



To the Shareholders of
PGS ASA (PGS)

Our ref.: PU

Oslo, 22 January 2020

PGS ASA EXTRAORDINARY GENERAL MEETING 13 FEBRUARY 2020 – 15:30 CET

Enclosed please find:

- Calling Notice
- Proxy form

The Calling Notice and any attachments thereto will be made available on www.pgs.com. The hardcopy of any appendices will not be distributed automatically to the individual shareholders, but will be sent you upon request to ir@pgs.com.

Yours sincerely
On behalf of PGS ASA

A handwritten signature in black ink, appearing to read 'Walter Qvam'.

Walter Qvam
Chairman



**CALLING NOTICE FOR
EXTRAORDINARY GENERAL MEETING**

Notice is hereby given for an Extraordinary General Meeting in PGS ASA (“**PGS**” or the “**Company**”) at the PGS head office, Lilleakerveien 4C, 0216 Oslo, Norway to be held on

13 February 2020, at 15:30 hrs (Norwegian time)

The Company’s Board of Directors (the “**Board**”) has decided to call for an Extraordinary General Meeting to vote on the matters described below.

The Chairperson of the Board will open the Extraordinary General Meeting and, according to the Articles of Association § 9, the Chairperson shall also chair the Annual General Meeting.

ITEM 1 APPROVAL OF THE CALLING NOTICE AND AGENDA

ITEM 2 ELECTION OF PERSON TO COUNTERSIGN THE MINUTES

It is proposed that a person be elected among those present at the Extraordinary General Meeting to countersign the Minutes.

ITEM 3 INCREASE THE SHARE CAPITAL OF THE COMPANY BY PRIVATE PLACEMENT

The Company has a debt structure with a significant part of the debt falling due in 8 to 15 months. Its revolving credit facility (“**RCF**”) falls due in September 2020. PGS’ USD 212 million senior notes mature in December 2020 and the USD 377 million Term Loan B (“**TLB**”) matures in March 2021. See announcements on the Company’s profile on www.newsweb.no for a more comprehensive description of the Company’s debt financings, including in its annual accounts and quarterly reports.

The Company has been in discussions with its lenders in order to negotiate a refinancing of the RCF and TLB, including an extension of the maturity. On 21 January 2020, the Company announced the results of such discussions and the terms of the refinanced RCF and TLB as well as certain conditions to completion of such refinancing. See the aforementioned announcement available on the Company’s profile on www.newsweb.no for a more comprehensive description.

As part of the refinancing, it has been set as a condition to closing that the Company is raising gross proceeds of the NOK equivalent of minimum USD 75 million in new equity. See announcement dated 21 January 2020 available on the Company’s profile on www.newsweb.no for a more comprehensive description of the equity financing.

On this background, the Board has proposed to carry out a share capital increase through private placement (the "**Private Placement**") of 48,627,000 new ordinary shares (the "**New Shares**") for gross proceeds of NOK 849,999,960.

The Private Placement was conducted through a bookbuilding process on 21 January 2020, as managed by the Company's financial advisors Nordea Bank Abp, filial i Norge, Pareto Securities AS, J.P. Morgan Securities PLC, ABN AMRO Bank N.V., Barclays Bank PLC and DNB Markets, a part of DNB Bank ASA (collectively the "**Managers**").

All the New Shares in the Private Placement have been applied for at the subscription price of NOK 17.48, as determined based of the bookbuilding process.

Completion of the Private Placement is subject, inter alia, to the approval by the Company's general meeting, as proposed by the Board as per the below.

Existing shareholders in the Company who have applied for New Shares in the Private Placement have undertaken to vote in favour of the share capital increase pertaining to the Private Placement and the Subsequent Offering (as defined below) at this extraordinary general meeting.

