Earnings Release
Q4 - 2022

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Strong Revenue Growth in a Recovering Seismic Market

Highlights 2022

- Produced Revenues (see Note 1 and 2) of $817.2 million, compared to $590.0 million in 2021
- Produced EBITDA of $446.7 million, compared to $320.2 million in 2021
- Revenues and Other Income according to IFRS of $825.1 million, compared to $703.8 million in 2021, with an EBITDA of $454.6 million, compared to $434.0 million in 2021
- EBIT (ex. impairments and other charges, net) according to IFRS of $117.0 million, compared to a loss of $32.0 million in 2021
- Net loss of $32.8 million, compared to a net loss of $179.4 million in 2021
- Cash flow from operations of $371.3 million, compared to $326.6 million in 2021
- Cash and cash equivalents of $363.8 million, compared to $170.0 million in 2021
- Net debt reduced by $319.7 million (34%), well positioned to refinance in 2023
- Order book (related to future production) increase of 74%
- Established a strong position in the carbon storage geoservices market with successful completion of four acquisition projects
- ~80% of PGS Imaging is performed in the Cloud at a significantly lower cost vs. on-premises compute capacity

"Our Produced Revenues increased close to 40% in 2022. We had a slow start to the year with approximately half the fleet idle, but from early Q2 our vessel utilization improved significantly, and the recovering seismic market is evident from our financial numbers.

Along with the structurally growing effort to optimize producing fields among larger energy companies, we experience a strong renewed focus on exploration, including frontier areas. This benefits both our contract and MultiClient acquisition activity and contributed to a strong increase of contract revenues and easier access to pre-funding for new MultiClient projects. The full year Produced Pre-funding level ended at 123% of MultiClient cash investments, above our targeted range.

MultiClient late sales were the second highest on record and almost 50% higher than in 2021. We have a geographically diverse, modern and very attractive MultiClient library, which we expect will continue to deliver very good results.

With increasing cash flow generation and strong shareholder support we have reduced our net debt significantly and we are well positioned to refinance during 2023.

We increased our order book by 74% in 2022 and it is now at the highest level since Q3 2014. The order book reflects increasing rates and higher activity and we expect both to continue on a positive trend in 2023."

Rune Olav Pedersen,
President and Chief Executive Officer

Outlook

PGS expects global energy consumption to continue to increase longer term with oil and gas remaining an important part of the energy mix, as the global energy transition evolves. Offshore reserves will be vital for future energy supply and support demand for marine seismic services. With high oil and gas prices, the seismic market is recovering. Russia's invasion of Ukraine has significantly increased the general focus on energy security and, combined with several years of low investment in new oil and gas supplies, has further increased oil and gas prices and investment pressures on energy companies.

Offshore investments in oil and gas exploration and production are expected to increase in 2023. The seismic acquisition market is likely to benefit from the higher exploration and production spending, and a limited supply of seismic vessels.

PGS expects full year 2023 gross cash costs to be approximately $550 million. The increase from 2022 is primarily due to the higher activity level and more capacity in operation.

2023 MultiClient cash investments are expected to be approximately $160 million.

Approximately 60% of 2023 active 3D vessel time is expected to be allocated to contract work.

Capital expenditures for 2023 is expected to be approximately $100 million.

The Order book (which now only includes revenues related to future production, ref. definition of the APM "Order book" in Appendix) amounted to $416 million on December 31, 2022. On September 30, 2022, and December 31, 2021, the Order book was $253 million and $239 million, respectively. The order book on a basis consistent with IFRS 15 (which includes deferred revenues relating to production already performed) totaled $517 million on December 31, 2022. Reference is made to Note 1. Comparable order book numbers can be found in Appendix.

Key Financial Figures

(In millions of US dollars, except per share data)	Quarter ended December 31, 2022	Quarter ended December 31, 2021	Year ended December 31, 2022	Year ended December 31, 2021
Segment reporting				
Produced Revenues	250.7	174.3	817.2	590.0
Produced EBITDA	145.2	96.1	446.7	320.2
Profit and loss numbers, As Reported				
Revenues and Other Income	216.7	210.4	825.1	703.8
EBITDA	111.2	132.2	454.6	434.0
EBIT ex. impairment and other charges, net	45.9	9.7	117.0	(32.0)
Net financial items	(31.2)	(18.5)	(112.7)	(97.6)
Income (loss) before income tax expense	2.1	(45.0)	(6.7)	(163.8)
Income tax expense	(7.0)	(8.5)	(26.1)	(15.6)
Net income (loss) to equity holders	(4.9)	(53.5)	(32.8)	(179.4)
Basic earnings per share ($ per share)	(0.01)	(0.13)	(0.06)	(0.45)
Other key numbers				
Net cash provided by operating activities	86.4	42.0	371.3	326.6
Cash investment in MultiClient library	25.0	23.3	106.4	127.2
Capital expenditures (whether paid or not)	10.7	9.7	50.2	33.4
Total assets	1,953.3	1,792.8	1,953.3	1,792.8
Cash and cash equivalents	363.8	170.0	363.8	170.0
Net interest bearing debt	616.7	936.4	616.7	936.4
Net interest bearing debt, including lease liabilities following IFRS 16	703.9	1,051.3	703.9	1,051.3

Condensed Consolidated Statements of Profit and Loss and Other Comprehensive Income

(In millions of US dollars)	Note	Quarter ended December 31, 2022	Quarter ended December 31, 2021	Year ended December 31, 2022	Year ended December 31, 2021
Revenues and Other Income	2	216.7	210.4	825.1	703.8
Cost of sales	3	(93.7)	(68.0)	(324.7)	(227.2)
Research and development costs	3	(1.9)	(1.9)	(6.9)	(6.5)
Selling, general and administrative costs	3	(9.9)	(8.3)	(38.9)	(36.1)
Amortization and impairment of MultiClient library	4	(52.6)	(105.4)	(253.1)	(379.0)
Depreciation and amortization of non-current assets (excl. MultiClient library)	4	(24.1)	(30.7)	(95.9)	(100.6)
Impairment and gain/(loss) on sale of non-current assets (excl. MultiClient library)	4	(5.6)	(15.0)	(5.3)	(15.0)
Other charges, net	4	4.4	(7.6)	5.7	(5.6)
Total operating expenses		(183.4)	(236.9)	(719.1)	(770.0)
Operating profit (loss)/EBIT		33.3	(26.5)	106.0	(66.2)
Share of results from associated companies	5	(6.5)	2.4	(5.0)	1.2
Interest expense	6	(28.9)	(25.4)	(110.3)	(99.4)
Other financial expense, net	7	4.2	4.5	2.6	0.6
Income (loss) before income tax expense		2.1	(45.0)	(6.7)	(163.8)
Income tax	8	(7.0)	(8.5)	(26.1)	(15.6)
Net income (loss) to equity holders of PGS ASA		**(4.9)**	**(53.5)**	**(32.8)**	**(179.4)**
Other comprehensive income					
Items that will not be reclassified to profit and loss	13	(1.3)	(1.5)	38.4	14.8
Items that may be subsequently reclassified to profit and loss	13	(0.3)	1.6	2.6	4.6
Other comprehensive income (loss) for the period, net of tax		(1.6)	0.1	41.0	19.3
Total comprehensive income (loss) to equity holders of PGS ASA		**(6.5)**	**(53.4)**	**8.2**	**(160.0)**
Earnings per share attributable to equity holders of the parent during the period					
-Basic and diluted earnings per share	12	(0.01)	(0.13)	(0.06)	(0.45)

