

Selected Financial and Operating Information

(Thousands of dollars except per share data,
numbers of shares and kilometres of seismic data)

	Three months ended June 30,		Six months ended June 30,		Year ended December 31, 2024
	2025	2024	2025	2024	
	(Unaudited)		(Unaudited)		
Revenue	18,316	6,300	41,075	15,077	23,379
Amortization of seismic data library	2,224	2,279	4,449	4,549	9,090
Net earnings	9,565	1,341	22,940	4,022	3,391
Per share basic and diluted	0.19	0.03	0.45	0.08	0.07
Cash provided by (used in) operating activities	12,543	(1,269)	29,158	9,195	14,195
Per share basic and diluted	0.25	(0.02)	0.57	0.18	0.28
EBITDA ^(a)	15,238	4,418	35,286	10,647	15,496
Per share basic and diluted ^(a)	0.30	0.09	0.69	0.21	0.30
Shareholder free cash flow ^(a)	11,733	3,869	27,152	8,907	12,408
Per basic and diluted ^(a)	0.23	0.07	0.53	0.17	0.24
Capital expenditures					
Seismic data	-	-	-	225	225
Property and equipment	-	-	-	-	45
Total capital expenditures	-	-	-	225	270
Dividends					
Regular dividends declared	885	775	1,648	1,490	3,018
Special dividend declared	-	-	10,167	-	2,548
Total dividends declared	885	775	11,815	1,490	5,566
Normal course issuer bid					
Number of shares purchased and cancelled	37,300	539,500	80,600	1,166,800	1,784,000
Cost of shares purchased and cancelled	91	1,222	197	2,407	3,880
Weighted average shares outstanding					
Basic and diluted	50,761,321	51,734,590	50,795,174	51,928,298	51,448,985
Shares outstanding at period-end			50,755,057	51,455,063	50,837,863
Seismic library					
2D in kilometres			829,207	829,207	829,207
3D in square kilometres			65,310	65,310	65,310

Financial Position and Ratio

(Thousands of dollars except ratio)

	June 30, 2025	June 30, 2024	December 31, 2024
Working capital	24,202	10,996	9,222
Working capital ratio	4.8:1	4.0:1	5.1:1
Cash and cash equivalents	25,876	9,392	8,722
Total assets	36,479	29,184	21,516
Trailing 12-month (TTM) EBITDA ^(b)	40,135	27,528	15,496
Shareholders' equity	29,177	25,177	18,295

(a) These non-GAAP financial measures are defined, calculated and reconciled to the nearest GAAP financial measures in the Management's Discussion and Analysis.

(b) TTM EBITDA is defined as the sum of EBITDA generated over the previous 12 months and is used to provide a comparable annualized measure.

Condensed Consolidated Interim Statements of Financial Position


Q2

(Thousands of Canadian dollars) (Unaudited)

As at	Note	June 30, 2025	December 31, 2024
ASSETS			
Cash and cash equivalents		25,876	8,722
Trade and other receivables		4,439	1,908
Current tax assets		-	589
Prepaid expenses		291	262
Total current assets		30,606	11,481
Seismic data library	5	4,993	9,442
Property and equipment		44	56
Deferred income tax assets		637	304
Right-of-use assets	6	199	233
Total non-current assets		5,873	10,035
Total assets		36,479	21,516
LIABILITIES AND SHAREHOLDERS' EQUITY			
Accounts payable and accrued liabilities	10	3,689	2,189
Current portion of lease liabilities	6	72	70
Current income tax liabilities		2,643	-
Total current liabilities		6,404	2,259
Lease liabilities	6	140	134
Share-based compensation payable	10	758	828
Total non-current liabilities		898	962
Total liabilities		7,302	3,221
SHAREHOLDERS' EQUITY			
Share capital	9	70,368	70,483
Contributed surplus		2,086	2,129
Deficit		(43,277)	(54,317)
Total shareholders' equity		29,177	18,295
Total liabilities and shareholders' equity		36,479	21,516
Subsequent event	14		

See accompanying notes to condensed consolidated interim financial statements.

