



Magseis Fairfield ASA
Strandveien 50
N-1366

Att: To the Board of Directors of Magseis Fairfield ASA

13 December 2022

Statement on the mandatory offer pursuant to the Norwegian Securities Trading Act section 6-16

Background

On 11 October 2022 TGS ASA (“TGS”) completed the recommended voluntary offer to acquire Magseis Fairfield ASA (“Magseis” or the “Company”), through which TGS acquired approximately 75.40% of the issued and outstanding shares in Magseis. The offer triggered an obligation to make a mandatory offer for all the remaining shares in Magseis pursuant to Chapter 6 of the Norwegian Securities Trading Act. On 10 November 2022, TGS launched the mandatory offer to acquire all the shares in Magseis that are not already owned by TGS (the “Offer” or the “Mandatory Offer”).

The shareholders of Magseis are offered NOK 8.08 in cash per Magseis share.

The Offer has been made known to the employees of the Company. The employees of the Company have not made any separate statement regarding the Offer.

PwC’s mandate

Pursuant to the Norwegian Securities Trading Act section 6-16, the Board of Directors of Magseis shall provide a statement on the Offer (the “Opinion”). In this case, Oslo Børs is of the opinion that the Offer has been made in concert with the Board of Directors of Magseis as the voluntary offer was recommended by the Board of Directors of Magseis. Oslo Børs, in its capacity as take-over supervisory authority, has therefore decided that the statement from Magseis on the Mandatory Offer shall be made by an independent expert engaged by Magseis. Magseis has engaged PricewaterhouseCoopers AS (“PwC”, “we” or “us”) to issue the statement on behalf of Magseis.

We have assessed and confirmed our independence directly to Oslo Børs. We confirm that we do not have a business relationship with Magseis, TGS or closely related parties that should raise concerns regarding impartiality and we do not have any interest in the outcome of the Offer. PwC’s mandate was approved by Oslo Børs 8 December 2022.



Access to information and valuation approach

Our assessment is based on our estimates of the market value of the shares in Magseis. Our analyses have included a market approach valuation based on comparable transactions, listed comparable companies and historical bid premiums. Our analysis has also included income approach value calculations based on various scenarios. We have gathered the information and performed the analysis deemed necessary and relevant for our assessment of the fairness of the Offer.

As a basis for our assessment, we have reviewed, *inter alia*, the following information:

- a. Publicly available information about Magseis such as:
 - a. the annual report for 2021 and prior financial years, and
 - b. quarterly reports up until the third quarter of 2022.
- b. Magseis's budget for 2022 and 2023,
- c. Magseis's business forecast 2022-2027,
- d. information retrieved through discussions with the management of Magseis,
- e. press release issued in connection to the Offer, and other press releases by Magseis and news involving the Company,
- f. financial analyst reports covering the Magseis share,
- g. publicly available information on the price and turnover of the Magseis share,
- h. information from financial databases, such as Capital IQ and Mergermarket,
- i. company presentations, and
- j. other information available that PwC has deemed relevant for this fairness opinion.

Our Opinion is based on the financial, economic, market and other conditions, as well as the information provided to us, as at the date of this Opinion. Changes in the circumstances mentioned may affect the assumptions that have formed the basis of our value assessment, and we do not assume any responsibility for updating, revising or confirming our Opinion.

We have relied upon the accuracy and the completeness, in all relevant aspects, of the information provided and otherwise made available to us by representatives of Magseis.

This Opinion is addressed to the Board of Directors of Magseis for the purpose of serving as a basis for the current shareholders' standpoint regarding the Offer and we do not accept any responsibility for its use for other purposes than this.

Our conclusion

Subject to the foregoing conditions and limitations, it is PwC's Opinion that the Offer as at this date, from a financial point of view, is fair to the owners of shares in Magseis.

Please note that we do not express any opinions or recommendations as to whether existing shareholders should accept the Offer. Each shareholder should make its own assessment and evaluation of the attractiveness of the Offer.



Yours faithfully,

PricewaterhouseCoopers AS

Henrik Gran, Partner