Condensed Consolidated Statements of Financial Position

(In millions of US dollars)	Note	December 31, 2022	December 31, 2021
ASSETS			
Cash and cash equivalents	11	363.8	170.0
Restricted cash	11	11.6	16.1
Accounts receivables		169.4	134.6
Accrued revenues and other receivables		144.9	55.9
Other current assets		61.7	56.4
Total current assets		751.4	433.0
Property and equipment	9	740.4	787.4
MultiClient library	10	300.3	415.6
Restricted cash	11	59.2	57.6
Other non-current assets		28.6	14.7
Other intangible assets		73.4	84.5
Total non-current assets		1,201.9	1,359.8
Total assets		**1,953.3**	**1,792.8**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Interest bearing debt	11	367.1	162.6
Lease liabilities	11	32.9	35.9
Accounts payable		45.6	45.3
Accrued expenses and other current liabilities		104.2	80.5
Deferred revenues		154.4	123.4
Income taxes payable		20.4	16.7
Total current liabilities		724.6	464.4
Interest bearing debt	11	659.7	973.5
Lease liabilities	11	54.3	79.0
Deferred tax liabilities		0.1	0.1
Other non-current liabilities		4.3	30.7
Total non-current liabilities		718.4	1,083.3
Common stock; par value NOK 3;			
issued and outstanding 909.549.714 shares		313.2	158.9
Treasury shares, par value		(0.1)	-
Additional paid-in capital		1,035.8	933.1
Total paid-in capital		1,349.0	1,092.0
Accumulated earnings		(834.6)	(840.2)
Other capital reserves		(4.1)	(6.7)
Total shareholders' equity		510.3	245.1
Total liabilities and shareholders' equity		**1,953.3**	**1,792.8**

Condensed Consolidated Statements of Changes in Shareholders' Equity

For the year ended December 31, 2022

(In millions of US dollars)	Attributable to equity holders of PGS ASA Share capital par value	Treasury shares par value	Additional paid-in capital	Accumulated earnings	Other capital reserves	Shareholders' equity
Balance as of January 1, 2021	**154.2**	**-**	**929.1**	**(675.6)**	**(11.3)**	**396.4**
Profit (loss) for the period	-	-	-	(179.4)	-	(179.4)
Other comprehensive income (loss)	-	-	-	14.8	4.6	19.4
Shares issued at conversion of convertible bond	4.7	-	1.7	-	-	6.4
Share based payments	-	-	2.3	-	-	2.3
Balance as of December 31, 2021	**158.9**	**-**	**933.1**	**(840.2)**	**(6.7)**	**245.1**
Profit (loss) for the period	-	-	-	(32.8)	-	(32.8)
Other comprehensive income (loss)	-	-	-	38.4	2.6	41.0
Shares issued at conversion of convertible bond	7.7	-	7.0	-	-	14.8
Share based payments	-	-	1.2	-	-	1.2
Shares issued for cash consideration (a)	146.6	-	94.8	-	-	241.4
Acquired treasury shares	-	(0.2)	(0.2)	-	-	(0.4)
Share based payments, equity settled	-	0.1	(0.1)	-	-	-
Balance as of December 31, 2022	**313.2**	**(0.1)**	**1,035.8**	**(834.6)**	**(4.1)**	**510.3**

(a) In Q2 2022, the Company issued 216,216,216 new shares following a private placement raising approximately NOK 800 million as equity. Transaction costs amounting to $1.8 million were recognized against additional paid-in capital. In Q3 2022, the Company issued 38,155,803 new shares following a subsequent offering raising approximately NOK 141.2 million as equity. In Q4 2022, the Company issued 229,250,000 new shares following a private placement raising approximately NOK 1,536 million as equity. Transaction costs amounting to $3.3 million were recognized against additional paid-in capital. For the full year 2022 the Company has issued a total of 483,622,019 new shares following private placements and subsequent offerings raising a total of NOK 2,477 million (corresponding to USD 241.4 million) as equity.

Condensed Consolidated Statements of Cash Flows

(In millions of US dollars)	Quarter ended December 31, 2022	Quarter ended December 31, 2021	Year ended December 31, 2022	Year ended December 31, 2021
Income (loss) before income tax expense	2.1	(45.0)	(6.7)	(163.8)
Depreciation, amortization, impairment	82.4	151.1	354.2	494.5
Share of results in associated companies	6.5	(2.4)	4.9	(1.1)
Interest expense	28.9	25.4	110.3	99.4
Loss (gain) on sale and retirement of assets	-	0.1	(1.0)	(0.3)
Income taxes paid	(4.2)	(2.5)	(22.5)	(11.7)
Other items	3.6	(4.4)	6.6	(0.8)
(Increase) decrease in accounts receivables, accrued revenues & other receivables	(101.3)	(89.3)	(124.7)	(32.8)
Increase (decrease) in deferred revenues	45.6	(8.3)	31.0	(65.2)
Increase (decrease) in accounts payable	7.1	12.2	1.2	15.2
Change in other current items related to operating activities	16.9	4.5	29.1	(5.5)
Change in other long-term items related to operating activities	(1.2)	0.6	(11.1)	(1.3)
Net cash provided by operating activities	**86.4**	**42.0**	**371.3**	**326.6**
Investment in MultiClient library	(25.0)	(23.3)	(106.4)	(127.3)
Investment in property and equipment	(8.6)	(9.0)	(48.6)	(35.4)
Investment in other intangible assets	(2.1)	(2.7)	(9.8)	(10.2)
Investment in other current -and non-current assets assets	1.8	-	1.8	-
Proceeds from sale and disposal of assets	(0.1)	0.3	1.2	1.0
Net cash used in investing activities	**(34.0)**	**(34.7)**	**(161.8)**	**(171.9)**
Proceeds, net of deferred loan costs, from issuance of long-term debt	47.1	(0.1)	47.1	(19.5)
Interest paid on interest bearing debt	(24.0)	(20.2)	(90.5)	(80.8)
Repayment of interest bearing debt	(26.3)	-	(170.1)	-
Proceeds from share issue (a)	144.7	-	241.4	-
Share buy-back		-	(0.4)	-
Payment of lease liabilities (recognized under IFRS 16)	(8.9)	(10.7)	(36.1)	(40.3)
Payments of leases classified as interest	(1.4)	(1.9)	(6.4)	(8.9)
Decrease (increase) in restricted cash related to debt service	1.1	2.6	(0.7)	8.1
Net cash (used in) provided by financing activities	**132.3**	**(30.3)**	**(15.7)**	**(141.4)**
Net increase (decrease) in cash and cash equivalents	184.7	(23.0)	193.8	13.3
Cash and cash equivalents at beginning of period	179.1	193.0	170.0	156.7
Cash and cash equivalents at end of period	**363.8**	**170.0**	**363.8**	**170.0**

(a) Net of approximately 2% transaction cost and at the NOK/USD exchange rate at the date of receiving funds.