On behalf of the Board:

 Robert Robotti
Chair of the Board

 Paul Crilly
Audit and Risk Committee Chair

Condensed Consolidated Interim Statements of Net Earnings and Comprehensive Income

Q2

(Thousands of Canadian dollars except per share data) (Unaudited)

		Three months ended June 30,		Six months ended June 30,	
	Note	2025	2024	2025	2024
Revenue					
Data library sales	4	18,316	6,300	41,075	15,077
Operating expenses					
Amortization of seismic data library	5	2,224	2,279	4,449	4,549
Salaries, internal commissions and benefits	10	2,359	1,328	4,450	3,256
Other selling, general and administrative costs		719	554	1,339	1,174
Depreciation		23	21	46	41
Total operating expenses		5,325	4,182	10,284	9,020
Results from operating activities		12,991	2,118	30,791	6,057
Financing costs (income)					
Financing expenses		4	5	8	23
Interest income		(119)	(137)	(215)	(294)
Net financing income		(115)	(132)	(207)	(271)
Earnings before income taxes		13,106	2,250	30,998	6,328
Current income tax expense		3,620	807	8,341	2,448
Deferred income tax expense (recovery)		(79)	102	(283)	(142)
Income tax expense	8	3,541	909	8,058	2,306
Net earnings and comprehensive income		9,565	1,341	22,940	4,022
Net earnings per share, basic and diluted	11	0.19	0.03	0.45	0.08

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Changes in Equity

Q2

(Thousands of Canadian dollars, except number of shares) (Unaudited)

	Note	Number of shares issued	Share capital	Contributed surplus	Deficit	Total equity
Balance at January 1, 2024		52,621,863	72,957	3,434	(50,736)	25,655
Net earnings for the period		-	-	-	4,022	4,022
Share-based compensation on equity settled awards	10	-	-	509	-	509
Settlement of vested long-term incentive plan award		-	-	(1,112)	-	(1,112)
Normal course issuer bid	9(a)	(1,166,800)	(1,618)	-	(789)	(2,407)
Dividends paid	9(b)	-	-	-	(1,490)	(1,490)
Balance at June 30, 2024		51,455,063	71,339	2,831	(48,993)	25,177

	Note	Number of shares issued	Share capital	Contributed surplus	Deficit	Total equity
Balance at January 1, 2025		50,837,863	70,483	2,129	(54,317)	18,295
Net earnings for the period		-	-	-	22,940	22,940
Share-based compensation on equity settled awards	10	-	-	(46)	-	(46)
Normal course issuer bid	9(a)	(80,600)	(112)	-	(85)	(197)
Redeemed pursuant to acquisition sunset clause		(2,206)	(3)	3	-	-
Dividends paid	9(b)	-	-	-	(11,815)	(11,815)
Balance at June 30, 2025		50,755,057	70,368	2,086	(43,277)	29,177

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Cash Flows

Q2

(Thousands of Canadian dollars) (Unaudited)

	Note	Three months ended June 30,		Six months ended June 30,	
		2025	2024	2025	2024
Cash flows provided by (used in):					
Operating:					
Net earnings and comprehensive income		9,565	1,341	22,940	4,022
Adjustment for:					
Amortization of seismic data library	5	2,224	2,279	4,449	4,549
Depreciation		23	21	46	41
Income tax expense	8	3,541	909	8,058	2,306
Share-based compensation	10	-	126	-	437
Net financing income		(115)	(132)	(207)	(271)
Interest and standby fees paid		-	-	-	(23)
Interest paid on lease liabilities	6	(4)	(5)	(8)	(10)
Interest received		102	155	197	316
Income tax paid		(4,114)	(806)	(5,789)	(1,990)
Income tax received		-	48	680	48
		11,222	3,936	30,366	9,425
Net change in non-cash working capital	12	1,321	(5,205)	(1,208)	(230)
Cash provided by (used in) operating activities		12,543	(1,269)	29,158	9,195
Financing:					
Normal course issuer bid	9(a)	(91)	(1,222)	(197)	(2,407)
Equity-based compensation settlement		-	(1,112)	-	(1,112)
Dividends paid	9(b)	(885)	(775)	(11,815)	(12,017)
Lease liabilities	6	4	5	8	10
Cash used in investing activities		(972)	(3,104)	(12,004)	(15,526)
Investing:					
Seismic data purchases	5	-	-	-	(225)
Cash used in investing activities		-	-	-	(225)
Increase (decrease) in cash and cash equivalents		11,571	(4,373)	17,154	(6,556)
Cash and cash equivalents, beginning of period		14,305	13,765	8,722	15,948
Cash and cash equivalents, end of period		25,876	9,392	25,876	9,392

