



CGG Announces its Q4 2022 Results

**Q4 2022 strong financial performance
with segment EBITDAs of \$193m**

**Profitability improvement in 2022
2022 positive Net Income of \$43m vs \$(180)m Net Loss in 2021**

**Higher backlog and technology leadership position
expected to sustain business growth in 2023 and beyond**

PARIS, France – March 2, 2023 – **CGG** (ISIN: FR0013181864), a global technology and high-performance computing (HPC) leader announced today its fourth quarter and full year 2022 audited results.

Commenting on these results, Sophie Zurquiyah, CGG CEO, said:

"I am pleased to see our strong Q4 financial performance delivering higher than anticipated multi-client data and equipment sales. For CGG, 2022 was a year of continued high market volatility and transition with Beyond the Core revenue contributing 8% of total revenue. We are entering 2023 with improved visibility thanks to our higher backlog and cash generation. Looking forward, our Core businesses are expected to grow supported by our leadership positions, enabling us to further develop our Beyond the Core businesses and transform CGG into a global technology & HPC leader."

Q4 2022: A strong quarter driven by EDA & SMO

- **IFRS figures:** revenue at \$268m, EBITDAs at \$142m, OPINC at \$84m
- **Segment revenue at \$319m**, up 6% and up 7% proforma* year-on-year
 - **Geoscience** at \$69m, down (22)% proforma* year-on-year from a very high Q4 2021, which was driven by software sales
 - **Earth Data** at \$145m, up 28% year-on-year. Prefunding revenue at \$67m, up 14% year-on-year. After sales at \$78m, up 43% year-on-year
 - **Sensing and Monitoring** at \$104m, up 10% year-on-year
- **Segment EBITDAs at \$193m**, a 60% margin, and adjusted** segment EBITDAs at \$159m, excluding \$34m gain on the sale of the US land Earth Data library, a high 50% margin
- **Segment operating income at \$94m**, a 29% margin, and adjusted** segment operating income at \$66m, a high 21% margin
- **Group net income at \$47m** compared to a net loss of \$(28)m last year.



- **Net cash-flow IFRS** at **\$62m**, including \$63m proceeds from sale of the US land seismic data library.

Full year 2022: Significant improvement in financial performance with return to positive net income

- **IFRS figures:** revenue at \$927m, EBITDAs at \$432m, OPINC at \$182m
- **Segment revenue** at **\$928m**, down (1)% and up 3% proforma* year-on-year
- **Segment EBITDAs** at **\$434m**, a 47% margin, and adjusted** segment EBITDAs at \$395m, up 17% year-on-year, a 43% margin
- **Segment operating income** at **\$180m**, a 19% margin, and adjusted** segment operating income at \$147m, up 88% year-on-year, a 16% margin.
- **Group net income IFRS** at **\$43m**, a significant improvement compared to a net loss of \$(180)m last year.
- **Net cash flow** at **\$(3)m**.

Balance Sheet at the end of December

- **Liquidity** of **\$398m**, including cash liquidity of \$298m and \$100m of undrawn RCF.
- **Net debt before IFRS 16** at **\$859m** as of December 31, 2022.
- Segment leverage ratio of **Net debt to Adjusted** Segment EBITDAs** was **2.4x** at the end of December 2022, down from 2.9x at the end of December 2021.

Full Year 2023 financial guidance:

- Backlog of \$442m at the end of January 2022, up 44% year-on-year
- 2023 segment revenue is expected to increase by around [15% to 20%] primarily driven by SMO revenue growth
- 2023 adjusted** segment EBITDAs margin is expected to be around [39% to 41%] due to the business mix
- 2023 EDA cash Capex is expected to be around \$200m with prefunding above 75%
- 2023 Industrial and R&D Capex is expected to be around \$70m, primary driven by increase in High Performance Computing (HPC) capacity
- CGG is anticipating 2023 positive net cash flow before change in working capital
- CGG is anticipating quarterly segment revenue volatility to remain high in 2023 mainly driven by sequencing of equipment deliveries. Q1 2023 segment revenue is anticipated to be stable year-on-year.