The Board proposes that the shareholders' pre-emptive right to subscribe to the new shares be set aside. It is the Board's opinion that the Private Placement will comply with the equal treatment requirements in Section 5-14 of the Norwegian Securities Trading Act and Oslo Stock Exchange's Circular no. 2/2014, as well as Sections 5-21 and 6-28 of the Norwegian Public Limited Liability Companies Act, in particular due to the following reasons:

- The Company has a need for refinancing of its current debt. Such refinancing has been initiated and subsequently terminated – as also previously announced to the market. In order to secure the completion of the refinancing – and also in a time efficient timely manner – the private placement structure facilitates such completion of refinancing. To limit execution risk in the current circumstances is deemed highly important.
- The Private Placement may also more easily utilise favourable market sentiments in the PGS share.
- The Private Placement involves a subscription price for the New Shares that is at or close to the undisturbed trading price of the PGS shares at the Oslo Stock Exchange immediately prior to launch of the Private Placement – as opposed to the customary discount as seen in rights offerings.
- The expenses related to the capital raise is low since the Private Placement will not involve underwriting fees customarily seen in rights offerings and the discount compared to the market price is moderate.
- The Private Placement has been announced to the market and carried out as a book-building process handled by the Managers and thereby facilitates the possibility of participation by a broad investor universe, including the Company's existing shareholders.

- Eligible shareholders of the Company that were not allocated New Shares in the Private Placement will have the opportunity to participate in the Subsequent Offering (as defined below).

Based on this, the Board therefore proposes that the general meeting makes the following resolution:

- 1 *“The Company’s share capital is increased by NOK 145,881,000 by issue of 48,627,000 new shares.*
- 2 *The nominal value of each share is NOK 3.*
- 3 *The subscription price is NOK 17.48 per share.*
- 4 *The shareholders’ preferential right is set aside. The new shares shall be subscribed for by persons identified on the list attached to these minutes. Based on authorization, Nordea Bank Abp, filial i Norge, Pareto Securities AS and J.P. Morgan PLC (separately or jointly) shall subscribe for the shares on behalf of such persons on a separate subscription form no later than the end of 1 March 2020.*
- 5 *The subscription amount shall be paid in cash to the Company’s separate bank account no later than 1 March 2020.*
- 6 *The new shares will carry shareholder rights, including the right to dividends, as from the registration of the share capital increase in the Norwegian Register of Business Enterprises.*
- 7 *The estimated costs for the capital increase are NOK 20,000,000.*
- 8 *The Articles of Association § 3 shall be amended as follows*

“The share capital of the Company is NOK 1,161,620,988 divided into 387,206,996 shares, each with a par value of NOK 3.

The shares shall be registered with the Norwegian Registry of Securities (Verdipapirsentralen).”
- 9 *Completion of this share capital increase is subject to the Company’s registration of the share capital increase in the Norwegian Register of Enterprises.”*

ITEM 4 INCREASE THE SHARE CAPITAL OF THE COMPANY BY SUBSEQUENT OFFERING

Subject to approval of item 3 above, the Board has proposed to carry out a subsequent offering (the **“Subsequent Offering”**) of up to 5,120,000 new shares in the Company. A Subsequent Offering will be, if made, and on the basis of an approved prospectus, directed towards shareholders in the Company who (i) are shareholders in the Company as of the date of the expiry of the bookbuilding period at 21 January 2020 for the Private Placement, as registered as shareholders in the Company’ register of shareholders with the Norwegian Central Securities Depository (Nw.

Verdipapirsentralen) (the “VPS”) as of 23 January 2020, (ii) are not allocated New Shares in the Private Placement, and (iii) are not resident in a jurisdiction where such offering would be unlawful or, for jurisdictions other than Norway, would require any prospectus, filing, registration or similar action (the “Eligible Shareholders”). The Eligible Shareholders will be granted non-tradable allocation rights. The subscription period in the Subsequent Offering is expected to commence shortly after publication of the prospectus, expected in H1 2020. The subscription price in the Subsequent Offering will be the same as in the Private Placement.

Reference is made to item 3 above for a description of the background for the Private Placement and the Subsequent Offering, the waiver of the pre-emption rights and matters to consider when subscribing for shares of the Company.

Based on this, the Board therefore proposes that the general meeting make the following resolution:

