

**EMGS  
THIRD  
QUARTER  
2022.**

# Highlights in the Third Quarter.

## Operational highlights

- Successfully completed marine mineral survey in the Mid-Atlantic Ridge with newly launched deep-towed receiver system for the ATLAB consortium
- Completed multi-client survey in East Canada
- Started transit toward Trinidad and Tobago for a proprietary survey for Woodside

## Financial highlights

- Revenues of USD 6.6 million
- EBITDA of USD 3.8 million
- Adjusted EBITDA of USD 1.4 million
- Total available and restricted cash of USD 15.5 million
  - Available cash of USD 11.4 million
  - Restricted cash of USD 4.1 million, of which approximately USD 4.0 million is expected to be released in the fourth quarter of 2022

## Subsequent events

- Commenced acquisition on the survey in Trinidad and Tobago. Acquisition is expected to be completed towards the end of the fourth quarter

## Key financial figures

	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021	Q2 2022
Amounts in USD million (except per share data)	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited
Contract sales	1.6	7.4	1.9	7.6	7.6	0.2
Multi-client sales	3.8	4.0	14.1	12.2	15.9	5.4
Other revenue	1.2	1.3	3.8	4.0	5.3	1.3
<b>Total revenues</b>	<b>6.6</b>	<b>12.7</b>	<b>19.8</b>	<b>23.8</b>	<b>28.9</b>	<b>6.9</b>
Operating profit/ (loss)	1.4	7.3	6.1	8.4	9.2	2.4
Income/ (loss) before income taxes	0.8	5.3	4.2	4.4	5.3	1.9
Net income/ (loss)	0.8	4.7	4.3	3.7	4.9	1.9
Earnings/ (loss) per share	0.01	0.04	0.03	0.03	0.04	0.01
Average number of shares outstanding (in thousands)	130,970	130,970	130,970	130,970	130,970	130,970
<b>EBITDA</b>	<b>3.8</b>	<b>9.7</b>	<b>13.5</b>	<b>16.7</b>	<b>19.4</b>	<b>5.3</b>
Multi-client investments	0.4	0.1	1.2	0.6	1.4	0.8
Vessel and office lease	2.0	2.1	4.4	5.5	6.9	1.6
<b>Adjusted EBITDA</b>	<b>1.4</b>	<b>7.6</b>	<b>7.9</b>	<b>10.6</b>	<b>11.0</b>	<b>2.8</b>

# Financial Review.

## Revenues and operating expenses

For the third quarter of 2022 EMGS recorded revenues of USD 6.6 million, down from USD 12.7 million reported for the corresponding quarter of 2021. Contract and other sales totalled USD 1.6 million, while multi-client sales amounted to USD 3.8 million. For the third quarter of 2021, contract and other sales totalled USD 7.4 million, while multi-client sales amounted to USD 4.0 million.

For the first nine months of 2022 revenues amounted to USD 19.8 million, compared with USD 23.8 million for the first nine months of 2021.

For the third quarter of 2022 charter hire, fuel and crew expense, excluding vessel lease expenses and multi-client expenses, amounted to USD 1.3 million, compared with USD 1.7 million in the third quarter of 2021. The Company capitalised USD 0.4 million of the charter hire, fuel and crew expenses as multi-client expenses in the quarter, while USD 0.1 million of charter hire, fuel and crew expenses were capitalised in the third quarter of 2021. When adding back the vessel lease expenses and the capitalised multi-client expenses, the charter hire, fuel and crew expenses have remained constant at USD 3.6 million in both the third quarter of 2021 and in same period this year.

For the first nine months of 2022, charter hire, fuel and crew expenses totalled USD 1.9 million, down from USD 2.6 million in the same period in 2021.

For the third quarter of 2022 employee expenses amounted to USD 0.8 million, which was the same as the third quarter of 2021.

For the first nine months of 2022 employee expenses were USD 2.2 million, down slightly from USD 2.3 million in the same period of 2021.

For the third quarter of 2022 other operating expenses totalled USD 0.7 million, compared to USD 0.6 million in the third quarter of 2021.

For the first nine months of 2022, other operating expenses amounted to USD 2.1 million, down from USD 2.2 million in the same period last year.

