



## Investor Conference Call

*Leveraging core strengths to help shape the future of energy*

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5 July 2022

# Forward-looking Statements

All statements in this presentation other than statements of historical fact, are forward-looking statements, which are subject to a number of risks, uncertainties, and assumptions that are difficult to predict and are based upon assumptions as to future events that may not prove accurate. These factors include TGS' reliance on a cyclical industry and principal customers, TGS' ability to continue to expand markets for licensing of data, and TGS' ability to acquire and process data products at costs commensurate with profitability. Actual results may differ materially from those expected or projected in the forward-looking statements. TGS undertakes no responsibility or obligation to update or alter forward-looking statements for any reason.

# Positioning TGS for the next energy upcycle

**1** Energy demand continues to rise and energy security is becoming critical

**2** Significant underinvestment in oil and gas, forces higher spending on all energy sources

**3** Recent exploration success drives frontier investments and licensing activity

**4** Price volatility triggers demand for data and insights across energy industries/sources

**5** Clients' cash flow support higher spending

# Delivering on strategic agenda – Capital Markets Day Feb'21

Profitable Growth	New technologies in mature basins	
	Strengthening position in South Atlantic	
	Further growth onshore	
Technology Leader	Expand value chain through Data & Analytics	
	Imaging quality and reputation	
Diversification	Data offering towards other energy related industries	

# Magseis – Strengthening position towards ILX and 4D

## Description

- World's leading OBN acquisition company
- Strong position in TGS' core markets
- Offer to acquire all outstanding shares announced on 29 June 2022