- 1 *“The share capital is increased by minimum NOK 3 and maximum NOK 15,360,000 by issuing between 1 and 5,120,000 new shares.*
- 2 *The nominal value of each share is NOK 3.*
- 3 *The subscription price is NOK 17.48 per share.*
- 4 *The existing shareholders’ preferential right to subscribe for shares according to the Public Limited Liability Companies Act section 10-4, ref section 10-5, is set aside. The shares may be subscribed for by shareholders of the Company as of 21 January 2020, as they appear in the Company’s shareholder register in the VPS as of 23 January 2020 (“Record Date”), who (i) were not allocated shares in the Private Placement and (ii) are not resident in a jurisdiction where such offering would be unlawful or, for jurisdictions other than Norway, would require any prospectus, filing, registration or similar action. Non-tradable allocation rights for the subscription of the shares will be issued, but not listed on the Oslo Stock Exchange. Oversubscription is allowed. Subscription without allocation rights is not allowed.*
- 5 *The shares cannot be subscribed for by shareholders or others as, in the company’s reasonable opinion, are resident in non-Norwegian jurisdiction where such offer would be illegal or require any prospectus, filing, registration or similar action.*
- 6 *The Company shall prepare a prospectus that shall be approved by the Norwegian Financial Supervisory Authority (the “FSA”). The subscription period shall commence on 16 March 2020 and end on 27 March 2020. If the prospectus has not been approved in time, the subscription period shall commence on such later date being two trading days after the FSA’s approval of the prospectus and shall expire at 16:30 CEST 10 trading days thereafter. The specific terms and conditions of the subscription shall be determined by the board of directors and shall be described in the prospectus. Dates above are subject to change and will be finally resolved by the general meeting’s resolution.*

- 7 *Allocation of shares shall be made by the board of directors and shall be based on the following criteria (as further detailed in the prospectus):*
- (i) Allocation shall first be made to subscribers on the basis of allocation rights that have been validly exercised.*
 - (ii) If all allocation rights have not been exercised, then further allocations shall be made to subscribers who have validly exercised allocation rights and over-subscribed. Such allocation shall be made proportionate based on the number of allocation rights exercised by each such subscriber.*
- 8 *The subscription amount shall be paid in cash to the company's separate bank account no later than 1 April 2020. If the subscription period is postponed as per section 6 above, the due date for settlement shall be postponed accordingly. The board of directors determines the specific terms and conditions for settlement that will be described in the prospectus.*
- 9 *The new shares will carry shareholder rights, including the right to dividends, as from the registration of the share capital increase in the Norwegian Register of Business Enterprises. As from the same time, § 3 of the articles of association shall be amended to reflect the share capital, number of shares and nominal value after the capital increase.*
- 10 *The estimated costs for the capital increase are NOK 2,000,000.*
- 11 *The board of directors may in its sole discretion, at any time prior to completion, terminate the share capital increase pursuant to this item 4 should the prevailing market conditions suggest such termination (including if the subscription price is higher than the trading price).*
- 12 *Completion of the share capital increase as per this item 4 is subject to the completion of the share capital increase as per item 3 above."*

* * *

In respect of events that have occurred after the last balance date, and other relevant information of the Company, reference is made to the Q3 2019 report available on the Company's website www.pgs.com, as well as the Company's stock exchange releases on its ticker (OSE: PGS) on www.newsweb.no.

Copies of the latest annual accounts, annual report and auditor's statement are available at the Company's office.

At the Company's Extraordinary General Meeting, each share has one vote. There are a total of 338,579,996 shares. An owner with shares registered through a custodian has voting rights equivalent to the number of shares covered by the custodian arrangement, provided that the owner of the shares shall within two working days before the Annual General Meeting provide the Company with his or her name and address together with a confirmation from the custodian to the effect that he or she is the beneficial owner of the shares held in custody.

Shareowners who wish to take part in the Extraordinary General Meeting must give notice no later than 11 February 2020 by 12:00 hrs noon CET. Notice may be sent electronically through the

Company's website www.pgs.com or through VPS Investor Services. Advance votes may only be cast electronically, through the Company's website www.pgs.com or through VPS Investor Services. To access the electronic system for notification of attendance and advance voting through the Company's website, reference number and PIN code must be stated. Notice may also be sent by e-mail: genf@dnb.no or by regular mail to DNB Bank ASA, Registrar's Department, P.O. Box 1600 Sentrum, 0021 Oslo, Norway.

This English text Calling Notice is a translation of the Norwegian text Calling Notice. In the event of discrepancy between the English and the Norwegian text of the Calling Notices, the Norwegian text shall prevail.

Oslo, 22 January 2020



Walter Qvam
Chairperson

In case you are not able to participate in the Annual General Meeting, you may use the authorization of proxy to give a power of attorney to Walter Qvam, Chairperson of the Board, or Rune Olav Pedersen, President & CEO.