See accompanying notes to condensed consolidated interim financial statements.

Notes to Condensed Consolidated Interim Financial Statements

Information as at June 30, 2025, and December 31, 2024, and for the three-month and six-month periods ended June 30, 2025, and 2024
(Tabular amounts in thousands of Canadian dollars, except per share data, numbers of shares and other exceptions as indicated.)

1. REPORTING ENTITY

Pulse Seismic Inc. (the "Company") was incorporated under the Canada Business Corporations Act and is a publicly listed company on the Toronto Stock Exchange (TSX) trading under the symbol PSD and on the OTCQX International trading under the symbol PLSDF. The Company's registered office is located at 2700, 421 7th Avenue SW in Calgary, Alberta. The Company is a provider of seismic data to the energy and resource sector in Western Canada.

2. BASIS OF PREPARATION

(A) STATEMENT OF COMPLIANCE

The condensed consolidated interim financial statements have been prepared in accordance with IFRS[®] Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee.

The condensed consolidated interim financial statements were prepared by the Company's management and were approved by the Board of Directors on July 22, 2025.

(B) BASIS OF PRESENTATION

The condensed consolidated interim financial statements include the accounts of the Company's wholly owned subsidiaries.

Certain comparative figures have been reclassified to conform to the current year's presentation.

(C) BASIS OF MEASUREMENT

The condensed consolidated interim financial statements were prepared on the historical cost basis.

(D) FUNCTIONAL AND PRESENTATION CURRENCY

The condensed consolidated interim financial statements are presented in Canadian dollars, the Company's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand, except for per share data, the number of shares, and other exceptions as indicated.

(E) BASIS OF CONSOLIDATION

(I) Joint Operations

Certain of the Company's seismic data library assets are jointly owned with others. The condensed consolidated interim financial statements include the Company's share in the joint assets, joint liabilities, expenses incurred, and income earned from the joint operations.

(II) Transactions Eliminated On Consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the condensed consolidated interim financial statements.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied by the Company in the audited consolidated financial statements for the year ended December 31, 2024.

4. REVENUE

Data library sales

There are two ways to disaggregate the Company's data library sales: data type and geographically. Revenue fluctuations are a normal part of the seismic data library business, and data library sales can significantly vary period-over-period by data type and geographically.

The following tables provide a summary of the Company's revenue disaggregated by type::

(A) DATA TYPE

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
2D data sales	1,965	1,116	3,069	1,734
3D data sales	16,351	5,184	38,006	13,343
Total data library sales	18,316	6,300	41,075	15,077

The Company's data library consists of 2D and 3D seismic data. As 3D seismic licence contracts are generally larger than 2D seismic licence contracts, the percentage of seismic data library sales generated from 2D and 3D data sales fluctuates significantly depending on the number of 3D seismic sale contracts signed during a given period.

(B) GEOGRAPHICAL BREAKDOWN

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Alberta	17,660	6,070	40,420	12,247
British Columbia	-	-	8	2,600
Other areas	656	230	647	230
Total data library sales	18,316	6,300	41,075	15,077

5. SEISMIC DATA LIBRARY

	June 30, 2025	December 31, 2024
Cost		
Opening balance	507,023	506,798
Seismic data purchased	-	225
Closing balance	507,023	507,023
Accumulated amortization		
Opening balance	497,581	488,491
Amortization for the period	4,449	9,090
Closing balance	502,030	497,581
Carrying amount	4,993	9,442

In the first quarter of 2024, the Company acquired revenue and partnership interests in certain datasets.