Notes to the Condensed Interim Consolidated Financial Statements
Fourth Quarter and Preliminary Full Year 2022 Results

Note 1 – Segment Reporting

PGS has one operating segment focused on delivery of seismic data and services, which matches the internal reporting to the Company's executive management.

Following the implementation of the new accounting standard for revenues, IFRS 15, in 2018, MultiClient pre-funding revenues are no longer recognized under the previously applied percentage-of-completion ("POC") method. Instead, all such revenues are generally recognized at the "point in time" when the customer receives access to, or delivery of, the finished data which often will take place a year or more after the acquisition of data due to the time required to complete data processing.

PGS management did, for the purpose of its internal reporting, continue to report according to the principle applied in 2017 and earlier years, where MultiClient pre-funding revenue is recognized on a POC basis, and the related amortization of MultiClient library based upon the ratio of aggregate capitalized survey costs to forecasted sales. This differs from IFRS reporting which recognizes revenue from MultiClient pre-funding agreements and related amortization at the "point in time" when the customer receives access to, or delivery of, the finished data. See Note 14 for further description of the principles applied.

From January 1, 2022, PGS changed its Segment Reporting measurement to simplify external and internal reporting. PGS has, in Q4 2022, re-introduced revenues recognized under the POC method as its basis for internal reporting.

The table below provides a reconciliation of the Group's segment numbers ("Produced") against the financial statements prepared in accordance with IFRS ("As Reported"):

	Quarter ended December 31,					
	2022	2021	2022	2021	2022	2021
(In millions of US dollars)	Produced		Adjustments		As Reported	
Revenues and Other Income (Note 2)	250.7	174.3	(34.0)	36.1	216.7	210.4
Net operating expenses (Note 3)	(105.5)	(78.2)	-	-	(105.5)	(78.2)
EBITDA	**145.2**	**96.1**	**(34.0)**	**36.1**	**111.2**	**132.2**
Capitalized cash cost and steaming deferral, net (Note 3)	(25.0)	(19.6)	-	-	(25.0)	(19.6)
Revenues less gross cash cost	**120.2**	**76.5**	**(34.0)**	**36.1**	**86.2**	**112.6**

	Year ended December 31,					
	2022	2021	2022	2021	2022	2021
(In millions of US dollars)	Produced		Adjustments		As Reported	
Revenues and Other Income (Note 2)	817.2	590.0	7.9	113.8	825.1	703.8
Net operating expenses (Note 3)	(370.5)	(269.8)	-	-	(370.5)	(269.8)
EBITDA	**446.7**	**320.2**	**7.9**	**113.8**	**454.6**	**434.0**
Capitalized cash cost and steaming deferral, net (Note 3)	(117.3)	(132.0)	-	-	(117.3)	(132.0)
Revenues less gross cash cost	**329.4**	**188.2**	**7.9**	**113.8**	**337.3**	**302.0**

Note 2 – Revenues

Revenues and Other Income by service type:

	Quarter ended December 31,				Year ended December 31,			
	2022	2021	2022	2021	2022	2021	2022	2021
	Produced		As Reported		Produced		As Reported	
-Contract seismic	111.2	64.3	111.2	64.3	336.3	207.8	336.3	207.8
-MultiClient pre-funding	42.6	23.9	8.6	60.0	131.4	133.9	139.3	247.7
-MultiClient late sales	92.0	80.9	92.0	80.9	326.7	220.4	326.7	220.4
-Imaging	4.8	5.2	4.8	5.2	22.7	21.7	22.7	21.7
-Other Income	0.1	-	0.1	-	0.1	6.2	0.1	6.2
Total Revenues and Other Income	**250.7**	**174.3**	**216.7**	**210.4**	**817.2**	**590.0**	**825.1**	**703.8**

Vessel Allocation(1):

	Quarter ended December 31,		Year ended December 31,	
	2022	2021	2022	2021
Contract	63%	44%	51%	41%
MultiClient	12%	14%	20%	29%
Steaming	16%	3%	11%	13%
Yard	3%	7%	5%	4%
Stacked/standby	6%	32%	13%	13%

(1) The statistics exclude cold-stacked vessels. Both the Q4 2022 and the full year 2022 vessel statistics includes 6 active 3D vessels. The comparative period Q4 2021 is based on 6 vessels, while the full year 2021 is based on an average of 5.75 vessels.

Total revenues and Other Income
As Reported revenues according to IFRS *for the full year 2022* amounted to $825.1 million, an increase of $121.3 million, or 17%, compared to 2021. *For Q4 2022,* As Reported revenues were $216.7 million, an increase of $6.3 million, or 3%, compared to Q4 2021. The increase, both for the full year and Q4, is driven by a recovering seismic market with a significant improvement in contract revenues and stronger late sales, partially offset by significantly lower MultiClient pre-funding revenues due to lower volumes of surveys completed and delivered to clients.

Produced Revenues increased $227.2 million, or 39%, for the full year and $76.4 million, or 44%, for Q4, compared to 2021. Stronger contract revenues and MultiClient late sales are primary drivers for the increase of Produced Revenues for both the full year and Q4. MultiClient pre-funding revenues had a relatively flat development for the full year and contributed positively to the increase in Q4.

Contract revenues
For the full year 2022, contract revenues increased by $128.5 million, or 62%, compared to the full year 2021. In 2022 we have seen a recovering seismic contract market with higher rates and more vessel capacity allocated to contract acquisition work.

In Q4 2022, contract revenues increased by $46.9 million, or 73%, compared to Q4 2021.

MultiClient late sales
For the full year 2022, MultiClient late sales revenues increased by $106.3 million, or 48%, compared to 2021. The increase is explained by higher exploration activity among energy companies and significant transfer fees. In 2022 late sales revenues were highest in Europe and North America. Parts of the recorded transfer fees for 2022 are still subject to negotiations and may ultimately end up in a dispute if no agreement can be reached. PGS has only recognized revenues that, based on PGS's best estimate and external legal advice, are due to PGS with reasonable certainty regardless of what the client may choose to do.

In Q4 2022, MultiClient late sales revenues increased by $11.1 million, or 14%, compared to Q4 2021. In Q4 2022, late sales revenues were highest in North America, West Africa and Europe.

MultiClient pre-funding revenues
As reported MultiClient pre-funding revenues according to IFRS *for the full year 2022* decreased by $108.4 million, or 44%, compared to the full year 2021. The decrease is a result of a lower volume of MultiClient projects finalized and delivered to clients.

As Reported MultiClient revenues according to IFRS in Q4 2022 decreased by $51.4 million, or 86%, compared to Q4 2021. The volume of completed MultiClient projects in Q4 2022 was in line with what PGS expected and disclosed in the Q3 earnings release.

Produced MultiClient Pre-funding Revenues *for the full year 2022* decreased by $2.5 million, or 2%, compared to the full year 2021. In 2022, the Company used less capacity for MultiClient acquisition and had lower cash investments in MultiClient, but revenues were relatively unchanged from 2021 due to a higher pre-funding level.

