

**EMGS
SECOND
QUARTER
2023.**

Highlights in the Second Quarter.

Operational highlights

- Atlantic Guardian warm-stacked for the entire quarter

Financial highlights

- Revenues of USD 0.2 million
- EBITDA of negative USD 1.1 million
- Adjusted EBITDA of negative USD 1.8 million

Key financial figures

| Amounts in USD million (except per share data) | Q2 2023 | Q2 2022 | First half year | First half year | 2022 | Q1 2023 |
|---|-------------|------------|-----------------|-----------------|-------------|------------|
| | Unaudited | Unaudited | 2023 | 2022 | Audited | Unaudited |
| Contract sales | 0.1 | 0.2 | 0.3 | 0.3 | 13.6 | 0.2 |
| Multi-client pre-funding | 0.0 | 2.8 | 0.0 | 2.8 | 4.8 | 0.0 |
| Multi-client late sales | 0.1 | 2.6 | 4.9 | 7.5 | 11.9 | 4.8 |
| Other revenue | 0.0 | 1.3 | 0.0 | 2.5 | 4.8 | 0.0 |
| Total revenues | 0.2 | 6.9 | 5.2 | 13.1 | 35.0 | 5.0 |
| Operating profit/ (loss) | -2.7 | 2.4 | -1.9 | 4.7 | 13.1 | 0.9 |
| Income/ (loss) before income taxes | -3.2 | 1.9 | -2.7 | 3.5 | 11.1 | 0.5 |
| Income/ (loss) for the period | -3.2 | 1.9 | -2.7 | 3.5 | 11.2 | 0.5 |
| Earnings/ (loss) per share | -0.02 | 0.01 | -0.02 | 0.03 | 0.09 | 0.00 |
| Average number of shares outstanding (in thousands) | 130,970 | 130,970 | 130,970 | 130,970 | 130,970 | 130,970 |
| EBITDA | -1.1 | 5.3 | 1.9 | 9.8 | 23.8 | 3.1 |
| Multi-client investment | 0.0 | 0.8 | 0.0 | 0.8 | 1.2 | 0.0 |
| Vessel and office lease | 0.6 | 1.6 | 1.3 | 2.4 | 6.5 | 0.6 |
| Adjusted EBITDA | -1.8 | 2.8 | 0.7 | 6.5 | 16.1 | 2.4 |

EBITDA = Operating profit /(loss) + Other depreciation and ordinary amortisation + Depreciation right-of-use assets + Multi-client amortisation + Impairment of long-term assets

Financial Review.

Revenues and operating expenses

EMGS recorded revenues of USD 0.2 million in the second quarter of 2023, compared to USD 6.9 million reported for the corresponding quarter of 2022. Contract and other sales totalled USD 119 thousand, while multi-client sales amounted to USD 75 thousand in the second quarter of 2023. For the second quarter of 2022, contract and other sales totalled USD 1.5 million, while multi-client sales amounted to USD 5.4 million.

Revenues for the first half of 2023 amounted to USD 5.2 million, compared to USD 13.1 million for the first half of 2022.

Charter hire, fuel and crew expense, excluding vessel lease expenses and multi-client expenses, amounted to USD 0.3 million in the second quarter this year, compared to USD 0.3 million in the second quarter of 2022. The Company did not capitalise any multi-client expenses in the quarter, while USD 0.8 million was capitalised in the second quarter of 2022. When adding back the vessel lease expenses and the capitalised multi-client expenses, the charter hire, fuel and crew expenses have decreased from USD 2.7 million in the second quarter of 2022 to USD 0.8 million in same period this year.

For the first half of 2023, charter hire, fuel and crew expenses totalled USD 0.6 million, up from USD 0.5 million in the first half of 2022.

Employee expenses amounted to USD 0.5 million in the second quarter of 2023, down from USD 0.6 million in the same quarter in 2022.

Employee expenses for the first half of 2023 were USD 1.3 million, compared to USD 1.4 million in 2022.

Other operating expenses totalled USD 0.6 million in the second quarter this year, compared to USD 0.7 million in the second quarter of 2022.

For the first half of 2023, other operating expenses amounted to USD 1.3 million, down from USD 1.4 million in the same period last year.

