

# CONTINUING TRANSFORMATION INTO A TECHNOLOGY COMPANY

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# Disclaimer

*All forward-looking statements are CGG management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. For a detailed description of these factors and uncertainties, please refer to Chapter 2 "Risk Management and Internal Control" of our 2021 Universal Registration Document (available on [www.cgg.com](http://www.cgg.com)). CGG undertakes no obligation to publicly update or revise any of these forward-looking statements.*

- This presentation includes information pertaining to our markets and our competitive positions therein. Such information is based on market data and our actual revenues in those markets for the relevant periods. We obtained this market information from various third-party sources (industry publications, surveys and forecasts) and our own internal estimates. We have not independently verified these third-party sources and cannot guarantee their accuracy or completeness and our internal surveys and estimates have not been verified by independent experts or other independent sources.*

# Providing unique perspectives on our planet

- **OUR MISSION**

We combine human ingenuity, data and new technology to understand and solve the world's natural resource, environmental and infrastructure challenges for a more sustainable future.



HSE EXCELLENCE



PEOPLE



SOCIAL RESPONSIBILITY

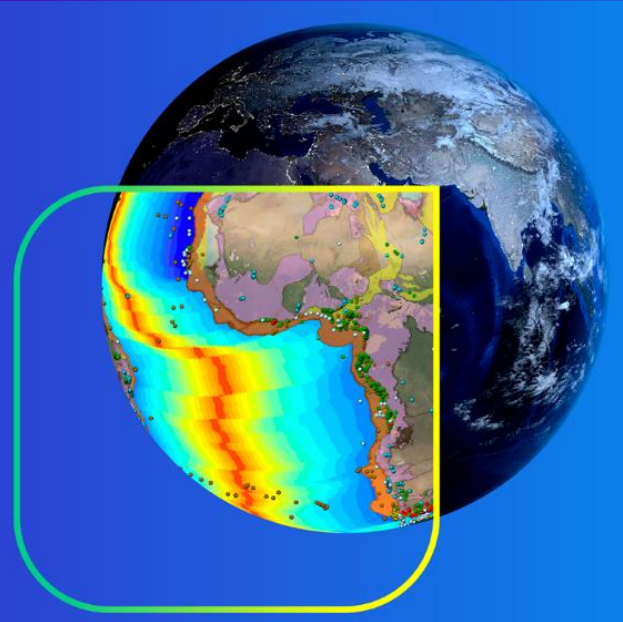


INNOVATION



QUALITY

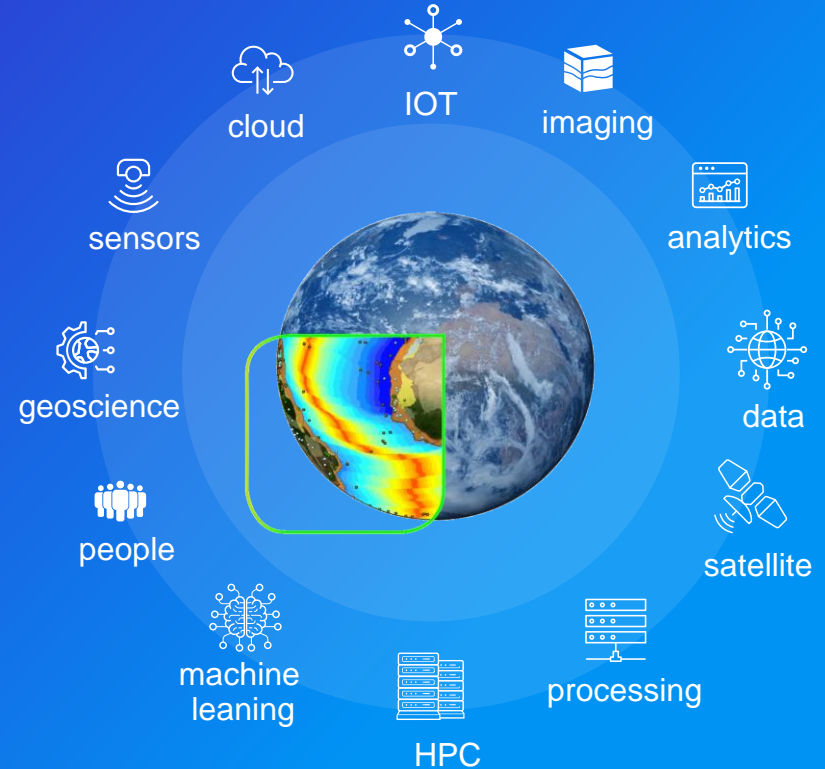
## SEE THINGS DIFFERENTLY





Today, through the challenges, we have successfully transitioned into a people, data and technology company leveraging our:

- Leading geoscience / data science data processing technologies
- Deep geoscience expertise for the earth and its subsurface
- Unique digital data library (satellite - geophysics - geology)
- High end sensor solutions
- High end HPC / Cloud Computing



*A unique and valuable combination  
in today's world*

# Geoscience : A unique global footprint

> **43%** Market share 



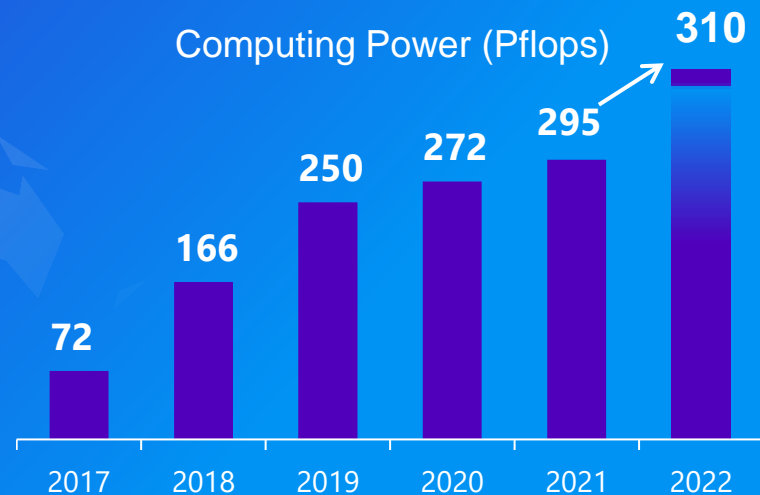
26 Locations globally, including:

- 16 Subsurface Imaging open centres
- 7 Subsurface Imaging dedicated centres

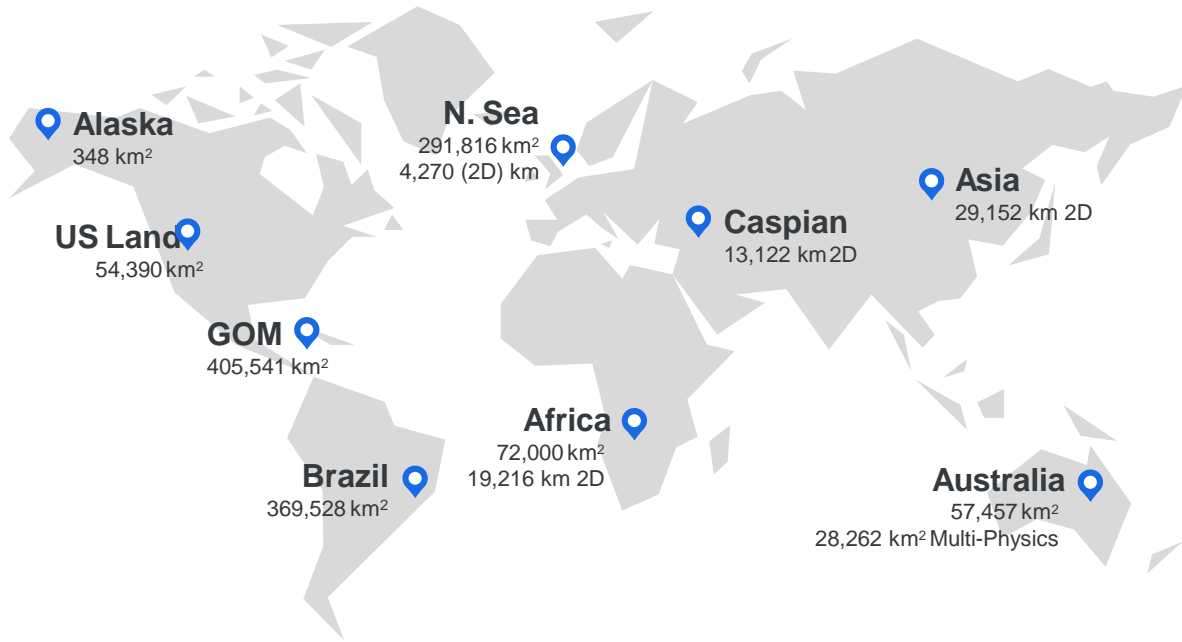
Technical Staff

- 70% post graduate degrees
- 26% PhDs

Computing Power (Pflops)



# Earth Data : A unique library of subsurface data in key mature sedimentary basins



## GEOLGY & SATELLITE

500 Geologic Studies  
1,000 Petroleum system analyses  
Global hydrocarbon seep database

## GEOSPEC - LEGACY SEISMIC

695,767 km² 3D worldwide  
4,490,237 km² 2D worldwide

> 1.25 million sq. km<sup>2</sup>

Leading coverage Brazil pre-salt with new acquisition

Reimaging projects in Gulf of Mexico generating new interest

Extensive contiguous datasets in North Sea featuring new OBN and dual azimuth coverage