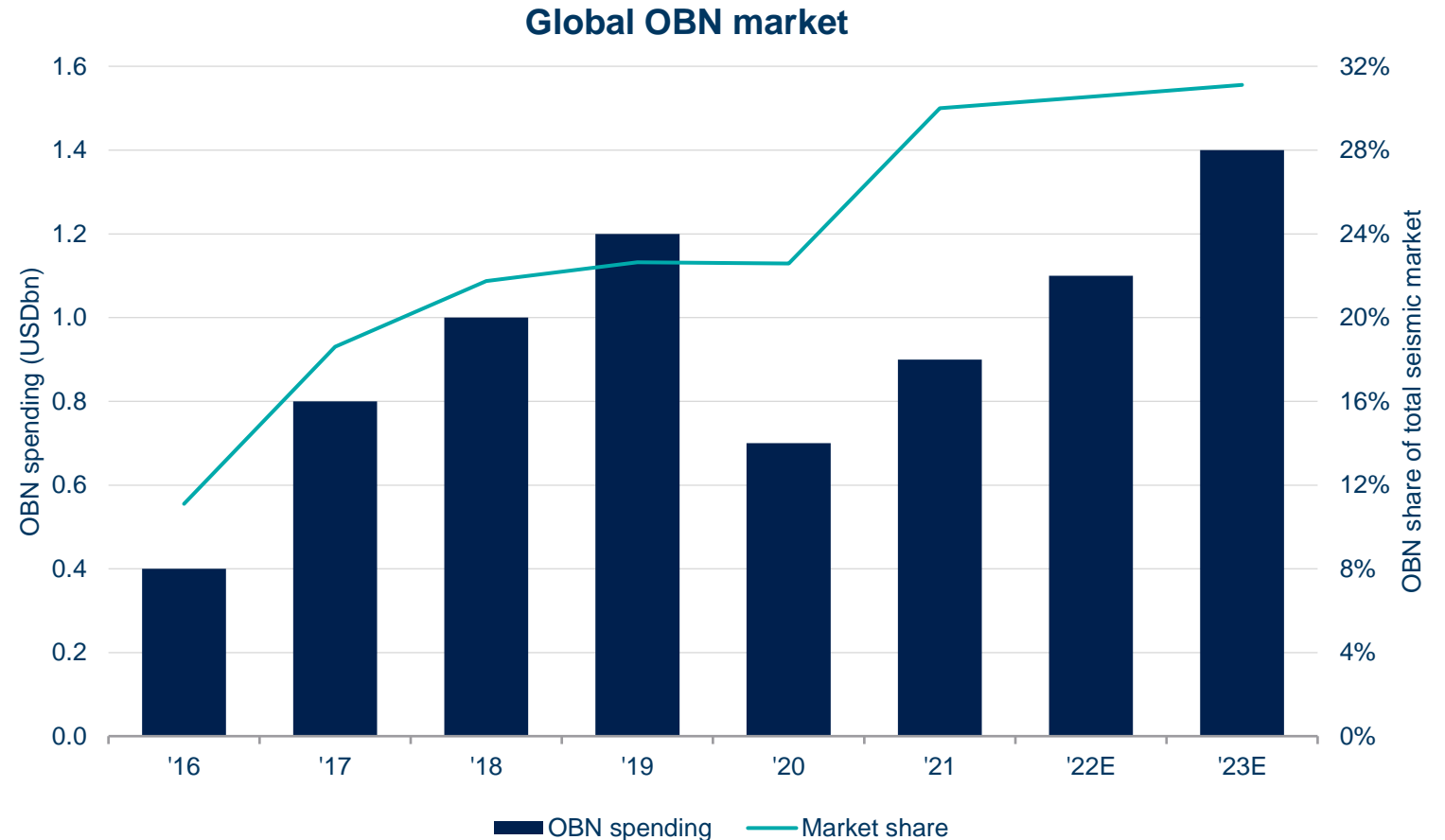
## Strategic rationale

- ✓ Strengthen TGS' multi-client business towards ILX and “converted contracts”
- ✓ Position TGS for production seismic and 4D
- ✓ Further enhance TGS' position in OBN processing
- ✓ Improve exposure towards energy transition related industries, like offshore wind, CCS and deep-sea minerals



# Growing demand for Ocean Bottom Node (OBN) data

- E&P companies are strengthening their focus on cycle time costs - higher share of demand for seismic data is driven by infrastructure-led exploration (ILX) and production
- An increasing amount of surveys are “converted contracts”, which give higher IRR and lower Sales-to-Cost
- OBN has been gaining market share of overall seismic spend over time
- Favourable market dynamics in terms of:
  - Increased operational experience in the industry,
  - Lower cost levels and improved risk mitigation, and
  - A healthier relationship between demand and supply