Depreciation, amortisation and impairment

In the second quarter of 2023, other depreciation and amortisation totalled USD 0.8 million in the second quarter of 2023 down from USD 1.0 million in the second quarter of 2022.

No impairment of long-term assets was made in the second quarter of 2023 or the second quarter 2022.

Other depreciation and amortisation decreased from USD 2.2 million in the first half of 2022 to USD 1.6 million in the first half of 2023.

Multi-client amortisation amounted to USD 0.1 million this quarter, compared to USD 1.2 million in the second quarter of 2022. The Company uses straight-line amortisation for its completed multi-client projects, assigned over the useful lifetime of four years.

Multi-client amortisation totalled USD 0.3 million for the first half of 2023, down from USD 1.4 million in the same period of 2022.

Depreciation right-of-use assets amounted to USD 0.7 million this quarter, up from USD 0.6 million in the second quarter of 2022.

Depreciation right-of-use assets totalled USD 2.0 million for the first half of 2023, up from USD 1.5 million in the same period of 2022.

Net financial items

Net financial items ended at negative USD 0.4 million in the second quarter of 2023, compared to negative USD 0.6 million in the corresponding quarter last year. In the second quarter of 2023, the Group recorded an interest expense of USD 0.8 million compared to an interest expense of USD 0.7 million in the second quarter of 2022. In the second quarter of 2023, the Company recorded a net currency gain of USD 87 thousand, compared to a currency gain of USD 44 thousand in the second quarter of 2022.

In the first half of 2023, net financial items were negative USD 0.9 million, compared to negative USD 1.2 million in the first half of 2022.

Income/(loss) before income taxes

Loss before income taxes amounted to USD 3.2 million in the second quarter 2023, compared to income of USD 1.9 million in the corresponding quarter in 2022.

Loss before income taxes for the first half of 2023 amounted to USD 2.7 million, compared to a profit before income taxes of USD 3.5 million in the same period last year.

Income tax expenses

Income tax expenses of USD one thousand were recorded in the second quarter of 2022, while no income tax expense was recorded in the same period this year.

Net income for the period

The loss for the second quarter of 2023 amounted to USD 3.2 million, down from a profit of USD 1.9 million in the same period last year.

The loss for the first half of 2023 was USD 2.7 million, down from a profit of USD 3.5 million in the same period last year.

Cash flow and balance sheet

In the second quarter 2023, net cash flow from operating activities was USD 0.8 million, compared to the net cash flow of USD 6.5 million in the second quarter of 2022. The cash flow from operating activities this quarter was positively affected by changes in trade receivables.

In the first half of 2023, net cash flow from operating activities was USD 5.0 million, compared to USD 6.1 million in the same period last year.

EMGS applied USD 0.4 million in investing activities in the second quarter this year, compared to USD 1.0 million in the second quarter of last year. The Company invested USD 351 thousand in equipment in the second quarter 2023.

Cash flow from investing activities in the first half of this year amounted to a negative USD 0.5 million, compared to a negative USD 1.0 million in the same period last year. The Company invested USD 504 thousand in equipment in the first half of 2023.

The carrying value of the multi-client library was USD 1.2 million as of 30 June 2023, down from USD 1.5 million as of 31 December 2022 and USD 1.9 million as of 30 June 2022.

Cash flow from financial activities was negative USD 1.2 million in the second quarter of 2023, compared to a negative cash flow of USD 2.2 million in the same quarter last year.

Cash flow from financial activities for the first half of 2023 amounted to negative USD 2.5 million, compared to a negative USD 3.4 million in the same period of 2022.

The Company had a net reduction in cash, excluding restricted cash, of USD 0.8 million during the second quarter of 2023. As of 30 June 2023, cash and cash equivalents totalled USD 13.5 million.

Financing

Total borrowings were USD 19.5 million as of 30 June 2023, compared with USD 19.5 million as of 31 December 2022 and

USD 24.5 million as of 30 June 2022. This includes the Company's convertible bond loan, which had a carrying value of USD 19.5 million recorded as non-current borrowings and USD 1.9 million recorded as equity in accordance with IFRS.