Renewed interest in US Land and new high-quality datasets

**168 m\$** Capex in 2021

**89%** Prefunding rate

**~27%** Market share 

# Sensing & Monitoring – (Ex Equipment ) : 14 industrial sites

54% Market share



## FRANCE

NANTES	
ST-GAUDENS	
MASSY	
LABÈGE	
LORIENT	
BREST	

HOUSTON



FRANCE

ROTTERDAM



SURGUT



MOSCOW



DUBAI



BEIJING



XUSHUI



SINGAPORE



Support Clients    Vente    Manufacturing    R&D

# H1 2022 Key financial figures



Revenue  
\$393m, up 14%  
proforma y-o-y



EBITDAs  
\$164m, a 42% margin



Cash Flow Net  
+13m\$

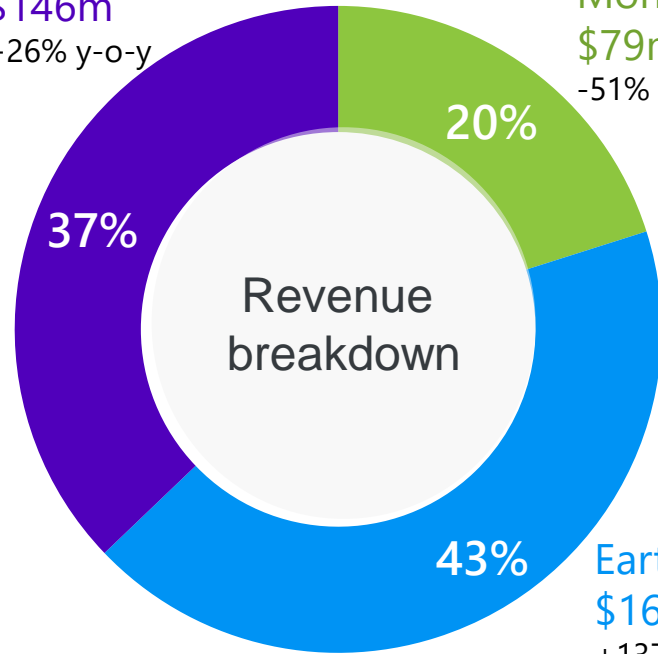


Group gross debt (before IFRS 16)  
\$1,129m and net debt \$812m

Group leverage (Net Debt to Segment EBITDAs)  
2.1x

Geoscience  
\$146m  
+26% y-o-y

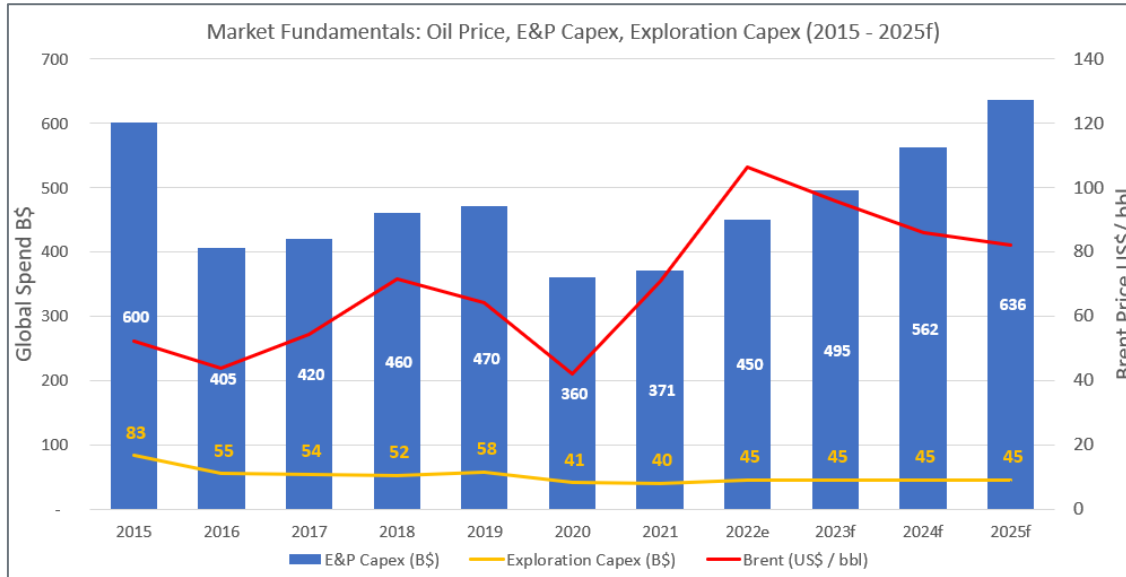
Sensing &  
Monitoring  
\$79m  
-51% y-o-y



Earth-Data  
\$168m  
+137% y-o-y



# E&P trends: a growth cycle driven by economic recovery and under-investment



*“We believe we are at the start of a multi-year cycle” - June 29, 2022.*

Barclays see a multi-year growth cycle for E&P Capex with 14% CAGR during 2022-2025.



*Despite recession concerns, the fundamentals for E&P upstream spending are the strongest they have been in recent memory.*

*Fueled by years of under-investment and energy security and reliability concerns which are unlikely to change for the next decade. - July 4, 2022*



RYSTAD ENERGY

*“With the ongoing energy transition and renewables taking the spotlight, we could see annual exploration capital expenditure plateauing at between \$40 billion and \$45 billion as a new norm.” - July 18, 2022.*

# A high level of commercial activity across our core businesses



## Geoscience (GEO)

- Step-out Exploration and Production focus driving market improvements
- CGG's clear technology differentiation making significant impact in complex sub-surface areas

## Multi-Client / Earth Data (EDA)

- Resumption of lease rounds in several countries (UK, Brazil, GoM & others)
- Increasing client activity to find short-cycle opportunities and position in economical basins

## Equipment / Sensing & Monitoring (SMO)

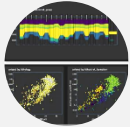
- Land activity picking-up in H2 2022 and 2023, sustained by large projects in the Middle-East
- Increasing OBN demand driven by the need to step-up the understanding of the sub-surface
- Demand for streamers is resuming with already one contract awarded into 2023

A new differentiated offering which should represent more than 20% of our sales in 2025