Source: ABGSC Research

# ION – Expanding MC footprint and data processing offering

## Description

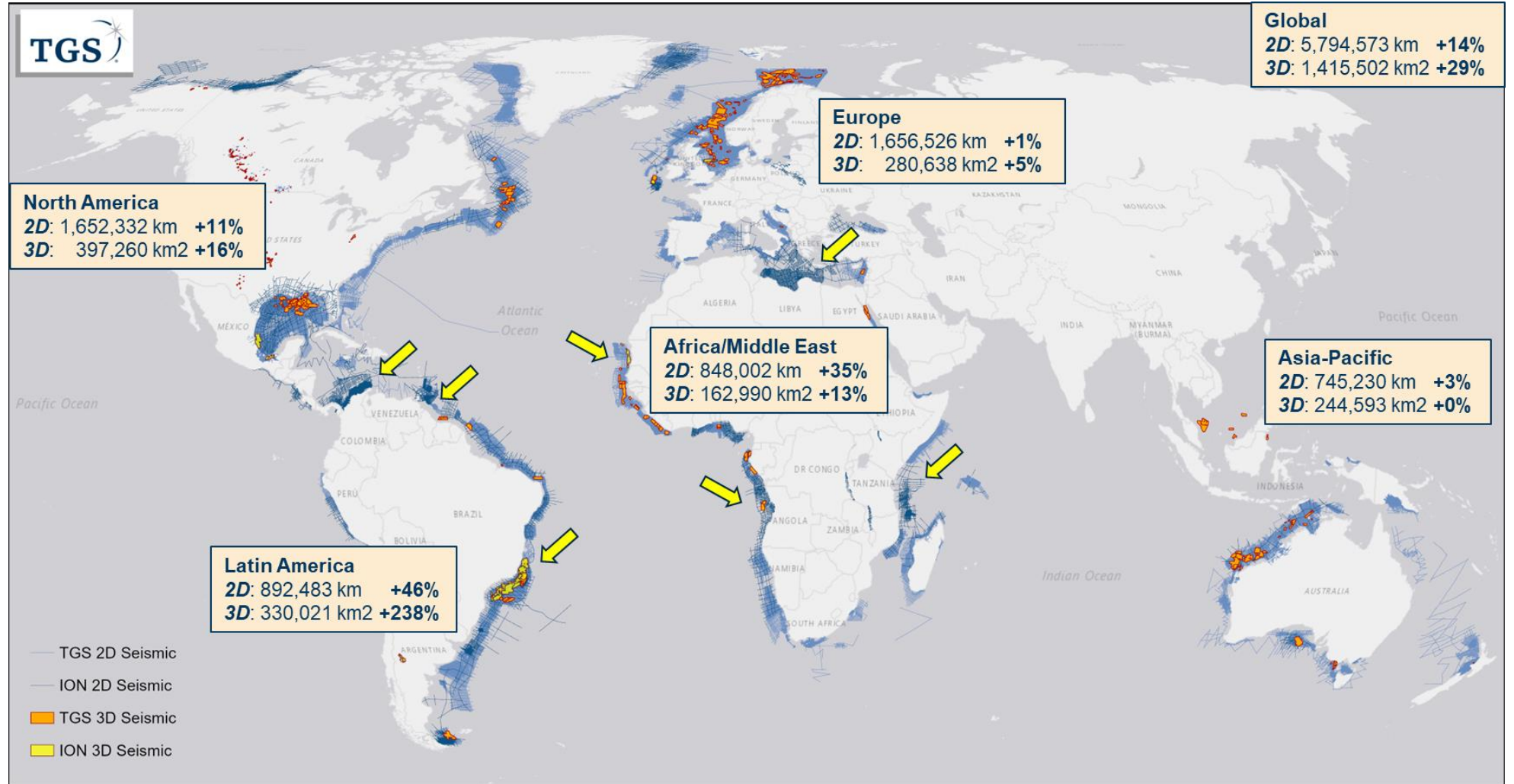
- Considered the number five multi-client company globally
- Asset light with a strong position in Africa and Latin America
- All of Ion's offshore multi client data (both 3D and 2D) and the processing business acquired as part of a Chapter 11 process – closing expected late July

## Strategic rationale

- ✓ Will increase TGS global 3D and 2D footprint by 29% and 14% in volume, respectively
- ✓ Significant strengthening of key frontier areas in the South Atlantic basin
- ✓ Further enhancement of data processing offering



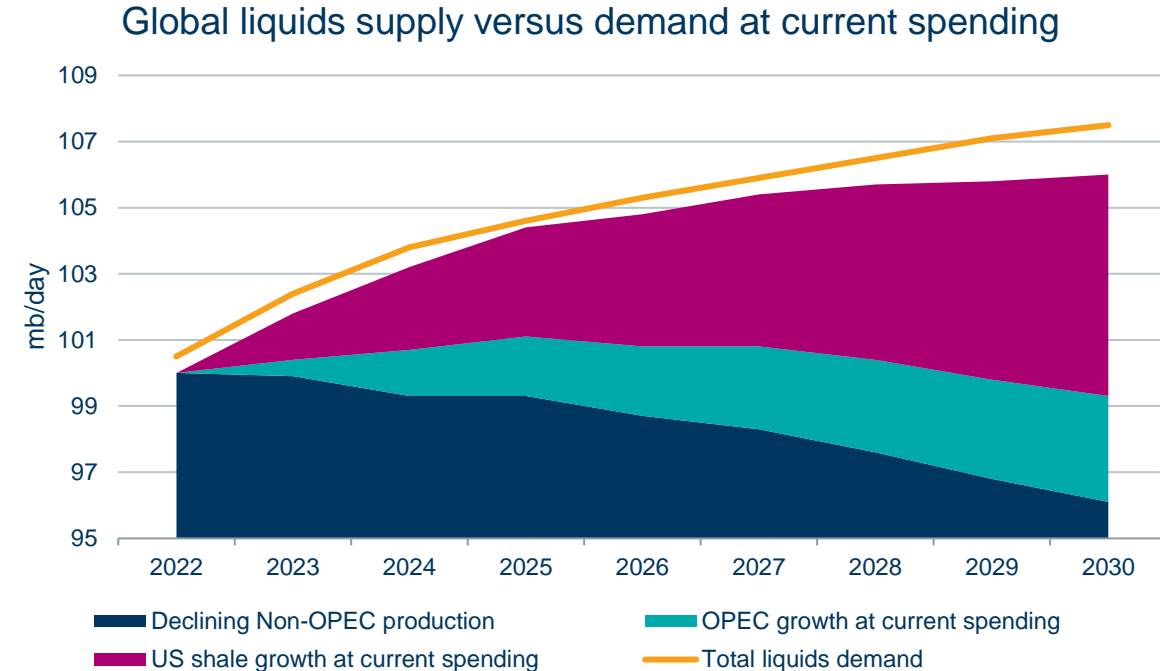
# Global MC library increases by 29% (3D) and 14% (2D)