At June 30, 2025 and 2024, the Company assessed the CGUs in its seismic data library for indicators of impairment, as

required under IFRS, and concluded there were no indicators of impairment. Accordingly, no impairment test was required. The carrying amount of the seismic data library relative to future expected returns indicates that future impairment of the currently owned assets is unlikely. Digital seismic data does not deteriorate and remains a valuable risk mitigation tool for energy companies. It is an essential part of the oil and natural gas exploration and development process and is also used for alternative energy development that requires structural and reservoir attributes such as helium, lithium, geothermal and for carbon capture and storage project development.

6. RIGHT-OF-USE (ROU) ASSETS AND LEASE LIABILITIES

The ROU assets and related lease liabilities are included in the tables below:

ROU assets As at	June 30, 2025	December 31, 2024
Opening balance	233	299
Less:		
Depreciation in the period	(34)	(66)
Closing balance	199	233

Lease liabilities As at	June 30, 2025	December 31, 2024
Opening balance	204	269
Repayments on principal and interest in the period	-	(84)
Finance expense in the period	8	19
Total lease liabilities	212	204
Less:		
Current portion	(72)	(70)
Long-term portion	140	134

The following table summarizes the Company's lease maturities:

Maturity analysis	Total
Less than one year	84
Two to five years	145
Total undiscounted lease liabilities as at June 30, 2025	229
Less: implicit interest	(17)
Total lease liabilities as at June 30, 2025	212

7. REVOLVING DEMAND CREDIT FACILITY

The Company has a demand facility of \$5.0 million borrowing limit that is secured through a charge on all the assets of the Company and its material subsidiaries. There have been no draws on the facility since it was put in place in the first quarter of 2024.

Interest is calculated based on the lender's prime loan rate, or USBR loan, or term CORRA, or term SOFR, plus an applicable margin based on the type of loan. At June 30, 2025, the applicable interest rate for the prime loan was 5.45 percent.

The revolving demand credit facility also includes the following financial covenants:

(1) MAXIMUM TOTAL DEBT TO ADJUSTED EBITDA RATIO

The total debt to adjusted EBITDA ratio shall not be greater than 3.0:1.

(2) MINIMUM INTEREST COVERAGE RATIO

The minimum interest coverage ratio is defined as the ratio of adjusted EBITDA to interest expense.

The minimum interest coverage ratio shall not be less than 2.5:1.

The Company was in compliance with all covenants at June 30, 2025.

8. INCOME TAX

Income tax expense differs from the amount that would be computed by applying the basic combined federal and provincial statutory income tax rate to earnings before income taxes. The reasons for the differences are as follows:

Six months ended June 30	2025	2024
Earnings before income tax	30,998	6,328
Combined federal and provincial income tax rate	23%	23%
Expected income tax expense	7,129	1,455
Effects of difference:		
Permanent difference related to the seismic data library	917	917
Others	12	(66)
Actual income tax expense	8,058	2,306

9. SHARE CAPITAL

(A) SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of common and an unlimited number of preferred shares, issuable in series. No preferred shares have been issued. All common shares are entitled to receive dividends as declared and are entitled to one vote per share at Company meetings.

On February 24, 2025, the Company renewed its normal course issuer bid (NCIB). The Company is allowed to purchase, for cancellation, up to a maximum of 2,770,658 common shares, equal to 10 percent of the public float of 27,706,584 common shares as at February 17, 2025. Under the NCIB, the Company is limited to purchase no more than 2,866 common shares on any given day, subject to the block purchase exemption under the TSX rules. The NCIB will continue until February 23, 2026. Purchases were made on the open market through the TSX or alternative platforms at the market price of such shares. All shares purchased under the NCIB were cancelled.