The convertible bond loan contains a financial covenant requiring free cash and cash equivalents of at least USD 2.5 million. In addition, the convertible bond agreement has restrictions regarding the Company's ability to sell or otherwise dispose of the multi-client library, declare or make dividend payments, incur additional indebtedness, change its business or enter into speculative financial derivative agreements. As of 30 June 2023, the free cash and cash equivalents totalled USD 13.5 million.

Operational Review.

| | Q2 2023 | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 |
|--------------------------|-----------|-----------|------------|------------|------------|
| Proprietary work | 0% | 0% | 46% | 12% | 0% |
| Multi-client projects | 0% | 0% | 0 | 10% | 18% |
| Total utilisation | 0% | 0% | 46% | 22% | 18% |

Vessel utilisation and fleet allocation

The vessel utilisation for the second quarter of 2023 was 0% compared to 18% in the corresponding quarter of 2022. For the first half of this year, the vessel utilisation was 0%, down from 9% for the same period last year.

The vessel was warm-stacked for the entire second quarter in 2023. In the corresponding quarter of 2022, the Company's vessel was allocated 18% to multi-client projects and no time was spent on proprietary work.

EMGS recorded 3.0 vessel months in the quarter. In the second quarter 2022, the Company recorded 3.0 vessel months in the quarter.

Vessel activity in the second quarter

| | Utilisation Q2 2023 | Status Q2 2023 | Firm charter period | Remaining Option periods |
|-------------------|------------------------|-------------------|------------------------|-----------------------------|
| Atlantic Guardian | 0% | Warm-stacked | 20 October 2023 | 3 x 12 months |

Atlantic Guardian

The Atlantic Guardian spent the entire second quarter of 2023 warm-stacked.

Backlog

As of 30 June 2023, EMGS' backlog was USD 0.8 million, compared to a backlog of USD 0.4 million at the end of the second quarter 2022.

Events during the first half of 2023

EMGS secures multi-client revenues in Norway

In January 2023, Electromagnetic Geoservices ASA announced it had secured USD 1.7 million in revenue from late sales related to its existing EM multi-client library in the Barents Sea.

EMGS secures late sales multi-client revenue

In March 2023, Electromagnetic Geoservices ASA announced it had entered into late sales licensing agreements related to its existing EM multi-client library, with a total combined revenue of USD 3.1 million.

Share information

EMGS was listed at the Oslo Stock Exchange in March 2007. During the second quarter of 2023, the EMGS share was traded between NOK 2.51 and NOK 3.6 per share. The last closing price before 30 June 2023 was NOK 2.69.

As of 30 June 2023, the Company had a total of 130,969,690 shares outstanding.

Risks and uncertainty factors

The most important risk factor for EMGS is the demand for EM services. Historically, demand for EM services has been correlated with the oil price, which can be volatile, unpredictable and is subject to upward and downward pressure from

economic, environmental, political, and other factors. The Company expects that this correlation will remain. As EM surveys are considered a niche product to many E&P companies, demand can quickly change in response to changes in the oil price.

The Company's convertible bond loan due in 2025 contains a financial covenant requiring free cash and cash equivalents of at least USD 2.5 million. As of 30 June 2023, the free cash and cash equivalents totalled USD 13.5 million.

Historically, lack of long-term visibility has led to unpredictable and sometimes volatile revenue generation. EMGS has partially addressed the risk of unpredictable revenue generation with a more flexible business model and continuously strives to increase backlog.

Reference is made to the 2022 Annual Report for a further description of other relevant and important risk factors.

Outlook

The Atlantic Guardian continues to be in extended warm-stack in Norway. While in warm-stack, lower variable charter rates for the Atlantic Guardian apply. The reduced variable charter rates, together with other reduced costs as a result of the warm-stack, result in significantly lower cash expenses until new backlog is secured.

Securing backlog, while being a top priority for EMGS, has proven to take significantly longer than expected. While EMGS is buoyed by the level of interest expressed by customers, transforming customer interest to secured backlog has taken longer than expected and visibility for the remainder of 2023 remains low. EMGS continues to believe that the general market upturn in the oil and gas sector will positively influence the EM market, and that EMGS is well positioned to capitalise on this potential upturn.