# Frontier exploration in recovery

- International Oil Companies are increasingly interested in frontier basins – particularly South Atlantic basin
- Several large discoveries in frontier areas so far this year
- Licensing round activity getting back to normal
- Significant under-investments in new oil and gas in the past creates need for catching up over the coming years
- TGS late sales increased 218% y/y in Q1 2022



Source: J.P Morgan

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

*J.P. Morgan Annual Energy Outlook April 2022*

# Prediktor – Important building-block in renewables strategy

## Description

- Leading provider of asset management and real-time data management solutions to renewable and energy asset owners
- Strong presence in solar energy, but also delivers solutions to other types of industrial assets (e.g. wind energy and O&G)
- Based in Fredrikstad, Norway

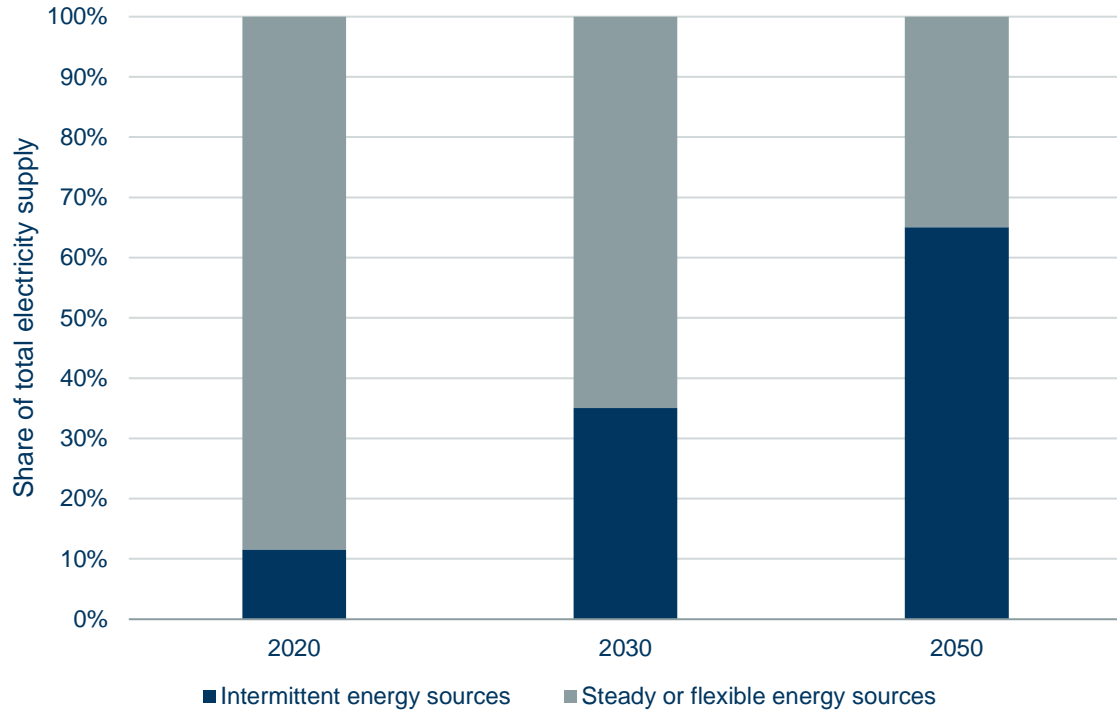
## Strategic rationale

- ✓ Important building block in the company's vision of becoming an integrated provider of high-quality data and insights to the renewable industry
- ✓ Significantly strengthens TGS' Data & Analytics capabilities by establishing a second software development hub in Norway
- ✓ TGS to help accelerating Prediktor's go-to-market strategy