Produced MultiClient Pre-funding Revenues in Q4 2022 increased by $18.7 million, or 78%, compared to Q4 2021. The increase is due to increased sales from surveys in the processing phase and a generally higher pre-funding level from the increased exploration activity among energy companies.

Note 3 – Net Operating Expenses

Net operating expenses consist of the following:

	Quarter ended December 31,		Year ended December 31,	
(In millions of US dollars)	2022	2021	2022	2021
Cost of sales before investment in MultiClient library	(116.9)	(85.6)	(433.9)	(351.2)
Research and development costs before capitalized development costs	(3.7)	(3.9)	(15.0)	(14.5)
Selling, general and administrative costs	(9.9)	(8.3)	(38.9)	(36.1)
Cash Cost, gross	**(130.5)**	**(97.8)**	**(487.8)**	**(401.8)**
Steaming deferral, net	(1.8)	(5.7)	2.8	(3.2)
Cash investment in MultiClient library	25.0	23.3	106.4	127.2
Capitalized development costs	1.8	2.0	8.1	8.0
Net operating expenses	**(105.5)**	**(78.2)**	**(370.5)**	**(269.8)**

For the full year 2022 gross cash cost increased by $86 million, or 21%, compared to the full year 2021. The increase is primarily due to a significantly higher activity level, project related costs and increased fuel prices. The Company has fuel price adjustment clauses in most of its agreements for contract acquisition work.

Cash costs capitalized to the MultiClient library for the full year 2022 decreased by $20.8 million, or 16%, compared to the full year 2021. The decrease is mainly due to less 3D vessel capacity allocated to MultiClient acquisition.

In Q4 2022 gross cash costs increased by $32.7 million, or 33%, compared to Q4 2021.

The recovering seismic market drives increased activity levels. *Ramform Vanguard* was reactivated for 3D operation in Q2 2021 and *PGS Apollo* and *Sanco Swift* have increasingly been used as source vessels on selected surveys through 2021 and 2022. *Sanco Swift* was also utilized as 2D vessel for most of Q4 2022.

Cash costs capitalized to the MultiClient library in Q4 2022 increased by $1.7 million, or 7%, compared to Q4 2021.

Note 4 – Amortization, Depreciation, Impairments and Other Charges, net

Amortization and impairment of MultiClient library consist of the following:

	Quarter ended December 31,		Year ended December 31,	
(In millions of US dollars)	2022	2021	2022	2021
Amortization of MultiClient library	(25.5)	(44.7)	(135.7)	(151.2)
Accelerated amortization of MultiClient library	(15.6)	(47.1)	(105.9)	(214.2)
Impairment of MultiClient library	(11.5)	(13.6)	(11.5)	(13.6)
Total	**(52.6)**	**(105.4)**	**(253.1)**	**(379.0)**

Refer to note 14 for amortization principles.

For the full year 2022 total amortization of the MultiClient library decreased by $123.7 million, or 34%, compared to the full year 2021. The decrease is mainly driven by less MultiClient projects finalized and delivered to customers, resulting in less accelerated amortization. Amortization was 41% of MultiClient revenues for the full year 2022, compared to 75% for the full year 2021. The lower amortization rate reflects a higher proportion of late sales in the mix.

In Q4 2022 total amortization of the MultiClient library decreased by $50.6 million, or 55%, compared to Q4 2021. The decrease is driven by the same factors as for the full year.

The MultiClient library impairment charge of $11.5 million for Q4 and the full year 2022, primarily relates to projects in North America and West Africa. The MultiClient library is assessed for impairment on a survey-by-survey basis.

Depreciation, amortization and impairment of non-current assets

Depreciation and amortization of non-current assets (excl. MultiClient library) consist of the following:

	Quarter ended December 31,		Year ended December 31,	
(In millions of US dollars)	2022	2021	2022	2021
Gross depreciation*	(28.4)	(35.2)	(122.2)	(142.4)
Deferred Steaming depreciation, net	0.2	(2.3)	0.4	(2.1)
Depreciation capitalized to the MultiClient library	4.1	6.8	25.9	43.9
Total	**(24.1)**	**(30.7)**	**(95.9)**	**(100.6)**

*includes depreciation of right-of-use assets amounting to $4.1 million and $6.0 million for the quarter ended December 31, 2022 and 2021 respectively.
For the full year 2022 and 2021, depreciation of right-of-use assets amounts to $17.6 million and $22.7 million, respectively.

For the full year 2022 gross depreciation decreased by $20.2 million, or 14%, compared to the full year 2021. The decrease comes from a generally low investment level in property plant and equipment over recent years, and impairment charges in 2021.

Depreciation capitalized to the MultiClient library decreased by $18.0 million, or 41%, compared to the full year 2021, mainly because of decreased gross depreciation and less capacity allocated to MultiClient.

In Q4 2022 gross depreciation decreased by $6.8 million, or 19%, compared to Q4 2021. The decrease is explained by the same factors as for the full year.

Depreciation capitalized to the MultiClient library decreased by $2.7 million, or 40%, compared to Q4 2021, mainly because of decreased gross depreciation.

Impairment and gain/(loss) on sale of non-current assets (excluding MultiClient library) consist of the following:

	Quarter ended December 31,		Year ended December 31,	
(In millions of US dollars)	2022	2021	2022	2021
Property and equipment	-	(15.0)	0.4	(15.0)
Other Intangible assets	(5.6)	-	(5.7)	-
Total	**(5.6)**	**(15.0)**	**(5.3)**	**(15.0)**

Impairment tests on vessels and equipment are performed at year end and whenever there are events, changes in assumptions or indication of potential loss of value. During the year 2022 and per December 31, 2022, the Company has not identified any impairment triggers from the performed tests. For *Q4* and *the full year 2022* there are no impairment charges. In 2021 the Company recorded a total impairment charge of $15.0 million on seismic acquisition vessels. The seismic market is recovering, but the recoverable values of seismic vessels and other Company assets are sensitive to the assumed margins and cycles of the seismic industry as well as changes to operational plans. As a result, impairments may arise in future periods.

Impairment of Other intangible assets of $5.6 million relates to assessment of the Company's research and development portfolio.

Other charges, net

Other charges, net consist of the following:

	Quarter ended December 31,		Year ended December 31,	
(In millions of US dollars)	2022	2021	2022	2021
Severance cost	-	0.2	-	0.2
Onerous contracts with customers	-	(3.8)	11.0	(1.8)
Provision for bad debt	-	-	(3.4)	-
Gain (loss) sale subsidiaries	(2.0)	-	(2.0)	-
Other	6.4	(4.0)	0.1	(4.0)
Total	**4.4**	**(7.6)**	**5.7**	**(5.6)**

As of December 31, 2022, the Company has no remaining provision for onerous customer contracts. This is a decrease from the $11.0 million provision at December 31, 2021. Provision for onerous customer contracts represents the estimated loss in future periods relating to binding customer contracts where revenues are lower than the full costs, including depreciation, of completing the contract.

Due to high efficiency of its cloud processing algorithms, the Company made a provision of $6.5 million in Q3 2022 as it estimated to use less than its commitment for such services for the remaining commitment period. In Q4 2022, the Company re-negotiated the contract and expects the minimum commitment to be met by a comfortable margin for all commitment periods. As a result, the $6.5million provision was reversed in Q4.