* The proforma indicator represents additional information corrected for the Geosoftware and SDS activities sold in 2021

** Adjusted indicators represent supplementary information adjusted for non-recurring charges triggered by economic downturn.

Key Figures - Fourth Quarter 2022

Key Figures IFRS In million \$	2021 Q4	2022 Q4	Variances %
Operating revenues	471	268	(43%)
Operating Income	(23)	84	-
Equity from Investment	-	(18)	-
Net cost of financial debt	(26)	(24)	9%
Other financial income (loss)	-	(2)	-
Income taxes	22	9	(57%)
Net Income / Loss from continuing operations	(27)	49	-
Net Income / Loss from discontinued operations	(1)	(2)	-
Group net income / (loss)	(28)	47	-
Operating Cash Flow	102	103	1%
Net Cash Flow	81	62	(24%)
Net debt	989	951	(4%)
Net debt before lease liabilities	866	858	(1%)
Capital employed	1,996	2,010	1%

Key Figures – End of December 2022

Key Figures IFRS In million \$	2021 Full year	2022 Full year	Variances %
Operating revenues	1,062	927	(13%)
Operating Income	(23)	182	-
Equity from Investment	0	(19)	-
Net cost of financial debt	(121)	(98)	18%
Other financial income (loss)	(42)	0	-
Income taxes	4	(17)	-
Net Income / Loss from continuing operations	(182)	48	-
Net Income / Loss from discontinued operations	2	(5)	-
Group net income / (loss)	(180)	43	-
Operating Cash Flow	337	346	3%
Net Cash Flow	19	(3)	-
Net debt	989	951	(4%)
Net debt before lease liabilities	866	858	(1%)
Capital employed	1,996	2,010	1%



Key Segment Figures - Fourth Quarter 2022

Key Segment Figures In million \$	2021 Q4	2022 Q4	Variances %
Segment revenue	301	319	6%
Segment EBITDAs	154	193	25%
<i>Group EBITDAs margin</i>	<i>51%</i>	<i>60%</i>	<i>9 bps</i>
Segment operating income	(57)	94	-
<i>Opinc margin</i>	<i>(19%)</i>	<i>29%</i>	<i>49 bps</i>
IFRS 15 adjustment	35	(10)	-
IFRS operating income	(23)	84	-
Operating Cash Flow	102	103	1%
Net Segment Cash Flow	81	62	(24%)
Supplementary information			
Adjusted segment EBITDAs before NRC	150	159	6%
<i>EBITDAs margin</i>	<i>50%</i>	<i>50%</i>	<i>-</i>
Adjusted segment operating income before NRC	78	66	(16%)
<i>Opinc margin</i>	<i>26%</i>	<i>21%</i>	<i>(5) bps</i>

Key Segment Figures – End of December 2022

Key Segment Figures In million \$	2021 Full year	2022 Full year	Variances %
Segment revenue	941	928	(1%)
Segment EBITDAs	344	434	26%
<i>Group EBITDAs margin</i>	<i>37%</i>	<i>47%</i>	<i>10 bps</i>
Segment operating income	(49)	180	-
<i>Opinc margin</i>	<i>(5%)</i>	<i>19%</i>	<i>25 bps</i>
IFRS 15 adjustment	25	2	(94%)
IFRS operating income	(23)	182	-
Operating Cash Flow	337	346	3%
Net Segment Cash Flow	19	(3)	-
Supplementary information			
Adjusted segment EBITDAs before NRC	337	395	17%
<i>EBITDAs margin</i>	<i>36%</i>	<i>43%</i>	<i>7 bps</i>
Adjusted segment operating income before NRC	78	147	88%
<i>Opinc margin</i>	<i>8%</i>	<i>16%</i>	<i>8 bps</i>



Key figures bridge: Segment to IFRS - Fourth Quarter 2022

P&L items In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
Total Revenue	319	(51)	268
OPINC	94	(10)	84

Cash Flow Statement items In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
EBITDAs	193	(50)	142
Change in Working Capital & Provisions	(61)	50	(11)
Cash Provided by Operations	103	(1)	102

