

EMGS
Fourth
QUARTER
2023.

Highlights in the Fourth Quarter.

Operational highlights

- The Atlantic Guardian was warm-stacked for the entire quarter
- Initial phase of renewable energy infrastructure acquisition project completed

Financial highlights

- Revenues of USD 1.1 million
- Adjusted EBITDA of negative USD 1.7 million
- Total available cash of USD 10.3 million

Subsequent events

- Secured USD 11.7 million fully prefunded multi-client survey for Petrobras in January 2024
- Received a Letter of Intent for a fully prefunded multi-client survey in Norway with an expected contract value of USD 2.0 million, subject to a binding contract being entered into

Key financial figures

Amounts in USD million (except per share data)	Q4 2023	Q4 2022	2023	2022	Q3 2023
	Unaudited	Unaudited	Unaudited	Audited	Unaudited
Contract sales	0.4	11.6	0.8	13.6	0.1
Multi-client pre-funding	0.0	2.0	0.0	4.8	0.0
Multi-client late sales	0.8	0.6	7.2	11.9	1.5
Other revenue	0.0	1.0	0.0	4.8	0.0
Total revenues	1.1	15.2	8.0	35.0	1.6
Operating profit/ (loss)	-3.0	7.0	-6.1	13.1	-1.3
Income/ (loss) before income taxes	-3.7	6.9	-8.2	11.1	-1.8
Income/ (loss) for the period	-3.7	6.9	-8.2	11.2	-1.8
Earnings/ (loss) per share	-0.03	0.05	-0.06	0.09	-0.01
Average number of shares outstanding (in thousands)	130,970	130,970	130,970	130,970	130,970
EBITDA	-1.0	10.3	1.0	23.8	0.0
Multiclient investment	0.0	0.0	0.0	1.2	0.0
Vessel and office lease	0.7	2.1	2.8	6.5	0.8
Adjusted EBITDA	-1.7	8.2	-1.8	16.1	-0.7

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

Financial Review.

Revenues and operating expenses

For the fourth quarter of 2023, EMGS recorded revenues of USD 1.1 million, down from USD 15.2 million reported for the corresponding quarter of 2022. Contract and other sales totalled USD 0.4 million, while multi-client sales amounted to USD 0.8 million. For the fourth quarter of 2022, contract and other sales totalled USD 12.6 million, while multi-client sales amounted to USD 2.6 million.

For the full year 2023, revenues amounted to USD 8.0 million, compared with USD 35.0 million for the full year 2022.

For the fourth quarter of 2023, charter hire, fuel and crew expense, excluding vessel lease expenses and multi-client expenses, amounted to USD 0.4 million, compared with USD 2.4 million in the fourth quarter of 2022. The decrease in charter hire, fuel and crew expenses in the fourth quarter of 2023 as compared to the fourth quarter of 2022 is due to the Atlantic Guardian being warm-stacked for the entire fourth quarter of 2023. The Company did not capitalise any charter hire, fuel and crew expenses as multi-client expenses in the fourth quarter of 2023 or in the fourth 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 4.4 million in the fourth quarter of 2022 to USD 1.1 million in the fourth quarter of 2023.

For the full year 2023, charter hire, fuel and crew expenses totalled USD 1.2 million, down from USD 4.2 million in 2022. The decrease in charter hire, fuel and crew expense for the full year 2023, as compared to the full year 2022, is due to the Atlantic Guardian being warm-stacked for entire year in 2023.

For the fourth quarter of 2023, employee expenses amounted to USD 0.7 million, compared to USD 1.7 million in the fourth quarter of 2022. An accrual for employee bonus was made in the fourth quarter of 2022 in the amount of USD 0.7 million. No bonus has been accrued for 2023.

For the full year 2023, employee expenses were USD 3.0 million, down from USD 3.9 million in the same period of 2022.

For the fourth quarter of 2023, other operating expenses totalled USD 1.0 million, compared to USD 0.9 million in the fourth quarter of 2022.

For the full year 2023, other operating expenses amounted to USD 2.8 million, compared to USD 3.0 million in 2022.

Depreciation, amortisation and impairment

For the fourth quarter of 2023, other depreciation and amortisation totalled USD 1.4 million, compared to USD 1.0 million in the fourth quarter of 2022.

For the fourth quarter of 2023, no impairments of long-term assets were made, neither were they made in the same period last year.

For the full year 2023, other depreciation and amortisation totalled USD 3.7 million, compared to USD 4.2 million in 2022.

For the fourth quarter of 2023, multi-client amortisation amounted to USD 0.1 million, compared to USD 0.9 million in the fourth quarter of 2022. The Company uses straight-line amortisation for its completed multi-client projects, assigned over the useful lifetime of 4 years.