Note 5 – Share of Results from Associated Companies

For the full year 2022, share of results from associated companies was a loss of $5.0 million, compared to a net gain of $1.2 million for the full year 2021. The loss in 2022 mainly relates to fair value adjustments.
In Q4 2022, share of results from associated companies was a loss of $6.5 million, compared to a net gain of $2.4 million in Q4 2021.

Note 6 – Interest Expense

Interest expense consists of the following:

	Quarter ended December 31,		Year ended December 31,	
(In millions of US dollars)	2022	2021	2022	2021
Interest on debt, gross	(28.9)	(24.8)	(109.4)	(98.0)
Imputed interest cost on lease agreements	(1.4)	(1.9)	(6.4)	(8.7)
Capitalized interest, MultiClient library	1.4	1.3	5.5	7.3
Total	**(28.9)**	**(25.4)**	**(110.3)**	**(99.4)**

Gross interest expense for the full year and Q4 2022 increased by $11.4 million and $4.1 million respectively, compared to the same periods in 2021. The increase is primarily due to an increase of Libor interest rates, which impacts the cost of floating rate debt.

Note 7 – Other Financial Expense, net

Other financial expense, net consists of the following:

	Quarter ended December 31,		Year ended December 31,	
(In millions of US dollars)	2022	2021	2022	2021
Interest income	2.8	0.2	7.0	0.3
Currency exchange gain (loss)	1.8	(0.4)	4.3	(1.0)
Loss related to modification of debt	-	-	-	(7.7)
Net gain related to extinguishment of debt	-	-	-	9.4
Net gain/(loss) on separate derivative financial instrument	(0.5)	4.9	(7.6)	0.9
Other	0.1	(0.2)	(1.1)	(1.3)
Total	**4.2**	**4.5**	**2.6**	**0.6**

Interest income for the full year and Q4 2022 increased by $6.7 million and $2.6 million, respectively compared to same periods in 2021. A higher cash balance through 2022 compared to 2021 has benefited from increasing interest rates. Net interest expense for the year increased thereby with $4.7 million compared to a gross increase of $11.4 million (see note 6).

Currency gain for the full year and Q4 2022 was $4.3 million and $1.8 million, respectively. A weaker NOK versus USD, impacting leasing liabilities and the convertible bond (see below) denominated in NOK, was the primary cause for the currency gain.

For the full year 2022, the $7.6 million loss on separate derivative financial instrument at fair value relates to the conversion right in the convertible bond and the increase of the share price until settlement. The derivative instrument was settled August 25, 2022, through conversion of the remaining amount of the bond to shares. Refer to Note 11 for more information.

Note 8 – Income Tax and Contingencies

Income tax consists of the following:

	Quarter ended December 31,		Year ended December 31,	
(In millions of US dollars)	2022	2021	2022	2021
Current tax	(7.0)	(8.5)	(26.1)	(15.6)
Change in deferred tax	-	-	-	-
Total	**(7.0)**	**(8.5)**	**(26.1)**	**(15.6)**

For the full year 2022 the current tax expense increased by $10.5 million compared to the full year 2021. Current tax expense relates to foreign withholding tax and corporate tax on profits in certain countries where PGS has executed projects or made significant MultiClient sales, primarily in Africa and Asia.

In Q4 2022 the current tax expense decreased by $1.5 million compared to Q4 2021. The decrease is mainly due to less activities in countries charging withholding tax.

Tax Contingencies

The Company has ongoing tax disputes related to charter of vessels into Brazil. The assessments, which inter alia seek to levy 15% withholding tax and 10% CIDE (service) tax, amount to $38.1 million in total. The Company holds a legal deposit amounting to $18.9 million, initially made in Q4 2020 to challenge one of the disputes in court. The deposit is held in an interest-bearing bank account with a commercial bank. Since the Company considers it more likely than not that these contingencies will be resolved in its favor, no provision has been made for any portion of the exposure.

Note 9 – Property and Equipment

Capital expenditures, whether paid or not, consist of the following:

	Quarter ended December 31,		Year ended December 31,	
(In millions of US dollars)	2022	2021	2022	2021
Seismic equipment	6.3	7.5	33.3	19.2
Vessel upgrades/Yard	3.5	2.1	11.0	12.1
Compute infrastructure/ technology	0.9	0.1	5.5	1.5
Other	-	-	0.4	0.6
Total addition to property and equipment, whether paid or not	**10.7**	**9.7**	**50.2**	**33.4**
Change in working capital	(2.1)	(0.7)	(1.6)	2.0
Investment in property and equipment	**8.6**	**9.0**	**48.6**	**35.4**

In addition, PGS recognized additions to property and equipment relating to new or changed lease arrangements of $6.3 million and $11.4 million *for Q4* and *the full year 2022*, respectively.

Note 10 – MultiClient Library

The carrying value of the MultiClient library by year of completion is as follows:

	December 31,	
(In millions of US dollars)	2022	2021
Completed during 2018	-	13.9
Completed during 2019	20.8	53.7
Completed during 2020	30.8	49.3
Completed during 2021	73.9	117.7
Completed during 2022	81.6	-
Completed surveys	207.1	234.6
Surveys in progress	93.2	181.0
MultiClient library	300.3	415.6

Key figures MultiClient library:

	Quarter ended December 31,		Year ended December 31,	
(In millions of US dollars)	2022	2021	2022	2021
MultiClient pre-funding revenue *	8.6	60.0	139.3	247.7
MultiClient late sales	92.0	80.9	326.7	220.4
Cash investment in MultiClient library	25.0	23.3	106.4	127.2
Capitalized interest in MultiClient library	1.4	1.3	5.5	7.3
Capitalized depreciation (non-cash)	4.1	6.8	25.9	43.9
Amortization of MultiClient library	(25.5)	(44.7)	(135.7)	(151.2)
Accelerated amortization of MultiClient library	(15.6)	(47.1)	(105.9)	(214.2)
Impairment of MultiClient library	(11.5)	(13.6)	(11.5)	(13.6)
Segment reporting				
MultiClient pre-funding revenue, produced	42.6	23.9	131.4	133.9
Prefunding as a percentage of MultiClient cash investment	170%	103%	123%	105%

* Includes revenue from sale to joint operations in the amount of nil and $13.3 million for Q4 2022 and Q4 2021, respectively.
For the full year 2022 and 2021, revenue from sale to joint operations amounts to $25.9 million and $35.2 million, respectively.

For the full year 2022, Produced MultiClient pre-funding revenues corresponded to 123% of capitalized MultiClient cash investment (excluding capitalized interest), compared to 105% in 2021. The increased pre-funding level is mainly due to higher client exploration activity more demand for new MultiClient surveys.

In Q4 2022, Produced MultiClient pre-funding revenues corresponded to 170% of MultiClient cash investment (excluding capitalized interest), compared to 103% in Q4 2021. Q4 pre-funding benefited from sales of surveys still in the processing phase.

For the full year 2022, MultiClient cash investment decreased by $20.8 million, or 16%, compared to the full year 2021, as a result of fewer vessel days allocated to MultiClient projects.