Earth Data Data Library NBV In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
Opening Balance Sheet , Oct 1 st 22	375	74	449
Closing Balance Sheet , Dec 31 th 22	304	115	419

Key figures bridge: Segment to IFRS – End of December 2022

P&L items In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
Total Revenue	928	(1)	927
OPINC	180	2	182

Cash Flow Statement items In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
EBITDAs	434	(2)	432
Change in Working Capital & Provisions	(52)	2	(51)
Cash Provided by Operations	346	0	346

Earth Data Data Library NBV In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
Opening Balance Sheet , Jan 1 st 22	283	109	392
Closing Balance Sheet , Dec 31 th 22	304	115	419



Fourth Quarter 2022 Segment Financial Results

Data, Digital & Energy Transition (DDE)

Data, Digital & Energy Transition (DDE) In million \$	2021 Q4	2022 Q4	Variances %
Segment revenue	207	215	4%
Geoscience	93	69	(26%)
Geoscience proforma	89	69	(22%)
Earth Data	114	145	28%
Prefunding	59	67	14%
After-Sales	55	78	43%
DDE proforma	203	215	6%
Segment EBITDAs	145	180	25%
<i>EBITDAs Margin</i>	<i>70%</i>	<i>84%</i>	<i>14 bps</i>
Segment operating income	(57)	90	-
<i>OPINC Margin</i>	<i>(27%)</i>	<i>42%</i>	<i>70 bps</i>
Equity from investments	0	(2)	-
Capital employed (in billion \$)	1.5	1.5	(5%)
Supplementary information			
Adjusted segment EBITDAs before NRC	142	147	3%
<i>EBITDAs Margin</i>	<i>69%</i>	<i>68%</i>	<i>(1) bps</i>
Adjusted segment OPINC before NRC	77	62	(19%)
<i>OPINC Margin</i>	<i>37%</i>	<i>29%</i>	<i>(8) bps</i>
Other Key Metrics			
Earth Data cash capex (\$m)	(37)	(25)	(32%)
Earth Data cash prefunding rate (%)	158%	264%	106 bps

Digital, Data and Energy Transition (DDE) segment revenue was \$215 million, up 4% and up 6% proforma* year-on-year.

- **Geoscience (GEO) revenue** was \$69 million, down (26)% and down (22)% proforma* year-on-year from a very high Q4 2021, which was driven by software sales.

Sequentially, Geoscience revenue was stable this quarter due to delayed start of key projects, which continue to be driven by strong demand for high-end technology.

Geoscience commercial activity is increasing worldwide with high level of bid submissions at the end of December 2022, up 18% year-on-year, driven by a 58% increase in OBN processing bids. At the end of December 2022, order intake in Geoscience was up 26% year-on-year.

- **Earth Data (EDA) revenue** was \$145 million, up 28% year-on-year.

Earth Data cash capex was \$(25) million this quarter, down (32)% year-on-year. In Q4, we had one vessel completing a program offshore Brazil. Prefunding revenue of our Earth-Data projects was at \$67 million and prefunding rate was high this quarter at 264%.

Earth Data after-sales were \$78 million this quarter, up 43% year-on-year sustained by sales in South America, Gulf of Mexico and the North Sea.



The segment library Net Book Value at the end of December 2022 was \$304 million (\$419 million after IFRS 15 adjustments).

DDE segment EBITDAs was \$180 million, an 84% margin, and **DDE adjusted** segment EBITDAs**, excluding \$34m gain on the sale of the US land seismic data library, was \$147million, a 68% margin.

DDE segment operating income was \$90 million, a 42% margin, and **DDE adjusted** segment operating income** was \$62 million, a 29% margin.

DDE capital employed were stable at \$1.5 billion at the end of December 2022.