Multi-client late sales have been and are expected to continue to be an important part of EMGS' revenue stream, generating cash in addition to acquisition contracts. Late sales typically have a short sales cycle and are not a predictable revenue stream.

Statement of responsibility

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2023, which has been prepared in accordance with IAS 34 Interim Financial Reporting, gives a true and fair view of Electromagnetic Geoservices ASA's consolidated assets, liabilities, financial position and results of operations.

Oslo, 17 August 2023

Frederik W. Mohn
Chairman

Mimi Berdal
Director

Beatriz Malo de Molina
Director

Jørgen Westad
Director

Bjørn Petter Lindhom
Chief Executive Officer

Consolidated Income Statement.

| Amounts in USD 1 000 | Q2 2023 Unaudited | Q2 2022 Unaudited | First half year 2023 Unaudited | First half year 2022 Unaudited | 2022 Audited |
|---|----------------------|----------------------|--------------------------------------|--------------------------------------|-----------------|
| Operating revenues | | | | | |
| Contract sales | 119 | 247 | 329 | 311 | 13,561 |
| Multi-client pre-funding | 0 | 2,793 | 0 | 2,793 | 4,793 |
| Multi-client late sales | 75 | 2,628 | 4,883 | 7,517 | 11,874 |
| Other revenue | 0 | 1,252 | 0 | 2,526 | 4,751 |
| Total revenues | 194 | 6,920 | 5,212 | 13,146 | 34,979 |
| Operating expenses | | | | | |
| Charter hire, fuel and crew expenses | 256 | 323 | 638 | 545 | 4,241 |
| Employee expenses | 463 | 556 | 1,340 | 1,378 | 3,884 |
| Depreciation right-of-use assets | 689 | 641 | 1,966 | 1,502 | 4,049 |
| Multi-client amortisation | 138 | 1,169 | 276 | 1,417 | 2,513 |
| Other depreciation and amortisation | 779 | 1,043 | 1,565 | 2,169 | 4,159 |
| Other operating expenses | 600 | 743 | 1,286 | 1,443 | 3,018 |
| Total operating expenses | 2,926 | 4,474 | 7,072 | 8,455 | 21,864 |
| Operating profit/ (loss) | -2,732 | 2,446 | -1,860 | 4,691 | 13,115 |
| Financial income and expenses | | | | | |
| Interest income | 321 | 17 | 620 | 24 | 388 |
| Interest expense | -768 | -569 | -1,528 | -1,196 | -2,516 |
| Interest expense lease liabilities | -72 | -85 | -170 | -197 | -504 |
| Gains on financial assets and liabilities | 0 | 0 | 0 | 0 | 671 |
| Net foreign currency income/(loss) | 87 | 44 | 224 | 134 | -7 |
| Net financial items | -433 | -594 | -854 | -1,235 | -1,969 |
| Income/ (loss) before income taxes | -3,165 | 1,851 | -2,714 | 3,456 | 11,146 |
| Income tax expense | 0 | 1 | 0 | -33 | -46 |
| Income/ (loss) for the period | -3,165 | 1,851 | -2,714 | 3,489 | 11,192 |

Consolidated Statement of Comprehensive Income.

| Amounts in USD 1 000 | Q2 2023 Unaudited | Q2 2022 Unaudited | First half year 2023 Unaudited | First half year 2022 Unaudited | 2022 Audited |
|---|----------------------|----------------------|--------------------------------------|--------------------------------------|-----------------|
| Income/ (loss) for the period | -3,165 | 1,851 | -2,714 | 3,489 | 11,192 |
| <i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i> | | | | | |
| Exchange differences on translation of foreign operations | -1 | -2 | -1 | -1 | -5 |
| Other comprehensive income/(loss) | -1 | -2 | -1 | -1 | -5 |
| Total other comprehensive income/(loss) for the period | -3,166 | 1,849 | -2,715 | 3,487 | 11,187 |

Consolidated Statement of Financial Position.