## DIGITAL SCIENCES

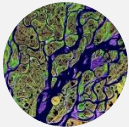


Digital Services & Innovation

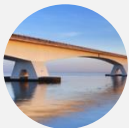


Data Transformation

## MONITORING & OBSERVATION



Environmental Sciences



Infrastructure Monitoring

## ENERGY TRANSITION



Geothermal



Minerals & Mining



CCUS & Energy Storage

## EARTH DATA



Earth Data Library



# CGG HPC and Cloud Solutions

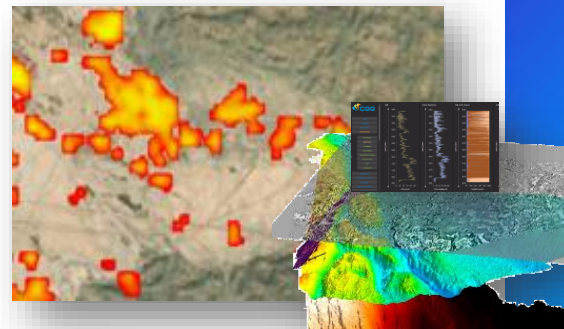
## Leading HPC technology solutions

- Access to highly specialized HPC compute, storage and expert services optimized for secure and efficient application
- Agnes Boudot (Ex-ATOS) joined CGG to lead the continued expansion of the HPC & Cloud Solutions Business



## A highly optimized HPC & digital platform

- Decades of innovation to optimize performance beyond current market capabilities
  - IT configuration, middleware and software
  - Advanced geoscience & data science algorithms
  - Management of very large and complex datasets





# Our Sustainability contribution and ESG ratings

Energy companies CO<sub>2</sub> footprint reduction

More accurate drilling locations to avoid hazards and optimally target reservoirs

Energy transition

Supporting the transition to a lower carbon future

Energy companies internal efficiency

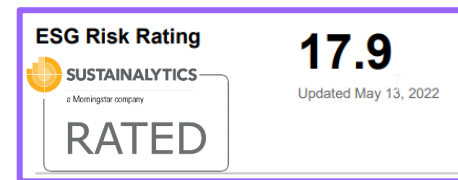
Expertise & HPC resources & digital platform to optimize decisions process

Earth observation & monitoring  
Environmental science

Improving awareness of local and global environmental changes



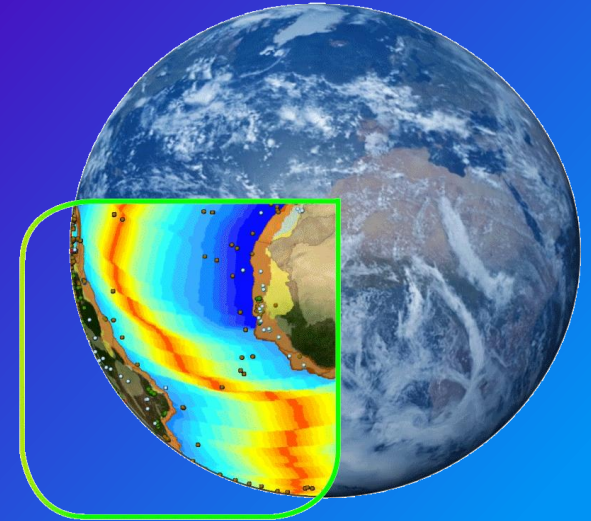
#1-3 among the Oilfield Services



#2 among the Energy Services

# Conclusion

- *Macro environment is strengthening with increased spending from all clients and their progressive refocusing on exploration*
- *Our leading sub-surface technology is increasingly critical for complex environments to reduce risks and optimize production*
- *Geoscience and EDA are driven by increasing global E&P Capex*
- *Strong commercial perspectives are shaping-up for SMO in H2 2022 and 2023 driven by land mega-crew projects in the Middle East and demand for OBN and streamer marine equipment*
- *Digital market shows significant business potential for our Beyond The Core businesses driven by demand for access to more compute power, data science and digital expertise*
- *We are successfully navigating supply chain disruptions and recruiting challenges*





