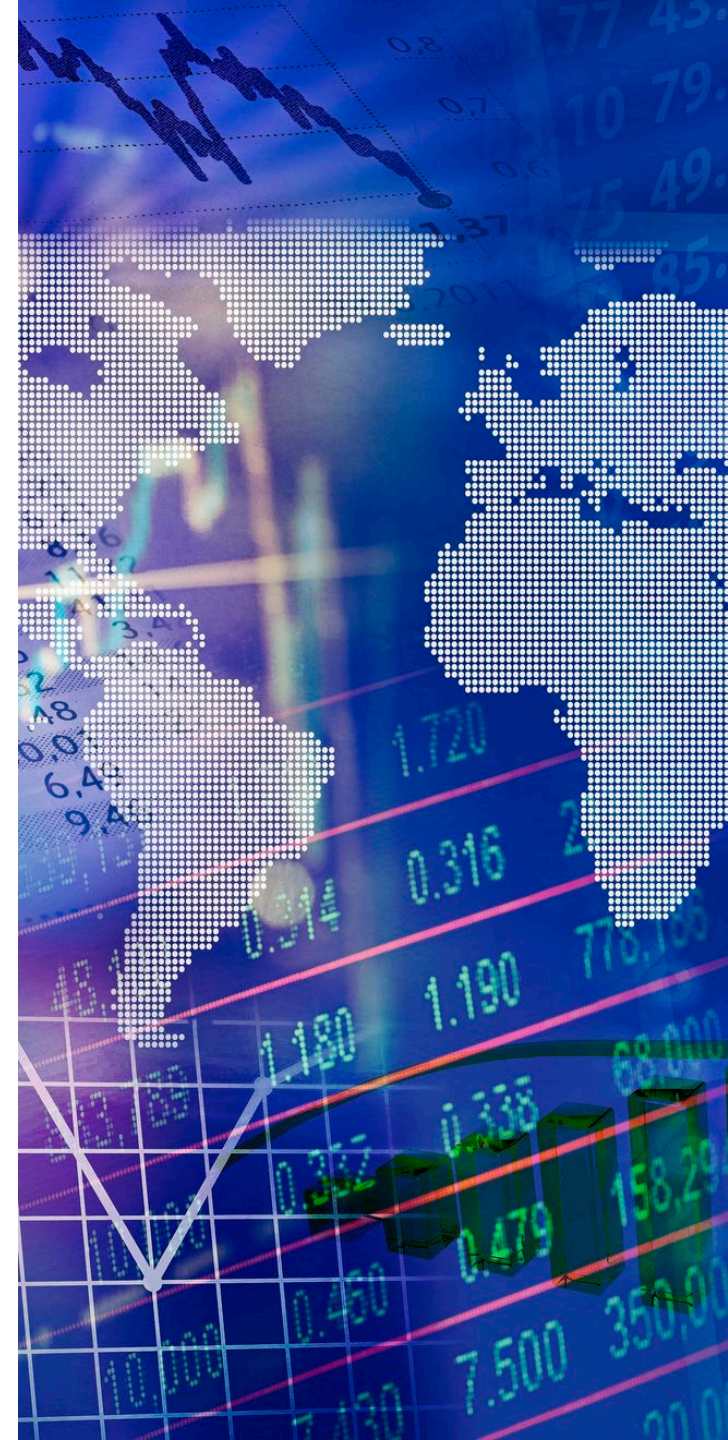


Timing of expected recognition of contract backlog



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