In Q4 2022, Multiclient cash investment decreased by $19.2 million, or 43%, compared to Q4 2021.

The Company recognized accelerated amortization of the MultiClient library in Q4 and *for the full year* 2022 of $15.7 million and $106 million, respectively, compared to $47.1 million and $214.2 million, respectively, in the same periods of 2021.

Note 11 – Liquidity and Financing

For the full year 2022 net cash provided by operating activities was $371.3 million, compared to $326.6 million in 2021. The increase is due to significantly higher Produced revenues, partially offset by an increase in revenue related working capital.

In Q4 2022 net cash provided by operating activities was $86.4 million, compared to $42.0 million in Q4 2021.

The liquidity reserve, including cash and cash equivalents, was $363.8 million as of December 31, 2022, compared to $170.0 million as of December 31, 2021, and $179.1 million as of September 30, 2022.

The existing loan agreements have a liquidity sweep requirement where liquidity reserve in excess of $200 million at quarter-end shall be used to repay deferred amortizations of the Export Credit Financing ("ECF") loans agreed in the rescheduling agreement entered into in February 2021. As of December 31, 2022, the remaining deferred ECF amount was $83 million, which will be repaid in Q1 2023. Following the repayment of the deferred ECF amount, and first applicable at March 31, 2023, a mandatory liquidity sweep for liquidity reserve in excess of $175 million will be applied against the nearest scheduled amortization on the Term loan B.

Interest bearing debt consists of the following:

	December 31,	
(In millions of US dollars)	2022	2021
Secured		
Term loan B, Libor + 6-750 basis points (linked to total leverage ratio ("TLR")), due 2024	737.9	873.0
Super Senior Loan, Libor + 675 Basis points, due 2024	50.0	-
Export credit financing, due 2025	100.3	109.4
Export credit financing, due 2027	163.1	189.1
Unsecured		
Convertible bond 5%, due 2024	-	8.6
Total loans and bonds, gross (1)	**1,051.3**	**1,180.1**
Less current portion	(367.0)	(162.6)
Less deferred loan costs, net of debt premiums	(20.0)	(29.6)
Less modification of debt treated as extinguishment	(4.6)	(9.3)
Less effect from separate derivative financial instrument convertible bond	-	(5.1)
Non-current interest bearing debt	**659.7**	**973.5**

(1) Fair value of total loans and bonds, gross was $ 1,015.5 million as of December 31, 2022, compared to $1,092.1 million as of December 31, 2021.

Modification of debt treated as extinguishment changed by $4.7 million in 2022 and is linked to the Q1 2021 rescheduling of the $135 million RCF. It was at the time of rescheduling accounted for at fair value with a gain of $13.5 million. This gain is reversed over the life of the debt and expensed as part of gross interest on debt. The other parts of the rescheduled debt were accounted for as modification of existing agreements, with a loss of $7.7 million recorded in Q1 2021 (see note 7).

The effect from a separate derivative financial instrument, the convertible bond, changed by $5.1 million in 2022 and is linked to the convertible bond debt component measured at fair value as of December 31, 2021. The convertible bond was settled in Q3 2022.

Undrawn facilities consists of the following:

(In millions of US dollars)	December 31, 2022	2021
Secured		
Performance bond	-	17.3
Total	**-**	**17.3**

Summary of net interest bearing debt:

(In millions of US dollars)	December 31, 2022	2021
Loans and bonds gross	(1,051.3)	(1,180.1)
Cash and cash equivalents	363.8	170.0
Restricted cash (current and non-current)	70.8	73.7
Net interest bearing debt, excluding lease liabilities	**(616.7)**	**(936.4)**
Lease liabilities current	(32.9)	(35.9)
Lease liabilities non-current	(54.3)	(79.0)
Net interest bearing debt, including lease liabilities	**(703.9)**	**(1,051.3)**

Restricted cash of $70.8 million includes $40.1 million held in debt service reserve and retention accounts related to the ECF of *Ramform Titan*, *Ramform Atlas, Ramform Tethys and Ramform Hyperion*.

On December 31, 2022, the Company had approximately 45% of its net debt (excluding lease liabilities) at fixed interest rates. The weighted average cash interest rate was approximately 8.98%, including credit margins, as of December 31, 2022, compared to 8.85% and 6.78 % as of September 30, 2022, and December 31, 2021, respectively.

The main credit agreements are subject to a Minimum Consolidated Liquidity and a Maximum Total Net Leverage Ratio* (“TNLR”) covenant. The liquidity covenant requires that the consolidated unrestricted cash and cash equivalents shall not be less than $75 million. The TNLR covenant establishes a maximum TNLR of 3.25:1 through December 31, 2022, and 2.75:1 thereafter. On December 31, 2022, the TNLR was 1.53:1.

Financing status

During 2022 PGS raised gross amounts of approximately $250 million of equity and $50 million of new senior secured debt, and increased cash flow generation in an improving market. The significant liquidity improvement enabled a reduction of net interest bearing debt by $319.7 million ($347.4 million including lease liabilities) and the Company is close to reaching its targeted maximum level for net interest bearing debt (excluding lease liabilities) of $500 to 600 million.

PGS will have to refinance before the final maturity of its Term Loan B in Q1 2024. With increasing cash flow generation and strong shareholder support, the Company has reduced its financial leverage significantly and is well positioned to refinance during 2023. The debt market has been challenging and volatile over the last year but is showing signs of improvement in early 2023. The Company is prepared to refinance early in 2023 if market conditions allow a transaction beneficial to stakeholders.

*The Total Net Leverage Ratio (“TNLR”) is calculated as the consolidated indebtedness, net of restricted cash held for debt service in respect of the Export Credit financing and unrestricted cash and cash equivalents, divided by adjusted EBITDA less non-pre-funded MultiClient library investments.

Note 12 – Earnings per Share

Earnings per share, to ordinary equity holders of PGS ASA:

	Quarter ended December 31, 2022	2021	Year ended December 31, 2022	2021
- Basic	(0.01)	(0.13)	(0.06)	(0.45)
- Diluted	(0.01)	(0.13)	(0.06)	(0.45)
Weighted average basic shares outstanding	829,540,163	400,106,603	592,416,941	394,943,744
Weighted average diluted shares outstanding	839,181,916	429,549,695	600,507,358	424,723,594

Note 13 – Other Comprehensive Income

Other Comprehensive Income

(In millions of US dollars)	Quarter ended December 31, 2022	Quarter ended December 31, 2021	Year ended December 31, 2022	Year ended December 31, 2021
Actuarial gains (losses) on defined benefit pension plans	(1.3)	(1.5)	38.4	14.8
Income tax effect on actuarial gains and losses	-	-	-	-
Items that will not be reclassified to profit and loss	**(1.3)**	**(1.5)**	**38.4**	**14.8**
Gains (losses) on hedges	(0.3)	1.6	2.6	4.6
Other comprehensive income (loss) of associated companies	-	-	-	-
Items that may be subsequently reclassified to profit and loss	**(0.3)**	**1.6**	**2.6**	**4.6**

Note 14 – Basis of Presentation and changes in Accounting Principles

Basis of Presentation

The Company is a Norwegian public limited liability company which prepares its annual consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU. These consolidated condensed interim financial statements have been prepared in accordance with international Accounting Standards ("IAS") No. 34 "Interim Financial Reporting". The consolidated condensed interim financial statements are presented in millions of US Dollars ("$" or "dollars"), unless otherwise indicated. The interim financial information has not been subject to audit or review.