Walter Qvam

Rune Olav Pedersen

PGS ASA

PGS ASA

*P.O. Box 251 Lilleaker
0216 Oslo – Norway*

*P.O. Box 251 Lilleaker
0216 Oslo - Norway*



Ref no:

PIN code:

Notice of Extraordinary General Meeting

Meeting in PGS ASA will be held on 13 February 2020 at 15:30 (CET) at PGS head office, Lilleakerveien 4C, 0216 Oslo, Norway

The company accepts votes in advance for this Meeting. Advance votes must be registered by 11 February 2020 at 12:00 (CET) Advance votes may only be executed electronically, through the Company's website www.pgs.com or via VPS Investor Services.

Notice of attendance

The Undersigned will attend the Extraordinary General Meeting in PGS ASA on 13 February 2020 and cast votes for:

own shares, and/or
other shares in accordance with the enclosed proxy/proxies, i.e.
_____ shares in total.

Notice of attendance should be registered electronically through the Company's website www.pgs.com or via VPS Investor Services. To access the electronic system for notification of attendance through the Company's website, the above mentioned reference number and PIN code must be stated. Shareholders who have chosen electronic communication will not receive PIN and reference numbers, and can only give notice through VPS Investor services.

Notice of attendance may also be sent by E-mail to genf@dnb.no, or by regular Mail to DNB Bank ASA, Registrars Department, P.O.Box 1600 Centrum, 0021 Oslo, Norway.

The notice of attendance must be received no later than 11 February 2020 at 12.00 (CET).

If the shareholder is a Company, please state the name of the individual who will be representing the Company: _____

Place	Date	Shareholder's signature

Proxy without voting instructions

Ref no:

PIN code:

If you are unable to attend the meeting, you may grant proxy to another individual.

Proxy should be submitted electronically through the Company's website www.pgs.com or via VPS Investor Services. To access the electronic system for granting proxy through the Company's website, the above mentioned reference number and PIN code must be stated. Shareholders who have chosen electronic communication will not receive PIN and reference numbers, and can only give proxy via VPS Investor services. Proxy may also be sent by E-mail to genf@dnb.no (scanned form) or by regular Mail to DNB Bank ASA, Registrars' Department, P.O.Box 1600 Centrum, 0021 Oslo, Norway.

If you send the proxy without naming the proxy holder, the proxy will be given to the Chair of the Board of Directors or an individual authorised by him.

This proxy must be received no later than 11 February 2020 at 12.00 (CET).

The undersigned (name in capital letters): _____
hereby grants (tick one of the two)

the Chair of the Board of Directors (or a person authorised by him), or

(Name of proxy holder in capital letters)

proxy to attend and vote for my/our shares at the Extraordinary General Meeting of PGS ASA on 13 February 2020.

Place	Date	Shareholder's signature (Only for granting proxy)

With regards to your right to attend and vote, reference is made to the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. If the shareholder is a Company, the Company's Certificate of Registration must be attached to the proxy.



Proxy with voting instructions

Ref no:

PIN code:

If you are unable to attend the Extraordinary General Meeting in person, you may use this proxy form to give voting instructions.

Proxies with voting instructions can only be registered by DNB, and must be sent to genf@dnb.no (scanned form) or by regular Mail to DNB Bank ASA, Registrars' Department, P.O.Box 1600 Centrum, 0021 Oslo, Norway.

The form must be received by DNB Bank ASA, Registrars' Department no later than 11 February at 12.00 (CET).

Proxies with voting instructions must be dated and signed in order to be valid.

The undersigned (name in capital letters): _____

hereby grants the Chair of the Board of Directors (or a person authorised by him) proxy to attend and vote for my/our shares at the Extraordinary General Meeting of PGS ASA on 13 February 2020.

The votes shall be exercised in accordance to the instructions below. If the sections for voting are left blank, this will be counted as an instruction to vote in accordance with the Board's recommendations. However, if any motions are made from the attendees in addition to or in replacement of the proposals in the Notice, the proxy holder may vote at his discretion. If there is any doubt as to how the instructions should be understood, the proxy holder may abstain from voting.

Agenda for the Extraordinary General Meeting 13 February 2020	For	Against	Abstention
1. Approval of the calling notice and agenda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of person to countersign the minutes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Motion to increase the share capital of the company – Private Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Motion to increase the share capital of the company – Subsequent Offering	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Place

Date

Shareholder's signature (Only for granting proxy with voting instructions)

With regards to your right to attend and vote, reference is made to the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. If the shareholder is a Company, the Company's Certificate of Registration must be attached to the proxy.