For the full year 2023, multi-client amortisation totalled USD 0.6 million, compared to USD 2.5 million in 2022.

Net financial items

For the fourth quarter of 2023, net financial items ended at negative USD 0.7 million, compared with negative USD 85 thousand in the corresponding quarter last year. In the fourth quarter of 2022, EMGS recorded a financial gain of USD 0.7 million as a result of a bond repurchase done at 86.5 percent of par. In the fourth quarter of 2023, the Group recorded an

interest expense of USD 0.8 million compared with an interest expense of USD 0.8 million in the fourth quarter of 2022. In the fourth quarter of 2023, the Company recorded a net currency loss of USD 120 thousand, compared with a currency loss of USD 48 thousand in the fourth quarter of 2022.

For the full year 2023, net financial items were negative USD 2.1 million, compared with a negative USD 2.0 million in 2022.

Income/(loss) before income taxes

For the fourth quarter of 2023, loss before income taxes amounted to USD 3.7 million, compared with profit before income taxes of USD 6.9 million in the corresponding quarter in 2022.

For the full year 2023, loss before income taxes amounted to USD 8.2 million, compared with a profit before income taxes of USD 11.1 million in 2022.

Income tax expenses

For the fourth quarter of 2023, income tax gain of USD 24 thousand was recorded, compared with a USD 13 thousand income tax gain in the fourth quarter of 2022.

For the full year 2023, income tax gain was USD 21 thousand, compared with a gain of USD 46 thousand in 2022.

Net income for the period

For the fourth quarter of 2023, the loss amounted to USD 3.7 million, down from a profit of USD 6.9 million in the same period last year.

For the full year 2023, the loss was USD 8.2 million, down from a profit of USD 11.2 million in 2022.

Cash flow and balance sheet

In the fourth quarter of 2023, net cash flow from operating activities was positive USD 0.4 million, compared with a positive net cash flow of USD 7.2 million in the fourth quarter of 2022.

For the full year 2023, net cash flow from operating activities was positive USD 5.0 million, compared with a positive USD 16.6 million in the same period last year. Net cash flow from operating activities was negatively affected by changes in trade receivables for the full year 2022 by USD 6.6 million, while changes in trade receivables positively affected net cash flow from operating activities by USD 6.8 million for the full year 2023.

EMGS applied USD 0.4 million in investing activities in the fourth quarter this year, compared with USD 0.1 million in investing activities in the fourth quarter of last year.

Cash flow applied to investing activities for the full year 2023 amounted to a negative USD 0.9 million, compared with a negative USD 2.0 million in 2022. The Company invested USD 0.9 million in equipment in the full year 2023.

The carrying value of the multi-client library was USD 1.0 million as of 31 December 2023, compared to USD 1.5 million as of 31 December 2022.

Cash flow related to financial activities was negative USD 1.3 million in the fourth quarter of 2023, compared with a negative cash flow of USD 7.1 million in the same quarter last year.

Cash flow from financial activities for the full year 2023 amounted to negative USD 5.2 million, compared with a negative USD 13.0 million in 2022. The Company used USD 4.3 million in the fourth quarter of 2022 towards a bond buy-back.

The Company had a net decrease in cash of USD 1.3 million during the fourth quarter of 2023. As of 31 December 2023, free cash and cash equivalents totalled USD 10.3 million and restricted cash totalled USD 0.2 million.

Financing

Total borrowings were USD 19.6 million as of 31 December 2023, up from USD 19.5 million as of 31 December 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 31 December 2023, the free cash and cash equivalents totalled USD 10.3 million and restricted cash totalled USD 0.2 million.

Operational Review.

	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Proprietary work	0%	0%	0%	0%	46%
Multi-client projects	0%	0%	0%	0%	0
Total utilisation	0%	0%	0%	0%	46%

Vessel utilisation and allocation

The vessel utilisation for the fourth quarter of 2023 was 0% compared with 46% in the corresponding quarter of 2022. For the full year 2023, the vessel utilisation was 0% compared with 22% in 2022.

EMGS recorded 3.0 vessel months in the fourth quarter of 2023, as the Company did in the fourth quarter of 2022.

Vessel activity in the fourth quarter

	Utilisation Q4 2023	Status Q4 2023	Firm charter period	Remaining Option periods
Atlantic Guardian	0%	Warm-stacked	20 October 2024	2 x 12 months

Atlantic Guardian

The Atlantic Guardian has been warm-stacked for the entire quarter.

Backlog

As of 31 December 2023, EMGS' backlog was USD 2.9 million, compared with a backlog of USD 1.6 million as of the end of the fourth quarter 2022. Of the USD 2.9 million in backlog at 31 December 2023, USD 2.1 million is conditional upon receiving certain notice to proceed orders from the customer.