On February 24, 2025, the Company also entered into automatic share purchase plans (ASPP) to facilitate repurchases of common shares under its NCIB. The ASPP enables the Company to purchase common shares at times when the Company would not be active in the market due to regulatory restrictions, including insider trading rules and the Company's own internal trading blackout periods. Purchases were made by the Company's broker based on parameters set by the Company when it was not in possession of any material non-public information about the Company or its securities, and in accordance with the limits and other terms of the ASPP. The ASPP was entered into in accordance with the requirements of applicable Canadian securities laws. The ASPP expires with the related NCIB on February 23, 2026.

During the six months ended June 30, 2025, the Company purchased for cancellation 80,600 common shares pursuant to its NCIB (six months ended June 30, 2024 - 1,166,800 common shares) at a weighted average price of \$2.43 per share (six months ended June 30, 2024 - \$2.06 per share), including brokerage fees, for a total cost of \$197,000 (six months ended June 30, 2024 - \$2.4 million). The total cost paid, including fees, was first charged to share capital to the extent of the average carrying value of the common shares purchased and the excess of \$85,000 was charged to the deficit (six months ended June 30, 2024 - \$789,000).

(B) DIVIDENDS

On February 13, 2025, the Company approved a quarterly dividend of \$0.015 per common share and also approved a special dividend of \$0.20 per common share. The dividend, totalling \$10.9 million was paid on March 13, 2025, to shareholders of record at the close of business on February 28, 2025.

On April 22, 2025, the Company increased the regular quarterly dividend from \$0.015 per common share, declaring a regular quarterly dividend of \$0.0175 per common share. The dividend totalling \$885,000 was paid on May 22, 2025, to shareholders of record at the close of business on May 12, 2025.

10. SHARE-BASED PAYMENTS

The Company's long-term incentive plan (LTIP) for employees, officers and directors is designed to align the Company's long-term incentive compensation with its performance and is described in the material accounting policies by the Company in the audited consolidated financial statements for the year ended December 31, 2024. The Company's LTIP consists of Restricted Share Units (RSUs), Performance Share Units (PSUs) and Deferred Share Units (DSUs).

The Director LTIP was amended in February 2025. The RSUs held in notional accounts for each director have been replaced by DSUs. DSUs are awarded annually to each Director, at the discretion of the board. DSUs are held in the notional account until the Director's term on the board terminates. The fair value of the DSUs will be calculated and paid in cash to each individual at the appropriate date, less the related payroll tax.

On March 31, 2025, 400,911 RSUs and 457,526 PSUs were eligible to vest in the employee LTIP. The Company's performance in 2024 achieved certain predetermined minimum performance benchmarks and, consequently, 31% of the PSUs were eligible to vest, or 139,947 PSUs vested on March 31, 2025. RSUs vest automatically based on time and, consequently, all eligible RSUs vested on March 31, 2025. The Board of Directors elected to cash-settle the 2024 employee LTIP awards upon vesting and was paid in the second quarter of 2025.

For the six months ended June 30, 2025, the Company recognized \$1.7 million (six months ended June 30, 2024 - \$1.1 million) in compensation expense related to the LTIP in salaries, internal commissions and benefits on the consolidated statement of comprehensive earnings.

At June 30, 2025, the obligation related to the LTIP was \$2.5 million (June 30, 2024 - \$700,000) with \$1.8 million (June 30, 2024 - \$515,000) included in accounts payable and accrued liabilities and \$758,000 (June 30, 2024 - \$185,000) included in share-based compensation payable. The amendment to the employee LTIP to allow for cash-settlement of vested RSUs and PSUs, as well as the amendment to the director LTIP which replaced the RSUs with DSUs and will ultimately be cash settled, results in the total estimated number of notional units expected to vest, to be fair valued on a mark-to-market basis on each balance sheet date and reported in current and long-term liabilities.