# Energy transition driving market complexity

Increasing share of intermittent energy

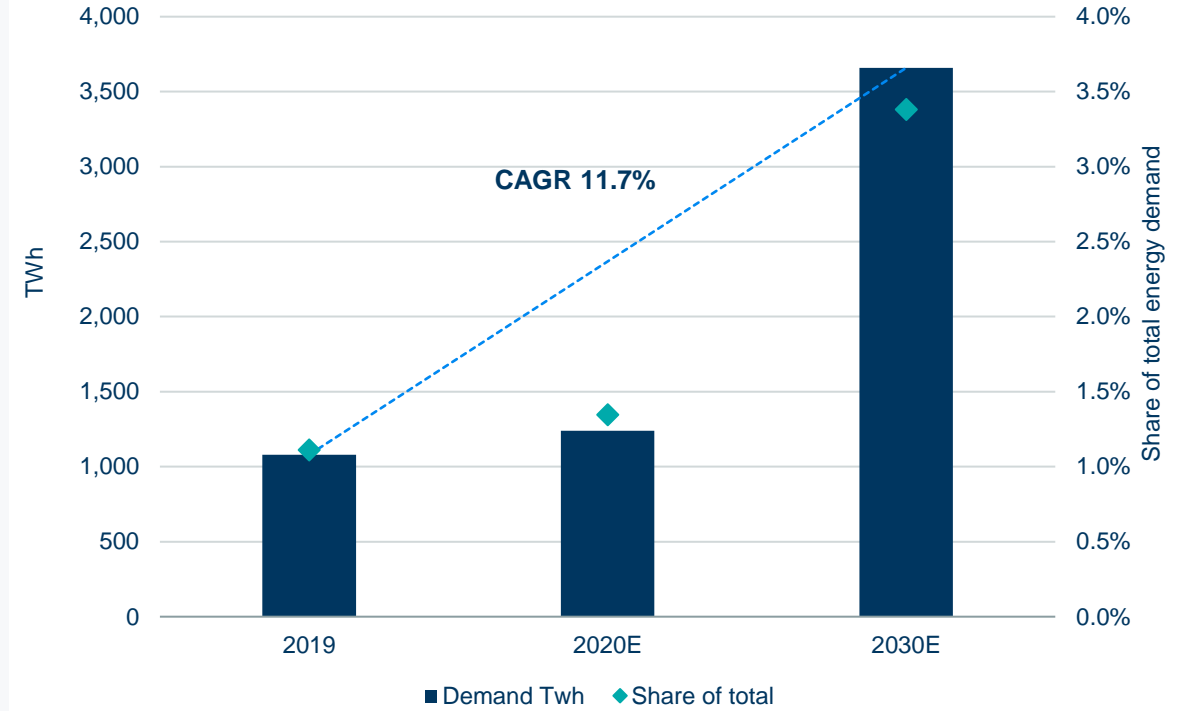


Share of total electricity supply – based on IEA’s SDS scenario  
Source: IEA, TGS

**More need for data and insights in decision making processes**

# Strong growth in solar energy

Expected growth solar power



Source: EIA World Energy Outlook 2020

**Solar expected to grow more than any other energy sources**

# Next steps – Expected timing



## Magseis

- Offer to be launched during August
- Clearance through applicable competition authorities
- Necessary consents for change of control
- Closing expected early fall



## ION

- Sale hearing in bankruptcy court scheduled for July 18
- Closing expected shortly thereafter, assuming no third-party objections raised to delay closing



## Prediktor

- Transaction already closed
- Integration/collaboration in progress



**Thank you**