## Depreciation, amortisation and impairment

For the third quarter of 2022 depreciation and ordinary amortisation totalled USD 2.1 million, down from USD 2.2 million in the third quarter of 2021.

For the third quarter of 2022 no impairments of long-term assets were made, neither were they made in the same period last year.

For the first nine months depreciation and ordinary amortisation totalled USD 5.8 million, compared to USD 6.0 million in 2021.

For the third quarter of 2022 multi-client amortisation amounted to USD 0.2 million, compared to USD 0.3 million in the third quarter of 2021. The Company uses straight-line amortisation for its completed multi-client projects, assigned over the useful lifetime of 4 years.

For the first nine months of 2022 multi-client amortisation totalled USD 1.7 million, down from USD 2.2 million in 2021.

### Net financial items

For the third quarter of 2022 net financial items ended at negative USD 0.6 million, compared with negative USD 2.0 million in the corresponding quarter last year. In the third quarter of 2022, the Group recorded an interest expense of USD 0.5 million compared with an interest expense of USD 0.7 million in the third quarter of 2021. In the third quarter of 2022, the Company recorded a net currency loss of USD 93 thousand, compared with a currency loss of USD 185 thousand in the third quarter of 2021.

In the first nine months of 2022, net financial items were negative USD 1.9 million, compared with a negative USD 4.0 million in the first nine months of 2021.

### Income/(loss) before income taxes

For the third quarter of 2022 profit before income taxes amounted to USD 0.8 million, compared with profit before income taxes of USD 5.3 million in the corresponding quarter in 2021.

For the first nine months profit before income taxes amounted to USD 4.2 million, compared with a profit before income taxes of USD 4.4 million in the same period last year.

### Income tax expenses

For the third quarter of 2022 no income tax expense was recorded, compared with USD 0.7 million income tax expense in the third quarter of 2021.

For the first nine months income tax expense was negative USD 33 thousand, compared with USD 0.7 million in the same period in 2021.

### Net income for the period

For the third quarter of 2022 profit amounted to USD 0.8 million, down from a profit of USD 4.7 million in the same period last year.

For the first nine months of 2022 profit was USD 4.3 million, up from a profit of USD 3.7 million in the same period last year.

### Cash flow and balance sheet

In the third quarter 2022, net cash flow from operating activities was positive USD 3.0 million, compared with positive net cash flow of USD 7.4 million in the third quarter of 2021.

In the third quarter 2022, EMGS deposited USD 3.5 million in a restricted account as security for a letter of credit issued related to the multi-client survey in East Canada. The letter of credit is expected to be cancelled and funds released from the restricted account in the fourth quarter of 2022.

In the first nine months of 2022, net cash flow from operating activities was positive USD 9.1 million, compared with positive USD 22.3 million in the same period last year.

EMGS applied USD 0.9 million in investing activities in the third quarter this year, compared with USD 0.2 in investing activities in the third quarter of last year. The Company invested USD 0.2 million in equipment and USD 0.7 million in the multi-client library in the third quarter 2022.

Cash flow from investing activities in the first nine months of this year amounted to a negative USD 1.9 million, compared with a negative USD 1.4 million in the same period last year. The Company invested USD 0.2 million in equipment, USD 33 thousand in intangible assets and USD 1.6 million in the multi-client library in the first nine months of 2022.

The carrying value of the multi-client library was USD 2.4 million as of 30 September 2022, compared to USD 2.4 million as of 31 December 2021 and USD 2.3 million as of 30 September 2021. EMGS capitalised USD 0.7 million related to the multi-client survey in East Canada, all of which will be amortised when the revenue is recognised.

Cash flow from financial activities was negative USD 2.4 million in the third quarter of 2022, compared with a negative cash flow of USD 5.7 million in the same quarter last year.

Cash flow from financial activities for the first nine months of 2022 amounted to negative USD 5.8 million, compared with a negative USD 10.4 million in the same period of 2021.

The Company had a net decrease in cash, excluding restricted cash, of USD 0.2 million during the third quarter of 2022. As of 30 September 2022, free cash and cash equivalents totalled USD 11.4 million and restricted cash totalled USD 4.1 million.