Sensing & Monitoring

Sensing & Monitoring In million \$	2021 Q4	2022 Q4	Variances %
Segment revenue	94	104	10%
Land	54	62	14%
Marine	27	22	(21%)
Downhole gauges	5	7	32%
Beyond the Core	8	14	77%
Segment EBITDAs	17	20	22%
<i>EBITDAs margin</i>	<i>18%</i>	<i>19%</i>	<i>2 bps</i>
Segment operating income	6	12	-
<i>OPINC Margin</i>	<i>6%</i>	<i>12%</i>	<i>6 bps</i>
Capital employed (in billion \$)	0.6	0.6	14%
Supplementary information			
Adjusted segment EBITDAs before NRC	15	20	34%
<i>EBITDAs margin</i>	<i>16%</i>	<i>20%</i>	<i>3 bps</i>
Adjusted segment OPINC before NRC	7	12	65%
<i>OPINC Margin</i>	<i>8%</i>	<i>12%</i>	<i>4 bps</i>

Sensing & Monitoring (SMO) segment revenue was \$104 million, up 10% year-on-year.

- Land equipment sales represented 60% of total sales. Overall activity has been picking up this quarter, mainly in North Africa, with our Wing technology sales also gaining momentum.
- Marine equipment sales represented 21% of total sales. OBN market for shallow water application remains active, especially in the Middle East. Marine market for streamers is still limited to equipment upgrades and spare streamer sections deliveries.
- Downhole equipment sales were \$7 million.
- Sales from Beyond the Core businesses were \$14 million, significantly up year-on-year and included contribution from the newly acquired Geocomp business.



SMO segment EBITDAs was \$20 million, a 19% margin and **SMO adjusted** segment EBITDAs** was \$20 million, a 20% margin.

SMO segment operating income and **SMO adjusted** segment operating income** were \$12 million, a 12% margin.

SMO capital employed was stable at \$0.6 billion at the end of December 2022.

Fourth Quarter 2022 Financial Results

Consolidated Income Statements In million \$	2021 Q4	2022 Q4	Variances %
<i>Exchange rate euro/dollar</i>	1.15	1.00	(13%)
Segment revenue	301	319	6%
DDE	207	215	4%
DDE proforma	203	215	6%
Sensing & Monitoring	94	104	10%
Elim & Other	-	(0)	-
Proforma revenue for Group	297	319	7%
Segment Gross Margin	103	101	(2%)
Segment EBITDAs	154	193	25%
DDE Adjusted**	142	147	3%
Sensing & Monitoring Adjusted**	15	20	34%
Corporate	(6)	(7)	(19%)
Elim & Other	(1)	(1)	17%
Non recurring charges	5	34	-
Segment operating income	(57)	94	-
DDE Adjusted**	77	62	(19%)
Sensing & Monitoring Adjusted**	7	12	65%
Corporate	(6)	(8)	(25%)
Elim & Other	(1)	(1)	20%
Non recurring charges	(135)	28	-
IFRS 15 adjustment	35	(10)	-
IFRS operating income	(23)	84	-
Equity from investments	-	(18)	-
Net cost of financial debt	(26)	(24)	9%
Other financial income (loss)	-	(2)	-
Income taxes	22	9	(57%)
NRC (Tax & OFI)	-	-	-
Net income / (loss) from continuing operations	(27)	49	-
Net income / (loss) from discontinued operations	(1)	(2)	-
IFRS net income / (loss)	(28)	47	-
Shareholder's net income / (loss)	(27)	46	-
Basic Earnings per share in \$	(0.03)	0.06	-
Basic Earnings per share in €	(0.03)	0.06	-



Segment revenue was \$319million, up 6% and up 7% proforma* year-on-year. The respective contributions from the Group's businesses were 22% from Geoscience, 46% from Earth Data (67% for the DDE segment) and 33% from Sensing & Monitoring.

Segment EBITDAs was \$193 million, up 25% year-on-year, a 60% margin, and **adjusted** segment EBITDAs**, excluding \$34m gain on the sale of the US land Earth Data library, was \$159 million, a high 50% margin.

Segment operating income was \$94 million, a 29% margin and **adjusted** segment operating income** was \$66 million, a 21% margin.

IFRS 15 adjustment at operating income level was \$(10) million and **IFRS operating income**, after IFRS 15 adjustment, was \$84 million.