| Amounts in USD 1 000 | 30 June 2023 Unaudited | 30 June 2022 Unaudited | 31 December 2022 Audited |
|--|---------------------------|---------------------------|-----------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Multi-client library | 1,227 | 1,914 | 1,504 |
| Other intangible assets | 18 | 212 | 106 |
| Property, plant and equipment | 8,279 | 10,869 | 9,252 |
| Right-of-use assets | 671 | 7,728 | 4,882 |
| Other receivables and prepayments | 2,874 | 0 | 2,693 |
| Assets under construction | 3 | 3 | 3 |
| Total non-current assets | 13,072 | 20,726 | 18,439 |
| Current assets | | | |
| Spare parts, fuel, anchors and batteries | 4,151 | 3,653 | 4,158 |
| Trade receivables and accrued revenues | 839 | 3,478 | 7,898 |
| Other receivables and prepayments | 883 | 3,977 | 506 |
| Financial lease receivables | 0 | 96 | 49 |
| Cash and cash equivalents | 13,469 | 11,587 | 11,434 |
| Restricted cash | 139 | 617 | 196 |
| Total current assets | 19,481 | 23,408 | 24,241 |
| Total assets | 32,553 | 44,134 | 42,681 |
| EQUITY | | | |
| Capital and reserves attributable to equity holders | | | |
| Share capital, share premium and other paid-in equity | 71,405 | 71,490 | 71,490 |
| Other reserves | -1,576 | -1,571 | -1,575 |
| Retained earnings | -63,946 | -68,942 | -61,233 |
| Total equity | 5,881 | 976 | 8,681 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Provisions | 0 | 2,406 | 0 |
| Borrowings | 19,544 | 24,505 | 19,484 |
| Non-current leasing liabilities | 0 | 2,770 | 118 |
| Total non-current liabilities | 19,544 | 29,681 | 19,601 |
| Current liabilities | | | |
| Trade payables | 494 | 2,411 | 2,928 |
| Current tax liabilities | 2,975 | 3,365 | 3,025 |
| Other short term liabilities | 1,669 | 1,161 | 3,104 |
| Current leasing liabilities | 1,988 | 6,539 | 5,341 |
| Total current liabilities | 7,127 | 13,477 | 14,398 |
| Total liabilities | 26,671 | 43,158 | 33,999 |
| Total equity and liabilities | 32,553 | 44,134 | 42,681 |

Consolidated Statement of Cash Flows.

| Amounts in USD 1 000 | Q2 2023 Unaudited | Q2 2022 Unaudited | First half year 2023 Unaudited | First half year 2022 Unaudited | 2022 Audited |
|--|----------------------|----------------------|--------------------------------------|--------------------------------------|-----------------|
| Net cash flow from operating activities | | | | | |
| Income/ (loss) before income taxes | -3,165 | 1,851 | -2,714 | 3,456 | 11,146 |
| Adjustments for: | | | | | |
| Total taxes paid | -32 | 0 | -50 | 0 | -342 |
| Depreciation right-of-use assets | 689 | 730 | 1,966 | 1,592 | 4,437 |
| Multi-client amortisation | 138 | 1,169 | 276 | 1,417 | 2,513 |
| Other depreciation and amortisation | 779 | 1,043 | 1,565 | 2,169 | 4,159 |
| Cost of share-based payment | -85 | 2 | -85 | 2 | 4 |
| Change in trade receivables | 2,657 | 973 | 7,059 | -2,211 | -6,632 |
| Change in inventories | 0 | 171 | 7 | 160 | -345 |
| Change in trade payables | -212 | 786 | -2,434 | 429 | 947 |
| Change in other working capital | -618 | -847 | -1,888 | -2,185 | -1,388 |
| Finance Income | 0 | 0 | 0 | 0 | -671 |
| Finance Cost | 653 | 625 | 1,331 | 1,295 | 2,730 |
| Net cash flow from operating activities | 804 | 6,503 | 5,034 | 6,124 | 16,560 |
| Investing activities: | | | | | |
| Purchase of property, plant and equipment | -351 | -36 | -504 | -48 | -317 |
| Investment in multi-client library | 0 | -920 | 0 | -920 | -1,602 |
| Purchase of intangible assets | 0 | -1 | 0 | -33 | -33 |
| Cash used in investing activities | -351 | -957 | -504 | -1,002 | -1,953 |
| Financial activities: | | | | | |
| Principal amount leases | -606 | -1,620 | -1,225 | -2,305 | -6,157 |
| Interest lease liabilities | -72 | -85 | -170 | -197 | -504 |
| Repayment/settlement of loan | 0 | 0 | 0 | 0 | -4,297 |
| Interest paid | -548 | -465 | -1,100 | -888 | -2,070 |
| Cash used in/provided by financial activities | -1,226 | -2,171 | -2,495 | -3,390 | -13,027 |
| Net change in cash | -774 | 3,375 | 2,035 | 1,732 | 1,580 |
| Cash balance beginning of period | 14,242 | 8,212 | 11,434 | 9,855 | 9,855 |
| Cash balance end of period | 13,469 | 11,587 | 13,469 | 11,587 | 11,434 |
| Net change in cash | -774 | 3,375 | 2,035 | 1,732 | 1,580 |