### Financing

Total borrowings were USD 24.4 million as of 30 September 2022, up from USD 24.3 million as of 31 December 2021 and down from USD 28.2 million as of 30 September 2021. This includes the Company's convertible bond loan, which had a carrying value of USD 24.5 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 September 2022, the free cash and cash equivalents totalled USD 11.4 million and restricted cash totalled USD 4.1 million.

# Operational Review.

	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Proprietary work	12%	0%	0%	0%	42%
Multi-client projects	10%	18%	0%	44%	6%
<b>Total utilisation</b>	<b>22%</b>	<b>18%</b>	<b>0%</b>	<b>44%</b>	<b>48%</b>

## Vessel utilisation and allocation

The vessel utilisation for the third quarter of 2022 was 22% compared with 48% in the corresponding quarter of 2021. For the first nine months of this year, the vessel utilisation was 13% compared with 28% for the same period last year.

In the third quarter of 2022, the Company's vessel was allocated 10% to multi-client projects and 12% on proprietary work. In the comparable quarter of 2021, 6% was allocated to multi-client projects and 42% on proprietary work.

EMGS recorded 3.0 vessel months in the quarter. In the third quarter 2021, the Company recorded 3.0 vessel months in the quarter.

## Vessel activity in the third quarter

	Utilisation	Status	Firm	Remaining
	Q3 2022	Q3 2022	charter period	Option periods
Atlantic Guardian	22%	In operation	20 October 2023	3 x 12 months

### Atlantic Guardian

EMGS is a member of the ATLAB consortium at NTNU. The consortium was formed to collect geophysical data to improve the understanding of the nature, dynamics and diversities of the mid-ocean ridges and oceanic plates including the formation and distribution of marine mineral deposits. EMGS successfully completed a geophysical data acquisition program in the Loki's Castle and Mohn's Treasure area of the Mid-Atlantic Ridge in the Norwegian economic zone for the consortium.

EMGS acquired a suite of multi-physics data from the Atlantic Guardian, including nodal CSEM, MT, High Frequency deep-towed CSEM, towed seismic, OBN seismic, multi-beam bathymetry and environmental sampling.

Upon successful completion of the proprietary marine mineral survey in the Mid-Atlantic Ridge for the ATLAB consortium and a multi-client survey in East Canada, the Atlantic Guardian started transit towards Trinidad and Tobago to commence a proprietary survey for Woodside.

## Backlog

As of 30 September 2022, EMGS' backlog was USD 14.5 million, compared with a backlog of USD 2.9 million as of the end of the third quarter 2021.

## Events during the first nine months of 2022

### Convertible bond extended

In February 2022, the maturity date of the convertible bond (EMGS03) was extended by 24 months from May 2023 to May 2025. The interest margin of the convertible bond was increased by 100 bps from 5.5 to 6.5 per cent over the applicable reference rate.

**Multi-client sales and change of control event**

In March 2022, EMGS announced USD 2.8 million in revenue from late sales and a change of control event related to its existing multi-client library in Norway.

**Multi-client uplift**

In March 2022, EMGS announced net uplifts in the amount of approximately USD 1 million related to its existing multi-client library in Norway. In April 2022, additional uplifts of USD 1 million were announced.

**Pre-funding secured**

In April 2022, EMGS announced that the Company had secured a total of USD 2.8 million in pre-funding related to a multi-client survey in Norway.

**Multi-client revenues in Norway**

In June 2022, the Company announced USD 1.4 million in late sales and USD 1.2 million from a change of control event related to the existing multi-client library in Norway.

**Secured multi-client late sales**

In July 2022, EMGS was awarded a proprietary survey for CSEM acquisition in Trinidad and Tobago with a maximum value of approximately USD 11 million. The survey commenced in October 2022.

**Secured multi-client uplifts**

In July 2022, EMGS announced that the Company had secured USD 3.8 million in revenue from uplifts related to its existing multi-client library in Norway.

**Secured multi-client pre-funding offshore East Canada**

In July 2022, EMGS secured USD 2 million in pre-funding for a multi-client survey offshore East Canada. The survey was completed in September 2022.