The following summarizes activity in the Company's LTIP during the three and six month periods ended June 30, 2025, and 2024:

RSUs	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Outstanding, beginning of period	1,163,974	1,435,811	996,746	1,102,971
Granted	-	-	206,999	213,515
Dividends reinvested	4,916	6,412	80,445	125,737
Vested	(400,911)	(477,654)	(400,911)	(477,654)
Replaced with DSUs	-	-	(115,300)	-
Cancelled or forfeited	(52,338)	-	(52,338)	-
Outstanding, end of period	715,641	964,569	715,641	964,569

PSUs	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Outstanding, beginning of period	1,620,233	1,635,987	1,194,012	1,192,080
Granted	-	-	324,432	314,942
Dividends reinvested	7,736	7,705	109,525	136,670
Vested	(139,947)	(488,225)	(139,947)	(488,225)
Cancelled or forfeited	(361,792)	-	(361,792)	-
Outstanding, end of period	1,126,230	1,155,467	1,126,230	1,155,467

DSUs	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Outstanding, beginning of period	124,983	-	-	-
Granted	-	-	115,300	-
Dividends reinvested	865	-	10,548	-
Outstanding, end of period	125,848	-	125,848	-

11. EARNINGS PER SHARE

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share have been calculated based on the weighted average number of common shares as outlined below:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Common shares outstanding at beginning of period	50,794,563	51,994,563	50,837,863	52,621,863
Effect of common shares repurchased and cancelled	(33,242)	(259,973)	(42,689)	(693,565)
Weighted average number of common shares – basic and diluted	50,761,321	51,734,590	50,795,174	51,928,298
Net earnings attributable to common shareholders	9,565	1,341	22,940	4,022
Net earnings per share, basic and diluted	0.19	0.03	0.45	0.08

The Company does not have any dilutive instruments.

12. NET CHANGE IN NON-CASH OPERATING WORKING CAPITAL

Six months ended June 30,	2025	2024
Trade and other receivables	(2,531)	1,352
Prepaid expenses	(28)	7
Accounts payable and accrued liabilities	1,500	(1,425)
Share-based compensation payable	(70)	(152)
Others	(79)	(12)
Net change in non-cash operating working capital	(1,208)	(230)

13. FINANCIAL INSTRUMENTS AND FAIR VALUE

The fair values of cash and cash equivalents, trade and other receivables and accounts payable and accrued liabilities approximate their carrying amount largely due to the short-term maturities of these instruments.

14. SUBSEQUENT EVENT

On July 22, 2025, the Company declared a regular quarterly dividend of \$0.0175 per common share and also declared a special dividend of \$0.20 per common share to be paid on August 20, 2025 to shareholders of record at the close of business on August 13, 2025.

Corporate Information

Pulse is a market leader in the acquisition and licensing of 2D and 3D seismic data to the western Canadian energy sector. Pulse owns the largest licensable seismic data library in Canada, currently consisting of 65,310 net square kilometres of 3D seismic and 829,207 net kilometres of 2D seismic. The library extensively covers the Western Canada Sedimentary Basin where most of Canada's oil and natural gas exploration and development occur.

OFFICERS

Neal Coleman
President and CEO

Pamela Wicks
Vice President, Finance and CFO

Trevor Meier
Vice President, Sales and Marketing

Catherine Samuel
Corporate Secretary

BOARD OF DIRECTORS

Robert Robotti ^{(2) (3)}
Chair

Paul Crilly ^{(1) (3)}
Director

Dallas Droppo ^{(1) (2) (3)}
Director

Patrick R. Ward ^{(2) (4)}
Director

Melanie Westergard ^{(1) (2) (4)}
Director

Neal Coleman ⁽⁴⁾
Director

(1) Member of the Audit and Risk Committee

(2) Member of the Compensation Committee

(3) Member of the Corporate Governance and Nominating Committee

(4) Member of the ESG-Health Committee

BANKERS

The Toronto-Dominion Bank
Calgary, Alberta

REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of Canada
Calgary, Alberta

SOLICITORS

McCarthy Tétrault LLP
Calgary, Alberta

AUDITORS

MNP LLP
Calgary, Alberta

STOCK EXCHANGE LISTING

TSX: PSD
OTCQX: PLSDF

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PULSE

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For the three and six months ended
June 30, 2025

TSX: PSD
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