Cost of financial debt was \$(24) million. The total amount of interest paid during the quarter was \$(45) million.

Taxes were at \$9 million.

Net income from continuing operations was \$49 million.

Group Net Income this quarter was \$47 million, significantly up from Net Loss of \$(28) million in Q4 2021.

After minority interests, **Group net income attributable to CGG shareholders** was \$46 million/ €46 million.



Fourth Quarter 2022 Cash Flow

Cash Flow items In million \$	2021 Q4	2022 Q4	Variations %
Segment Operating Cash Flow	102	103	1%
CAPEX	(55)	(50)	(9%)
Industrial	(12)	(18)	58%
R&D	(6)	(6)	6%
Earth Data (Cash)	(37)	(25)	(32%)
Marine Offshore	(37)	(25)	(32%)
Land Onshore	(0)	0	-
Proceeds from disposals of assets	95	63	(35%)
Segment Free Cash Flow	142	115	(19%)
Lease repayments	(13)	(2)	85%
Paid Cost of debt	(53)	(45)	14%
CGG 2021 Plan	(8)	(3)	55%
Free cash flow from discontinued operations	13	(2)	-
Net Cash flow	81	62	(23%)
Financing cash flow	2	5	-
Forex and other	(3)	6	-
Net increase/(decrease) in cash	80	73	(8%)
Supplementary information			
Change in working capital and provisions, included in Segment Operating Cash Flow	(46)	(61)	33%

Segment operating cash flow was \$103 million, including \$(11) million negative change in working capital & provisions mainly related to the SMO business.

Total Capex was \$(50) million:

- **Industrial Capex** was \$(18) million,
- **Research & Development Capex** was \$(6) million,
- **Earth Data cash Capex** was \$(25) million.

Segment free cash flow was \$115 million, including \$63m proceeds from the sale of the US land seismic data library.

After \$(2) million lease repayments, \$ (45) million cash cost of debt, \$(3) million CGG 2021 Plan cash costs and \$(2) million free cash flow from discontinued operations, the **net cash flow** was \$62 million.



Full year 2022 Financial Results

Consolidated Income Statements In million \$	2021 Full year	2022 Full year	Variance s %
<i>Exchange rate euro/dollar</i>	1.19	1.05	(11%)
Segment revenue	941	928	(1%)
DDE	586	659	13%
Proforma revenue for DDE	545	659	21%
Sensing & Monitoring	357	269	(24%)
Elim & Other	(1)	0	-
Proforma revenue for Group	901	928	3%
Segment Gross Margin	186	270	46%
Segment EBITDAs	344	434	26%
DDE Adjusted**	330	406	23%
Sensing & Monitoring Adjusted**	39	16	(59%)
Corporate	(19)	(23)	(18%)
Elim & Other	(12)	(4)	65%
Non recurring charges	7	39	-
Segment operating income	(49)	180	-
DDE Adjusted**	105	192	83%
Sensing & Monitoring Adjusted**	8	(14)	-
Corporate	(22)	(26)	(16%)
Elim & Other	(12)	(4)	62%
Non recurring charges	(127)	33	-
IFRS 15 adjustment	25	2	(94%)
IFRS operating income	(23)	182	-
Equity from investments	0	(19)	-
Net cost of financial debt	(121)	(98)	18%
Other financial income (loss)	(42)	0	-
Income taxes	4	(17)	-
NRC (Tax & OFI)	0	0	-
Net income / (loss) from continuing operations	(182)	48	-
Net income / (loss) from discontinued operations	2	(5)	-
IFRS net income / (loss)	(180)	43	-
Shareholder's net income / (loss)	(181)	43	-
Basic Earnings per share in \$	(0.25)	0.06	-
Basic Earnings per share in €	(0.21)	0.06	-

Segment revenue was \$928 million, down (1)% and up 3% proforma* compared to 2021. The respective contributions from the Group's businesses were 31% from Geoscience, 40% from Earth Data (71% for the DDE segment) and 29% from SMO.