**Awarded Marine Mineral survey offshore Norway**

In August 2022, EMGS was selected as the acquisition provider for the NTNU ATLAB consortium. The contract value was approximately USD 1 million, and acquisition was successfully completed in August 2022.

**Subsequent events**

Commenced acquisition on the survey in Trinidad and Tobago. Acquisition is expected to be completed towards the end of the fourth quarter.

**Share information**

EMGS was listed at the Oslo Stock Exchange in March 2007. During the third quarter 2022, the EMGS share was traded between NOK 1.70 and NOK 2.42 per share. The last closing price on 30 September 2021 was NOK 1.83.

As of 30 September 2022, 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 going forward. 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 September 2022, the free cash and cash equivalents totalled USD 11.4 million.

In the third quarter of 2022 the vessel successfully completed a marine mineral exploration survey in Norway and a fully pre-funded multi-client survey in East Canada, prior to commencing transit to Trinidad and Tobago.

Reference is made to the 2021 Annual Report for a further description of other relevant and important risk factors.

## Outlook

The third quarter of 2022 represents the sixth consecutive profitable quarter for EMGS. The performance over the last six quarters has enabled EMGS to return to positive equity, reduce the convertible bond loan by USD 8 million and continue to strengthen the balance sheet.

EMGS has increased the backlog as compared to the end of the second quarter of 2022 by USD 14.1 million. EMGS is working towards securing additional backlog for the first quarter of 2023, which has traditionally been a slow quarter. While building on the existing backlog is a priority for EMGS, the negotiated flexibility in the vessel charter for the Atlantic Guardian enables EMGS to significantly reduce cash burn during periods of low utilisation.

Multi-client late sales have been and will continue to be an important part of EMGS' revenue stream, generating cash in addition to acquisition contracts. The first, second and third quarter of 2022 were all dependent on late sales to attain a profitable quarter. Late sales typically have a short sales cycle and are not a predictable revenue stream.

The setup used in the ATLAB survey, as detailed in the Operational Review section of this report, will form the basis for EMGS's Multiphysics offering towards marine mineral exploration and potentially offshore wind site surveys.

The Company maintains its cutting-edge technological position in the EM market and is well-positioned to be able to capitalise on any upturn in the market with a more streamlined and efficient organisation.

Oslo, 08 November 2022

Board of Directors and CEO



# Consolidated Income Statement.

Amounts in USD 1 000	Q3 2022 Unaudited	Q3 2021 Unaudited	September YTD 2022 Unaudited	September YTD 2021 Unaudited	2021 Audited
<b>Operating revenues</b>					
Contract sales	1,607	7,388	1,917	7,593	7,634
Multi-client pre-funding	0	0	2,793	7,200	10,151
Multi-client late sales/uplift	3,790	4,040	11,307	4,960	5,785
Other revenue	1,231	1,315	3,757	4,009	5,304
<b>Total revenues</b>	<b>6,627</b>	<b>12,744</b>	<b>19,774</b>	<b>23,762</b>	<b>28,874</b>
<b>Operating expenses</b>					
Charter hire, fuel and crew expenses	1,328	1,677	1,873	2,607	3,502
Employee expenses	849	769	2,226	2,255	3,012
Depreciation and ordinary amortisation	978	1,076	3,147	3,226	4,207
Depreciation right-of-use assets	1,124	1,085	2,627	2,810	3,524
Multi-client amortisation	234	253	1,651	2,233	2,457
Impairment of long-term assets	0	0	0	0	0
Other operating expenses	694	559	2,137	2,189	2,964
<b>Total operating expenses</b>	<b>5,206</b>	<b>5,419</b>	<b>13,661</b>	<b>15,320</b>	<b>19,665</b>
<b>Operating profit/ (loss)</b>	<b>1,421</b>	<b>7,325</b>	<b>6,112</b>	<b>8,442</b>	<b>9,209</b>
<b>Financial income and expenses</b>					
Interest income	144	13	168	23	28
Interest expense	-528	-741	-1,724	-2,251	-2,925
Interest expense lease liabilities	-171	-177	-368	-615	-762
Impairment financial assets	0	-1,920	0	-1,920	-1,920
Net gains/(losses) of financial assets and liabilities	0	1,000	0	1,000	2,000
Net foreign currency income/(loss)	-93	-185	40	-245	-290
<b>Net financial items</b>	<b>-649</b>	<b>-2,011</b>	<b>-1,884</b>	<b>-4,007</b>	<b>-3,869</b>
<b>Income/ (loss) before income taxes</b>	<b>772</b>	<b>5,314</b>	<b>4,228</b>	<b>4,434</b>	<b>5,339</b>
Income tax expense	0	651	-33	733	417
<b>Income/ (loss) for the period</b>	<b>772</b>	<b>4,663</b>	<b>4,261</b>	<b>3,701</b>	<b>4,922</b>