Events during 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.

EMGS secures late sales multi-client revenue

In August 2023, Electromagnetic Geoservices ASA announced it had secured USD 1.0 million in revenue related to its existing multi-client library in Norway.

Subsequent events

In January 2024, EMGS secured USD 11.7 million fully prefunded multi-client project in Brazil for Petrobras. The survey is expected to start late March or early April 2024.

In February 2024, EMGS received a Letter of Intent from Equinor for a fully prefunded multi-client survey in the North Sea. Subject to a binding contract being entered into, the survey is expected to have a contract value of approximately USD 2.0 million.

Share information

EMGS was listed at the Oslo Stock Exchange in March 2007. During the fourth quarter 2023, the EMGS share was traded between NOK 1.81 and NOK 2.63 per share. The last closing price on 31 December 2023 was NOK 2.55.

As of 31 December 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. As EM surveys are considered a niche product to many E&P companies, demand can be volatile, unpredictable and is subject to upward and downward pressure from economic, environmental, political, and other factors. Changes in E&P companies' focus, and priorities will also typically impact the demand for EM services. For example, reduced investments in frontier exploration have historically resulted in lower demand for EM services.

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 31 December 2023, the free cash and cash equivalents totalled USD 10.3 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 with a lower fixed cost base.

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

Outlook

The Atlantic Guardian is currently in warm-stack but is being mobilised for the 2024 season.

As of the date of this report, EMGS has secured USD 11.7 million in prefunding for a multi-client acquisition project for Petrobras in the Espirito Santos Basin offshore Brazil. This project is expected to be acquired during the 2nd quarter of 2024. The company is working on securing additional acquisition work for the vessel. The awards in the 2023 APA license rounds in Norway included several licenses with EM work program obligations, and the Company expects that the Atlantic Guardian will be active on the Norwegian Continental Shelf during the year.

EMGS is currently engaged in a number of discussions with customers, both in Norway and internationally, regarding potential EM acquisition projects for 2024 and beyond. While uncertainty remains high for the second half of 2024, EMGS is encouraged by the level of customer interest.

Oslo, 15 February 2024

Board of Directors and CEO

Consolidated Income Statement.

Amounts in USD 1 000	Q4 2023 Unaudited	Q4 2022 Unaudited	2023 Unaudited	2022 Audited
Operating revenues				
Contract sales	356	12,460	767	13,561
Multi-client pre-funding	0	2,000	0	4,793
Multi-client late sales	793	568	7,221	11,874
Other revenue	0	995	0	4,751
Total revenues	1,149	15,206	7,988	34,979
Operating expenses				
Charter hire, fuel and crew expenses	442	2,367	1,228	4,241
Employee expenses	687	1,658	2,950	3,884
Depreciation right-of-use assets	426	1,423	2,808	4,049
Multi-client amortisation	138	862	553	2,513
Other depreciation and amortisation	1,395	1,012	3,707	4,159
Other operating expenses	1,044	881	2,844	3,018
Total operating expenses	4,132	8,203	14,090	21,864
Operating profit/ (loss)	-2,983	7,003	-6,102	13,115
Financial income and expenses				
Interest income	263	220	1,251	388
Interest expense	-778	-792	-3,094	-2,516
Interest expense lease liabilities	-78	-136	-310	-504
Gains on financial assets and liabilities	0	671	-1	671
Net foreign currency income/(loss)	-120	-48	58	-7
Net financial items	-714	-85	-2,097	-1,969
Income/ (loss) before income taxes	-3,697	6,918	-8,199	11,146
Income tax expense	-24	-13	-21	-46
Income/ (loss) for the period	-3,673	6,931	-8,178	11,192

Consolidated Statement of Comprehensive Income.

Amounts in USD 1 000	Q4 2023 Unaudited	Q4 2022 Unaudited	2023 Unaudited	2022 Audited
Income/ (loss) for the period	-3,673	6,931	-8,178	11,192
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of foreign operations	-2	-3	-4	-5
Other comprehensive income/(loss)	-2	-3	-4	-5
Total other comprehensive income/(loss) for the period	-3,676	6,928	-8,182	11,187

Consolidated Statement of Financial Position.