THANK YOU



# Q2 & H1 2022 Key segment financial highlights

	REVENUE	EBITDAS	NET CASH FLOW
Q2 2022	<b>\$240 million</b> up 66% pro-forma* y-o-y	<b>\$126 million</b> 52% margin	<b>\$(56) million</b> including \$(42) million change in working capital
H1 2022	<b>\$393 million</b> up 14% pro-forma* y-o-y	<b>\$164 million</b> up 130% y-o-y	<b>\$13 million</b> including \$48 million change in working capital
<b>Liquidity of \$417 million, including \$100 million undrawn RCF</b>			

\*Pro-forma indicators represent supplementary information adjusted for GeoSoftware and Physical Asset Storage and Services businesses sold in 2021



# Simplified Cash Flow

In million \$	H1 2022	H1 2021
<b>Segment Operating Cash Flow before change in working capital</b>	<b>158</b>	<b>66</b>
Change in working capital & provisions	48	93
Capex	(127)	(99)
Acquisitions and disposals	17	(3)
<b>Segment free cash flow</b>	<b>95</b>	<b>57</b>
Cash cost of debt, Other financial items & Lease repayments	(72)	(66)
Free cash flow from Discontinued Operations	1	-
CGG 2021 Plan	(12)	(19)
<b>Net cash flow</b>	<b>13</b>	<b>(27)</b>

## H1 2022

Net cash flow at **\$13m**

Segment operating cash flow at **\$158m**, before **\$48m** change in working capital & provisions

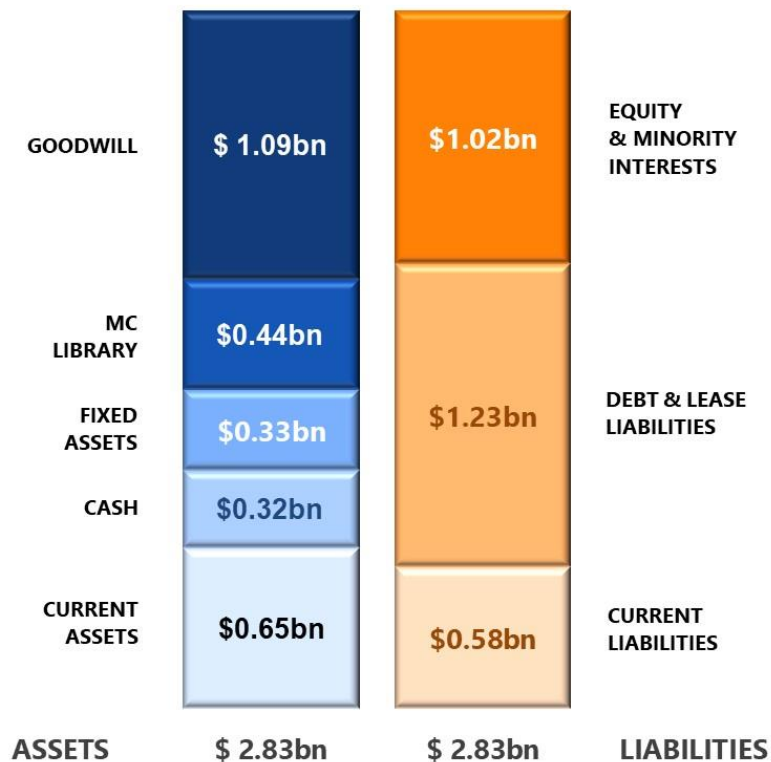
Capex at **\$(127)m**, up 28% y-o-y

Net proceeds from M&A at **\$17m**, including **\$34m** from Galileo sale-leaseback and **\$(16)m** for Geocomp acquisition

Cash cost of debt at **\$(47)m**

Other financial items and lease repayments at **\$(25)m**

# Balance Sheet



## As of June 30, 2022

Group liquidity amounted to **\$417m**, including:

**\$317m** cash liquidity

**\$100m** undrawn RCF

Group gross debt before IFRS 16 was **\$1,129m** and net debt was **\$812m**

Group gross debt after IFRS 16 was **\$1,226m** and net debt was **\$909m**

**\$1,107m** HY Bonds, due 2027

**\$97m** Lease liabilities

**\$19m** Accrued interests

**\$2m** Bank loans

Group leverage (Net Debt to Segment EBITDAs) was **2.1x**