# Consolidated Statement of Comprehensive Income.

Amounts in USD 1 000	Q3 2022 Unaudited	Q3 2021 Unaudited	September YTD 2022 Unaudited	September YTD 2021 Unaudited	2021 Audited
<b>Income/ (loss) for the period</b>	<b>772</b>	<b>4,663</b>	<b>4,261</b>	<b>3,701</b>	<b>4,922</b>
<b>Other comprehensive income</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of foreign operations	-1	-23	-2	-23	-25
<b>Other comprehensive income/(loss)</b>	<b>-1</b>	<b>-23</b>	<b>-2</b>	<b>-23</b>	<b>-25</b>
Actuarial gains/(losses) on defined benefit plans	0	0	0	0	0
<b>Other comprehensive income</b>	<b>-1</b>	<b>-23</b>	<b>-2</b>	<b>-23</b>	<b>-25</b>
<b>Total other comprehensive income/(loss) for the period</b>	<b>771</b>	<b>4,640</b>	<b>4,259</b>	<b>3,678</b>	<b>4,897</b>

# Consolidated Statement of Financial Position.

Amounts in USD 1 000	30 September 2022 Unaudited	30 September 2021 Unaudited	31 December 2021 Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
Multi-client library	2,363	1,316	2,412
Other intangible assets	160	544	422
Property, plant and equipment	10,114	13,563	12,747
Right-of-use assets	6,304	5,472	4,465
Financial lease receivables	0	94	72
Assets under construction	3	3	3
<b>Total non-current assets</b>	<b>18,945</b>	<b>20,992</b>	<b>20,121</b>
<b>Current assets</b>			
Spare parts, fuel, anchors and batteries	4,201	4,626	3,813
Trade receivables	3,005	997	1,267
Other receivables	3,788	3,939	3,759
Financial lease receivables	73	68	68
Cash and cash equivalents	11,381	14,685	9,855
Restricted cash	4,136	1,219	1,278
<b>Total current assets</b>	<b>26,583</b>	<b>25,535</b>	<b>20,041</b>
<b>Total assets</b>	<b>45,528</b>	<b>46,527</b>	<b>40,162</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders</b>			
Share capital, share premium and other paid-in equity	71,490	71,490	71,490
Other reserves	-1,572	-1,567	-1,570
Retained earnings	-68,167	-73,656	-72,433
<b>Total equity</b>	<b>1,749</b>	<b>-3,735</b>	<b>-2,514</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	1,203	6,016	4,812
Borrowings	24,437	28,163	24,295
Non-current leasing liabilities	640	893	522
<b>Total non-current liabilities</b>	<b>26,281</b>	<b>35,071</b>	<b>29,629</b>
<b>Current liabilities</b>			
Trade payables	2,000	1,509	1,981
Current tax liabilities	3,365	3,584	3,376
Other short term liabilities	5,309	3,272	1,451
Current leasing liabilities	6,823	6,826	6,239
<b>Total current liabilities</b>	<b>17,498</b>	<b>15,191</b>	<b>13,048</b>
<b>Total liabilities</b>	<b>43,779</b>	<b>50,262</b>	<b>42,677</b>
<b>Total equity and liabilities</b>	<b>45,528</b>	<b>46,527</b>	<b>40,162</b>