Amounts in USD 1 000	31 December 2023 Unaudited	31 December 2022 Audited
ASSETS		
Non-current assets		
Multi-client library	951	1,504
Other intangible assets	12	106
Property, plant and equipment	6,584	9,252
Right-of-use assets	1,530	4,882
Other receivables and prepayments	2,929	2,693
Assets under construction	0	3
Total non-current assets	12,006	18,439
Current assets		
Spare parts, fuel, anchors and batteries	4,010	4,158
Trade receivables and accrued revenues	1,124	7,898
Other receivables and prepayments	179	506
Financial lease receivables	0	49
Cash and cash equivalents	10,255	11,434
Restricted cash	193	196
Total current assets	15,761	24,241
Total assets	27,767	42,681
EQUITY		
Capital and reserves attributable to equity holders		
Share capital, share premium and other paid-in equity	71,589	71,490
Other reserves	-1,579	-1,575
Retained earnings	-69,407	-61,233
Total equity	601	8,681
LIABILITIES		
Non-current liabilities		
Borrowings	19,584	19,484
Non-current leasing liabilities	139	118
Total non-current liabilities	19,722	19,601
Current liabilities		
Trade payables	1,135	2,928
Current tax liabilities	2,945	3,025
Other short term liabilities	1,169	3,104
Current leasing liabilities	2,194	5,341
Total current liabilities	7,443	14,398
Total liabilities	27,165	33,999
Total equity and liabilities	27,767	42,681

Consolidated Statement of Cash Flows.

Amounts in USD 1 000	Q4 2023 Unaudited	Q4 2022 Unaudited	2023 Unaudited	2022 Audited
Net cash flow from operating activities				
Income/ (loss) before income taxes	-3,697	6,918	-8,199	11,146
Adjustments for:				
Withholding tax expenses	0	-108	0	-108
Total taxes paid	-12	-234	-59	-234
Depreciation right-of-use assets	426	1,423	2,808	4,437
Multi-client amortisation	138	862	553	2,513
Other depreciation and amortisation	1,395	1,012	3,707	4,160
Cost of share-based payment	186	1	101	4
Change in trade receivables	410	-4,894	6,775	-6,632
Change in inventories	141	43	148	-345
Change in trade payables	480	928	-1,793	947
Change in other working capital	236	1,159	-1,792	-1,388
Finance Income	0	-671	0	-671
Finance Cost	701	810	2,705	2,730
Net cash flow from operating activities	404	7,249	4,952	16,560
Investing activities:				
Purchase of property, plant and equipment	-350	-98	-946	-318
Investment in multi-client library	0	0	0	-1,602
Purchase of intangible assets	0	0	0	-33
Cash used in investing activities	-350	-98	-946	-1,953
Financial activities:				
Principal amount leases	-653	-2,006	-2,580	-6,156
Interest lease liabilities	-78	-136	-310	-504
Repayment/settlement of loan	0	-4,297	0	-4,297
Interest paid	-604	-661	-2,295	-2,070
Cash used in/ provided by financial activities	-1,335	-7,099	-5,185	-13,027
Net change in cash	-1,280	53	-1,179	1,580
Cash balance beginning of period	11,535	11,381	11,434	9,855
Cash balance end of period	10,255	11,434	10,255	11,434
Net change in cash	-1,280	53	-1,179	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 (Unaudited)	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
Income/(loss) for the period	0	0	-1,791	-1,791
Other comprehensive income	0	-1	0	-1
Total comprehensive income	0	-1	-1,791	-1,791
Cost of share-based payments	0	0	1	1
Balance as of 30 September 2023 (Unaudited)	71,405	-1,576	-65,735	4,091
Income/(loss) for the period	0	0	-3,673	-3,673
Other comprehensive income	0	-2	0	-2
Total comprehensive income	0	-2	-3,673	-3,676
Cost of share-based payments	184	0	1	186
Balance as of 31 December 2023 (Unaudited)	71,589	-1,579	-69,407	601

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	Q4 2023 Unaudited	Q4 2022 Unaudited	2023 Unaudited	2022 Audited
Americas	0.1	13.8	0.4	14.0
Asia/Pacific	0.1	0.0	0.1	0.0
EAME	0.9	1.4	7.4	21.0
Total	1.1	15.2	8.0	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	Q4 2023 Unaudited	Q4 2022 Unaudited	2023 Unaudited	2022 Audited
Opening carrying value	1.1	2.4	1.5	2.4
Additions	0.0	0.0	0.0	1.6
Amortisation charge	-0.1	-0.9	-0.6	-2.5
Impairment	0.0	0.0	0.0	0.0
Closing carrying value	1.0	1.5	1.0	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.

For further information, visit www.emgs.com, or contact:

Anders Eimstad

CFO

Email: 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	Q4 2023 Unaudited	Q4 2022 Unaudited	2023 Unaudited	2022 Audited
Operating profit/ (loss)	-2,983	7,003	-6,102	13,115
Depreciation right-of-use assets	426	1,423	2,808	4,049
Multi-client amortisation	138	862	553	2,513
Other depreciation and amortisation	1,395	1,012	3,707	4,159
Impairment of long-term assets	0	0	0	0
EBITDA	-1,024	10,300	965	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 such 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
emgs@emgs.com