Consolidated Statement of Changes in Equity.

| Amounts in USD 1 000 | Share capital share premium and other paid-in- capital | Other reserves | Retained earnings | Total equity |
|--|---|----------------|-------------------|---------------|
| Balance as of 31 December 2021 (Audited) | 71,490 | -1,570 | -72,433 | -2,514 |
| Income/(loss) for the period | 0 | 0 | 1,638 | 1,638 |
| Other comprehensive income | 0 | 0 | 0 | 0 |
| Total comprehensive income | 0 | 0 | 1,638 | 1,638 |
| Cost of share-based payments | 0 | 0 | 1 | 1 |
| Balance as of 31 March 2022 (Unaudited) | 71,490 | -1,569 | -70,794 | -875 |
| Income/(loss) for the period | 0 | 0 | 1,851 | 1,851 |
| Other comprehensive income | 0 | -2 | 0 | -2 |
| Total comprehensive income | 0 | -2 | 1,851 | 1,849 |
| Cost of share-based payments | 0 | 0 | 2 | 2 |
| Balance as of 30 June 2022 (Unaudited) | 71,490 | -1,571 | -68,942 | 976 |
| Income/(loss) for the period | 0 | 0 | 772 | 772 |
| Other comprehensive income | 0 | -1 | 0 | -1 |
| Total comprehensive income | 0 | -1 | 772 | 771 |
| Cost of share-based payments | 0 | 0 | 2 | 2 |
| Balance as of 30 September 2022 (Unaudited) | 71,490 | -1,572 | -68,167 | 1,749 |
| Income/(loss) for the period | 0 | 0 | 6,931 | 6,931 |
| Other comprehensive income | 0 | -3 | 0 | -3 |
| Total comprehensive income | 0 | -3 | 6,931 | 6,928 |
| Cost of share-based payments | 0 | 0 | 4 | 4 |
| Balance as of 31 December 2022 (Audited) | 71,490 | -1,575 | -61,233 | 8,681 |
| Income/(loss) for the period | 0 | 0 | 451 | 451 |
| Other comprehensive income | 0 | 0 | 0 | 0 |
| Total comprehensive income | 0 | 0 | 451 | 451 |
| Cost of share-based payments | 0 | 0 | 0 | 0 |
| Balance as of 31 March 2023 (Unaudited) | 71,490 | -1,575 | -60,782 | 9,131 |
| Income/(loss) for the period | 0 | 0 | -3,165 | -3,165 |
| Other comprehensive income | 0 | -1 | 0 | -1 |
| Total comprehensive income | 0 | -1 | -3,165 | -3,166 |
| Cost of share-based payments | -85 | 0 | 1 | -85 |
| Balance as of 30 June 2023 (Unaudited) | 71,405 | -1,576 | -63,946 | 5,881 |

Notes.

Accounting principles

These interim consolidated financial statements of the Group have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as of 31 December 2022, which is available on www.emgs.com.

