



Magseis Fairfield ASA
Strandveien 50
N-1366

Att: To the Board of Directors of Magseis Fairfield ASA

13 September 2022

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

Background

On 29 June 2022, TGS ASA (“TGS”) and Magseis Fairfield ASA (“Magseis” or the “Company”) announced that they have entered into a transaction agreement (“the Transaction Agreement”) in which TGS will put forward a voluntary exchange offer (“the Offer”) to acquire 100% of Magseis’s outstanding shares.

The shareholders of Magseis are offered NOK 0.0426 ordinary shares of TGS and NOK 2.3592 in cash per Magseis share. Based on the closing price of TGS on 28 June 2022, the value of the Offer was equal to NOK 8.6048 per Magseis share and the Offer valued the total issued share capital of Magseis at a market capitalization of approximately NOK 2.333 million.

Board of Directors of Magseis recommend the shareholders of the Company to accept the Offer. Magseis shareholders, including the largest shareholder, Fairfield MS, LLC, and members of the Magseis Board and management, who collectively own 33.4% of the outstanding share capital of Magseis, have entered into pre-acceptances with respect to the Offer.

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. Oslo Børs, in its capacity as take-over supervisory authority, has therefore decided that the statement from Magseis on this voluntary 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 23 August 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 second quarter of 2022.
- b. Magseis's budget for 2022 and business forecast 2022-2027,
- c. information retrieved through discussions with the management of Magseis,
- d. press release issued in connection to the Offer, and other press releases by Magseis and news involving the Company,
- e. financial analyst reports covering the Magseis share,
- f. publicly available information on the price and turnover of the Magseis and TGS share,
- g. information from financial databases, such as Capital IQ and Mergermarket,
- h. company presentations, and
- i. 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