# Consolidated Statement of Cash Flows.

Amounts in USD 1 000	Q3 2022 Unaudited	Q3 2021 Unaudited	Year to date 2022 Unaudited	Year to date 2021 Unaudited	2021 Audited
<b>Net cash flow from operating activities</b>					
Income/(loss) before income taxes	772	5,314	4,228	4,434	5,339
<b>Adjustments for:</b>					
Total taxes paid	0	-703	0	-1,067	-1,076
Depreciation and ordinary amortisation	978	1,076	3,147	3,226	4,207
Depreciation right-of-use assets	1,423	1,185	3,015	3,543	4,751
Multi-client amortisation	234	253	1,651	2,233	2,457
Impairment of other long term assets	0	0	0	0	0
Cost of share-based payment	1	2	3	5	6
Change in trade receivables	473	2,936	-1,738	5,249	4,979
Change in inventories	-548	203	-388	101	913
Change in trade payables	-411	-808	18	48	520
Change in other working capital	-362	-1,953	-2,547	2,815	55
Finance Income	-144	-1,013	-168	-1,023	-2,028
Finance Cost	625	859	1,920	2,717	3,498
<b>Net cash flow from operating activities</b>	<b>3,042</b>	<b>7,351</b>	<b>9,142</b>	<b>22,281</b>	<b>23,621</b>
<b>Investing activities:</b>					
Purchase of property, plant and equipment	-171	-2	-219	-44	-90
Investment in multi-client library	-682	-207	-1,602	-1,339	-2,659
Purchase of intangible assets	0	0	-33	0	0
<b>Cash used in investing activities</b>	<b>-853</b>	<b>-209</b>	<b>-1,855</b>	<b>-1,383</b>	<b>-2,749</b>
<b>Financial activities:</b>					
Financial lease principal	-1,846	-1,954	-4,151	-5,045	-6,206
Interest lease liabilities	-171	-177	-368	-615	-762
Repayment of loan	0	-3,000	0	-3,000	-6,000
Interest paid	-521	-532	-1,409	-1,756	-2,257
Interest received	144	13	168	23	28
<b>Cash used in/provided by financial activities</b>	<b>-2,394</b>	<b>-5,650</b>	<b>-5,761</b>	<b>-10,393</b>	<b>-15,197</b>
<b>Net change in cash</b>	<b>-206</b>	<b>1,492</b>	<b>1,526</b>	<b>10,505</b>	<b>5,676</b>
Cash balance beginning of period	11,587	13,193	9,855	4,179	4,179
Cash balance end of period	11,381	14,685	11,381	14,685	9,855
<b>Net change in cash</b>	<b>-206</b>	<b>1,492</b>	<b>1,526</b>	<b>10,506</b>	<b>5,676</b>