Segment reporting

EMGS reports its sales revenue as one reportable segment. The sales revenues and related costs are incurred worldwide. The amounts below show sales revenues reported by geographic region.

| Amounts in USD million | Q2 2023 Unaudited | Q2 2022 Unaudited | First half year 2023 Unaudited | First half year 2022 Unaudited | 2022 Audited |
|------------------------|----------------------|----------------------|--------------------------------------|--------------------------------------|-----------------|
| Americas | 0.1 | 0.1 | 0.3 | 0.1 | 14.0 |
| Asia/Pacific | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| EAME | 0.1 | 6.8 | 4.9 | 13.0 | 21.0 |
| Total | 0.2 | 6.9 | 5.2 | 13.1 | 35.0 |

Multi-client library

The multi-client library consists of electromagnetic data acquired through multi-client surveys i.e., EMGS owns the data. The electromagnetic data can be licensed to customers on a non-exclusive basis. Directly attributable costs associated with multi-client projects such as acquisition costs, processing costs, and other direct project costs are capitalised.

| Amounts in USD million | Q2 2023 Unaudited | Q2 2022 Unaudited | First half year 2023 Unaudited | First half year 2022 Unaudited | 2022 Audited |
|-------------------------------|----------------------|----------------------|--------------------------------------|--------------------------------------|-----------------|
| Opening carrying value | 1.4 | 2.2 | 1.5 | 2.4 | 2.4 |
| Additions | 0.0 | 0.9 | 0.0 | 0.9 | 1.6 |
| Amortisation charge | -0.1 | -1.2 | -0.3 | -1.4 | -2.5 |
| Impairment | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Closing carrying value | 1.2 | 1.9 | 1.2 | 1.9 | 1.5 |

Disclaimer for forward-looking statements

This quarterly report includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ materially. Such forward-looking information and statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets and potential clients for EMGS ASA and its subsidiaries.

These expectations, estimates and projections are generally identifiable by statements containing words such as “expects”, “believes”, “estimates” or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or could be major markets for EMGS' businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be relevant from time to time.

Although EMGS ASA believes that its expectations and the information in this report were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in this report. Neither EMGS ASA nor any other company within the EMGS Group is making any representation or warranty, expressed or implied, as to the accuracy, reliability, or completeness of the information in the report, and neither EMGS ASA, any other company within the EMGS Group nor any of their directors,

officers or employees will have any liability to you or any other persons resulting from your use of the information in the report.

EMGS ASA undertakes no obligation to publicly update or revise any forward-looking information or statements in the report.

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Definitions – Alternative Performance Measures.

EMGS' financial information is prepared in accordance with IFRS. In addition, EMGS provides alternative performance measures to enhance the understanding of EMGS' performance. The alternative performance measures presented by EMGS may be determined or calculated differently by other companies.

EBITDA

EBITDA means Earnings before interest, taxes, amortisation, depreciation, and impairments. EMGS uses EBITDA because it is useful when evaluating operating profitability as it excludes amortisation, depreciation, and impairments related to investments that occurred in the past and are not cash-flow items. Also, the measure is useful when comparing the Company's performance to other companies.

| Amounts in USD 1 000 | Q2 2023 | Q2 2022 | First half year | First half year | 2022 |
|-------------------------------------|---------------|--------------|-----------------|-----------------|---------------|
| | Unaudited | Unaudited | 2023 | 2022 | Audited |
| Operating profit/ (loss) | -2,732 | 2,446 | -1,860 | 4,691 | 13,115 |
| Depreciation right-of-use assets | 689 | 641 | 1,966 | 1,502 | 4,049 |
| Multi-client amortisation | 138 | 1,169 | 276 | 1,417 | 2,513 |
| Other depreciation and amortisation | 779 | 1,043 | 1,565 | 2,169 | 4,159 |
| Impairment of long-term assets | 0 | 0 | 0 | 0 | 0 |
| EBITDA | -1,126 | 5,299 | 1,949 | 9,780 | 23,837 |

Adjusted EBITDA

Adjusted EBITDA means EBITDA (see above) less multi-client investment (capitalisation) and less the cost of vessel and office leases.

EMGS uses Adjusted EBITDA because the Company believes this provides users of the financial reporting with a clearer picture when evaluating the operating profitability regardless of whether the Company is working on a multi-client or a proprietary survey. The Adjusted EBITDA measure includes the gross cash costs of the Company. The Adjusted EBITDA adds back cash items as capitalised multi-client expenses and vessel and office lease expenses to the costs included in the adjusted EBITDA.

Backlog

Backlog is defined as the total nominal value of future revenue from signed customer contracts. EMGS believes that the backlog figure is a useful measure in that it provides an indication of the amount of committed activity in the coming periods.

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