Profit and loss for the interim period are not necessarily indicative of the results that may be expected for any subsequent interim period or year. The condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2021.

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Company's consolidated financial statements for the year ended December 31, 2021.

Amortization of MultiClient library

Upon completion of a survey, straight-line amortization commences over its estimated useful life which is generally over a period of 4 years from the data is transferred to completed surveys. If a project is jointly owned, the Company amortizes the portion of capitalized costs representing partners share of ownership.

In addition, with the straight-line amortization policy there is an accelerated amortization at the point of time when a MultiClient survey is completed and delivered to pre-funding customers. In addition, with the straight-line amortization policy for completed surveys, recognition of additional or accelerated amortization of library may be necessary in the event that sales on a completed survey are realized disproportionately sooner within that survey's 4-year useful life.

Convertible bond debt

Convertible bonds are accounted for as compound financial instruments if denominated in USD, can be converted to ordinary shares at the option of the holder, and the number of shares to be issued is fixed and does not vary with changes in fair value. The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instrument and the fair value of the liability component, with no subsequent fair value adjustment. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. Interest related to the financial liability is recognized in the consolidated statement of income. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

The convertible bond issued by the Company was denominated in NOK, which is different from the functional currency. The conversion option therefore does not meet the definition of equity in IAS 32, even if the bond is convertible into a fixed number of shares. The convertible bond is therefore classified as a financial liability under IAS 32, and then measured under the requirements of IFRS 9. The equity conversion option embedded in a financial liability is not considered by IFRS 9 to be clearly and closely related to the host contract and must be accounted for as a separate derivative financial instrument. The separate derivative instrument will, until conversion be reported as a liability (in "other current liabilities") at fair value with changes in fair value reported as gain or loss (in "Other Financial Expense, net"). Upon conversion, the fair value is reported as a contribution to equity.

Extinguishment of debt
IFRS 9 requires an entity to derecognize a financial liability when, and only when, it is 'extinguished', that is, when the obligation specified in the contract is discharged, cancelled, or expires. IFRS 9 requires an exchange between an existing borrower and lender of debt instruments with 'substantially different' terms to be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability, or a part of it, should be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Segment Reporting Principles
Although IFRS provides a fair presentation of the profit and loss of the Company, for purposes of Segment and internal reporting management applies the revenue recognition principle used prior to 2018 and IFRS 15. MultiClient pre-funding revenue is recognized using the percentage of completion method. Management believes this method makes revenues coincide better with activities and resources used by the Company and provides useful information as to the progress made on MultiClient surveys in process and resultant value generation during the period.

In determining the percentage of completion, progress is measured in a manner generally consistent with the physical progress of the project, and revenue is recognized based on the ratio of the project's progress to date, provided that all other revenue recognition criteria are satisfied. Accordingly, MultiClient pre-funding revenues are generally recognized earlier for purposes of segment reporting as compared to IFRS reporting.

Change in Accounting Principles
The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2021, except for the adoption of new standards effective as of January 1, 2022. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments and interpretations apply for the first time in 2022, but do not have an impact on the Company's interim condensed consolidated financial statements.

Note 15 - Risk Factors

The Company emphasizes that the information included herein contains certain forward-looking statements that address activities, events or developments that the Company expects, projects, believes or anticipates will or may occur in the future. These statements are based on various assumptions made by the Company, many of which are beyond its control and all of which are subject to risks and uncertainties. The Company is subject to many risk factors including but not limited to the demand for seismic services, the demand for data from the Company's MultiClient library, the attractiveness of PGS' technology, changes in governmental regulations affecting markets, the speed and impact of the energy transition and its effect on customer behavior, technical downtime, licenses and permitting, currency and fuel price fluctuations, and extreme weather conditions.

Contracts for services are occasionally modified by mutual consent and in certain instances may be cancelled by customers at short notice without compensation. Consequently, the order book as of any particular date may not be indicative of actual operating results for any succeeding period.

The market is in a recovery phase after the severe impact of the covid-19 pandemic and the Company's liquidity position and cash flow generation is improving. The Company expects the market to continue to recover. However, the Company has significant debt amortization and maturities in 2023 and 2024 and may become financially challenged should it not comply with the applicable financial maintenance covenants or ultimately fail to generate sufficient cash flow and/or refinance to address the existing amortization and maturity profile of its interest-bearing debt.

For a further description of other relevant risk factors, we refer to the Annual Report for 2021. As a result of these and other risk factors, actual events and actual results may differ materially from those indicated in or implied by such forward-looking statements.

Appendix – Alternative Performance Measures

EBITDA

(In millions of US dollars)	Quarter ended December 31, 2022	2021	Year ended December 31, 2022	2021
Operating profit (loss)	**33.3**	**(26.5)**	**106.0**	**(66.2)**
Other charges, net	(4.4)	7.6	(5.7)	5.6
Amortization and impairment of MultiClient library	52.6	105.4	253.1	379.0
Depreciation and amortization of long term assets (excl. MultiClient library)	24.1	30.7	95.9	100.6
Impairment and loss on sale of long-term assets (excl. MultiClient library)	5.6	15.0	5.3	15.0
EBITDA	**111.2**	**132.2**	**454.6**	**434.0**

EBIT ex. impairment and other charges, net

(In millions of US dollars)	Quarter ended December 31, 2022	2021	Year ended December 31, 2022	2021
Operating profit (loss)	**33.3**	**(26.5)**	**106.0**	**(66.2)**
Other charges, net	(4.4)	7.6	(5.7)	5.6
Impairment of MultiClient library	11.5	13.6	11.5	13.6
Impairment and loss on sale of long-term assets (excl. MultiClient library)	5.6	15.0	5.3	15.0
EBIT ex. impairment and other charges, net	**46.0**	**9.7**	**117.1**	**(32.0)**

Produced EBITDA

(In millions of US dollars)	Quarter ended December 31, 2022	2021	Year ended December 31, 2022	2021
Operating profit (loss) as reported	**33.3**	**(26.5)**	**106.0**	**(66.2)**
Produced revenue adjustment to revenue as reported	34.0	(36.1)	(7.9)	(113.8)
Other charges, net	(4.4)	7.6	(5.7)	5.6
Amortization and impairment of MultiClient library	52.6	105.4	253.1	379.0
Depreciation and amortization of long term assets (excl. MultiClient library)	24.1	30.7	95.9	100.6
Impairment and loss on sale of long-term assets (excl. MultiClient library)	5.6	15.0	5.3	15.0
Produced EBITDA	**145.2**	**96.1**	**446.7**	**320.2**

The European Securities and Markets Authority ("ESMA") issued guidelines on Alternative Performance Measures ("APMs") that came into force on July 3, 2016. The Company has defined and explained the purpose of the APMs in the paragraphs below.