# Consolidated Statement of Changes in Equity.

Amounts in USD 1 000	Share capital share premium and other paid-in- capital	Foreign currency translation reserves	Retained earnings	Total equity
<b>Balance as of 31 December 2020 (Audited)</b>	<b>71,490</b>	<b>-1,544</b>	<b>-77,361</b>	<b>-7,417</b>
Income/(loss) for the period	0	0	-3,602	-3,602
Other comprehensive income	0	0	0	0
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-3,602</b>	<b>-3,602</b>
Cost of share-based payments	0	0	1	1
<b>Balance as of 31 March 2021 (Unaudited)</b>	<b>71,490</b>	<b>-1,544</b>	<b>-80,962</b>	<b>-11,018</b>
Income/(loss) for the period	0	0	2,640	2,640
Other comprehensive income	0	0	0	0
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>2,640</b>	<b>2,640</b>
Cost of share-based payments	0	0	2	2
<b>Balance as of 30 June 2021 (Unaudited)</b>	<b>71,490</b>	<b>-1,544</b>	<b>-78,320</b>	<b>-8,376</b>
Income/(loss) for the period	0	0	4,663	4,663
Other comprehensive income	0	-23	0	-23
<b>Total comprehensive income</b>	<b>0</b>	<b>-23</b>	<b>4,663</b>	<b>4,640</b>
Cost of share-based payments	0	0	2	2
<b>Balance as of 30 September 2021 (Unaudited)</b>	<b>71,490</b>	<b>-1,567</b>	<b>-73,656</b>	<b>-3,735</b>
Income/(loss) for the period	0	0	1,221	1,221
Other comprehensive income	0	-2	0	-2
<b>Total comprehensive income</b>	<b>0</b>	<b>-2</b>	<b>1,221</b>	<b>1,219</b>
Cost of share-based payments	0	0	2	2
<b>Balance as of 31 December 2021 (Audited)</b>	<b>71,490</b>	<b>-1,570</b>	<b>-72,433</b>	<b>-2,514</b>
Income/(loss) for the period	0	0	1,638	1,638
Other comprehensive income	0	0	0	0
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>1,638</b>	<b>1,638</b>
Cost of share-based payments	0	0	1	1
<b>Balance as of 31 March 2022 (Unaudited)</b>	<b>71,490</b>	<b>-1,569</b>	<b>-70,794</b>	<b>-875</b>
Income/(loss) for the period	0	0	1,851	1,851
Other comprehensive income	0	-2	0	-2
<b>Total comprehensive income</b>	<b>0</b>	<b>-2</b>	<b>1,851</b>	<b>1,849</b>
Cost of share-based payments	0	0	2	2
<b>Balance as of 30 June 2022 (Unaudited)</b>	<b>71,490</b>	<b>-1,571</b>	<b>-68,941</b>	<b>976</b>
Income/(loss) for the period	0	0	772	772
Other comprehensive income	0	-1	0	-1
<b>Total comprehensive income</b>	<b>0</b>	<b>-1</b>	<b>772</b>	<b>771</b>
Cost of share-based payments	0	0	2	2
<b>Balance as of 30 September 2022 (Unaudited)</b>	<b>71,490</b>	<b>-1,572</b>	<b>-68,167</b>	<b>1,749</b>

# 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 2021, which are available on [www.emgs.com](http://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	Q3 2022 Unaudited	Q3 2021 Unaudited	September YTD 2022 Unaudited	September YTD 2021 Unaudited	2021 Audited
Americas	0.1	2.6	0.2	9.9	10.2
Asia/Pacific	0.0	7.3	0.0	7.4	7.4
EAME	6.6	2.8	19.5	6.5	11.4
<b>Total</b>	<b>6.6</b>	<b>12.7</b>	<b>19.7</b>	<b>23.8</b>	<b>28.9</b>

## Multi-client library

The multi-client library consists of electromagnetic data acquired through multi-client surveys i.e., EMGS owns the data. The EM 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	Q3 2022 Unaudited	Q3 2021 Unaudited	September YTD 2022 Unaudited	September YTD 2021 Unaudited	2021 Audited
Opening carrying value	1.9	1.4	2.4	2.2	2.2
Additions	0.7	0.2	1.6	1.3	2.7
Amortisation charge	-0.2	-0.3	-1.6	-2.2	-2.5
Impairment	0.0	0.0	0.0	0.0	0.0
<b>Closing carrying value</b>	<b>2.4</b>	<b>1.3</b>	<b>2.4</b>	<b>1.3</b>	<b>2.4</b>

## 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.

For further information, visit [www.emgs.com](http://www.emgs.com), or contact:

Anders Eimstad

CFO

Email: [aeimstad@emgs.com](mailto:aeimstad@emgs.com)

Phone: +47 948 25 836

# 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	Q3 2022 Unaudited	Q3 2021 Unaudited	September YTD 2022 Unaudited	September YTD 2021 Unaudited	2021 Audited
Operating profit / (loss)	1,421	7,325	6,112	8,442	9,209
Depreciation and ord. amortisation	2,102	2,161	5,774	6,035	7,731
Multi-client amortisation	234	253	1,651	2,233	2,457
Impairment of long term assets	0	0	0	0	0
<b>EBITDA</b>	<b>3,757</b>	<b>9,739</b>	<b>13,537</b>	<b>16,710</b>	<b>19,396</b>

## 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.



**EMGS Headquarters**  
Karenslyst Allè 4 , 4th Floor  
N-0278 Oslo, Norway

[emgs.com](https://emgs.com)  
[emgs@emgs.com](mailto:emgs@emgs.com)