PGS has, for Q4 2022, introduced alternative performance measures ("APMs") on a POC basis. Such APMs include Produced Revenues, Produced EBITDA and Order book. PGS measures its revenues on a POC basis for its internal management reporting and consequently this will also be the basis for Segment Reporting in financial statements. PGS believes that the introduction of these APMs will improve transparency and provide better information to financial statement users.

EBITDA

EBITDA, when used by the Company, means EBIT excluding other charges, impairment and loss on sale of non-current assets and depreciation and amortization. EBITDA may not be comparable to other similarly titled measures from other companies. The Company has included EBITDA as a supplemental disclosure because PGS believes that the measure provides useful information regarding the Company's ability to service debt and to fund capital expenditures and provides a helpful measure for comparing its operating performance with that of other companies. EBITDA is reconciled above.

EBIT, excluding impairments and other charges

PGS believes that EBIT, excluding impairments and other charges, is a useful measure in that the measures provide an indication of the profitability of the Company's operating activities for the period without regard to significant events and/or decisions in the period that are expected to occur less frequently. EBIT, excluding impairments and other charges is reconciled above.

Produced Revenues

Produced Revenues, when used by the Company, means revenues and other income based on recognition of MultiClient pre-funding revenues on a Percentage-of-completion (POC) basis. Produced Revenues is reconciled in note 1.

Produced EBITDA

Produced EBITDA, when used by the Company, means Reported EBITDA adjusted for the difference between Produced Revenues and Reported Revenues (IFRS). Produced EBITDA may not be comparable to other similarly titled measures from other companies. The Company has included Produced EBITDA as a supplemental disclosure because PGS believes that the measure provides useful information regarding the Company's ability to service debt and to fund capital expenditures and provides a helpful measure for comparing its operating performance with that of other companies. Produced EBITDA is reconciled above.

Net interest-bearing debt

Net interest-bearing debt is defined as the sum of non-current and current interest-bearing debt, less cash and cash equivalents and restricted cash. Net interest- bearing debt is reconciled in Note 11 above. PGS believes that net interest-bearing debt is a useful measure because it provides an indication of the hypothetical minimum necessary debt financing to which the Company is subject at balance sheet date.

Order book

Order book is defined as the aggregated estimated value of future revenues, measured on a basis consistent with our Segment reporting principles. This includes signed customer contracts, letters of award or where all major contract terms are agreed. For long term contracted service agreements the order book includes estimated revenues for the nearest 12-month period. PGS believes that the Order book figure is a useful measure in that it provides an indication of the amount of customer backlog and committed activity in the coming periods.

Order book information disclosed in earlier financial reports are as follows:

Order book comparables

(In millions of US dollars)	Order book including production aleready performed on MultiClient surveys	Order book related to production already performed on MultiClient surveys	Order book
December 31, 2022	517.1	100.8	416.3
September 30, 2022	319.9	66.8	253.1
June 30, 2022	359.3	48.7	310.6
March 31, 2022	427.6	112.6	315.0
December 31, 2021	348.0	108.6	239.4
September 30, 2021	385.7	144.7	241.0
June 30, 2021	410.0	154.6	255.4
March 31, 2021	426.0	188.8	237.2
December 31, 2020	423.9	221.8	202.1

Cash flow before financing activities

Cash flow before financing activities is defined as the sum of net cash provided by operating activities and net cash used in investing activities in the consolidated financial statements of cash flows.

Liquidity reserve

Liquidity reserve is defined in Note 11. PGS believes that liquidity reserve is a useful measure because it provides an indication of the amount of funds readily available to the Company in the very short term at balance sheet date.

Gross cash costs

Gross cash costs are defined as the sum of reported net operating expenses (excluding depreciation, amortization, impairments, deferred steaming, net and other charges, net) and the operating cash costs capitalized as investments in the MultiClient library as well as capitalized development costs. Gross cash costs are reconciled in Note 3. PGS believes that the gross cash costs figure is a useful measure because it provides an indication of the level of cash costs incurred by the Company irrespective of the extent to which the fleet is working on MultiClient projects or the extent to which its R&D expenditures qualify for capitalization.

Net operating expenses

Net operating expenses are defined as gross cash costs (as per above) less capitalized investments in the MultiClient library and capitalized development costs and is reconciled in Note 3. PGS believes this figure is a useful measure because it provides an indication of the level of net cash costs incurred by the Company in running current period commercial activities that are not devoted to investment.

Capital expenditures, whether paid or not

Capital expenditures means investments in property and equipment irrespective of whether paid in the period but excluding capitalized interest costs.

Oslo, January 25, 2023

Walter Qvam *Chairperson*	Richard Herbert *Director*
Anne Grethe Dalane *Director*	Trond Brandsrud *Director*
Shona Grant *Director*	Ebrahim Attarzadeh *Director*
Marianne Kah *Director*	Anette Valbø *Director*
Gunhild Myhr *Director*	Eivind Vesterås *Director*
Rune Olav Pedersen *President & Chief Executive Officer*	

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PGS ASA and its subsidiaries ("PGS" or "the Company") is an integrated marine geophysics company, which operates on a world-wide basis. PGS business supports the energy industry, including oil and gas, offshore renewables, carbon capture and storage. The Company's headquarter is in Oslo, Norway and the PGS share is listed on the Oslo stock exchange (OSE: PGS). For more information on PGS visit www.pgs.com.

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The information included herein contains certain forward-looking statements that address activities, events or developments that the Company expects, projects, believes or anticipates will or may occur in the future. These statements are based on various assumptions made by the Company, which are beyond its control and are subject to certain additional risks and uncertainties. The Company is subject to a large number of risk factors including but not limited to the demand for seismic services, the demand for data from our multi-client data library, the attractiveness of our technology, unpredictable changes in governmental regulations affecting our markets and extreme weather conditions. For a further description of other relevant risk factors, we refer to our Annual Report for 2021. As a result of these and other risk factors, actual events and our actual results may differ materially from those indicated in or implied by such forward-looking statements. The reservation is also made that inaccuracies or mistakes may occur in the information given above about current status of the Company or its business. Any reliance on the information above is at the risk of the reader, and PGS disclaims any and all liability in this respect.

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Board of Directors:

Walter Qvam (Chairperson)
Anne Grethe Dalane
Richard Herbert
Marianne Kah
Anette Valbø (employee elected)
Trond Brandsrud
Ebrahim Attarzadeh
Shona Grant
Gunhild Myhr (employee elected)
Eivind Vesterås (employee elected)

Executive Officers:

Rune Olav Pedersen	President & CEO
Gottfred Langseth	EVP & CFO
Nathan Oliver	EVP Sales & Services
Rob Adams	EVP Operations
Berit Osnes	EVP New Energy

Other Corporate Management:

Erik Ewig	SVP Technology & Digitalization
Lars Mysen	General Counsel
Kristin Omreng	SVP HR
Kai Reith	SVP Corporate Development
Sandy Spørck	SVP Sustainability & Quality
Bård Stenberg	VP IR & Communication

Web-Site:
www.pgs.com

Financial Calendar:

Q4 2022 report & CMD	January 26, 2023
Q1 2023 report	April 27, 2023
AGM	April 26, 2023
Q2 2023 report	July 20, 2023
Q3 2023 report	October 25, 2023
Q4 2023 report	January 25, 2024

The dates are subject to change.