DDE segment revenue was \$659 million, up 13% and up 21% proforma* year-on-year.

Geoscience revenue was \$284 million, down (8)% and up 6% proforma* year-on-year, sustained by increasing demand in the Americas for high-end imaging technology, including demand for OBN imaging.



Earth Data sales were \$375 million, up 36% year-on-year. Prefunding revenue was \$136 million, down (10)% year-on-year. Earth Data cash capex was \$(205) million, up 22% year-on-year. Cash prefunding rate at the end of December was at 66% mainly due to delayed prefunding from 2022 to 2023 of a large program offshore Brazil.

After-sales were \$239 million, up 90% year-on-year sustained by higher transfer fees and confirmation from the local regulators of upcoming licensing rounds offshore Brazil and in the US Gulf of Mexico.

SMO segment revenue was \$269 million, down (24)% year-on-year due to sanctions on Russia and delayed large projects, particularly in the Middle East.

Segment EBITDAs was \$434 million, up 26% year-on-year, a high 47% margin. DDE EBITDAs was \$436 million, up 30% year-on-year, a high 66% margin, and Sensing & Monitoring EBITDA was \$19 million.

Adjusted segment EBITDAs** was \$395 million, excluding \$34m up 17% year-on-year, a 43% margin. DDE adjusted segment EBITDAs was \$406 million, up 23% year-on-year, a high 62% margin, and Sensing & Monitoring adjusted segment EBITDA was \$16 million.

Segment operating income was \$180 million, a 19% margin, significantly up from \$(49) million a year ago, and **adjusted** segment operating income** was \$147 million, up 88%, a 16% margin.

IFRS 15 adjustment at operating income level was \$2 million and **IFRS operating income**, after IFRS 15 adjustment, was \$182 million.

Cost of financial debt was \$(98) million. The total amount of interest paid in 2022 was \$(92) million.

Other financial items were \$0 million.

Taxes were at \$(17) million.

Net income from continuing operations was \$48 million.

2022 Group net income was \$43 million, a significant improvement from net loss of \$(180) million in 2021.

After minority interests, **2022 Group net income attributable to CGG's shareholders** at the end of December 2022 was \$43 million / €41 million.



Cash Flow

Cash Flow items In million \$	2021 Full year	2022 Full year	Variances %
Segment Operating Cash Flow	337	346	3%
CAPEX	(227)	(260)	14%
Industrial	(29)	(33)	15%
R&D	(30)	(21)	(28%)
Earth Data (Cash)	(168)	(205)	22%
Marine Offshore	(167)	(204)	23%
Land Onshore	(2)	(1)	(46%)
Proceeds from disposals of assets	91	63	(30%)
Segment Free Cash Flow	201	149	(26%)
Lease repayments	(57)	(38)	34%
Paid Cost of debt	(90)	(92)	(3%)
CGG 2021 Plan	(33)	(22)	33%
Free cash flow from discontinued operations	(2)	0	-
Net Cash flow	19	(3)	-
Financing cash flow	(67)	7	-
Forex and other	(18)	(24)	(32%)
Net increase/(decrease) in cash	(66)	(21)	69%
Supplementary information			
Change in working capital and provisions, included in Segment Operating Cash Flow	(2)	(52)	-

Segment operating cash flow was \$346 million up 3% year-on-year, including \$(51) million negative change in working capital & provisions, primarily driven by build up in SMO inventories for the deliveries of equipment in 2023 in anticipation of significant revenue growth.

Capex was \$(260) million, up 14% year-on-year:

Industrial Capex was \$(33) million, up 15% year-on-year,

Research & development Capex was \$(21) million, down (28)% year-on-year,

Earth Data cash Capex was \$(205) million, up 22% year-on-year.

Acquisitions and Asset disposals were \$63 million, including \$(37) million related to the acquisitions of Geocomp & ION Software business, \$34 million proceeds from the sale of the Headquarter building and \$63 million proceeds from the sale of the US land seismic data library.

Segment free cash flow was \$149 million, down (26)% year-on-year.

After lease repayments of \$(38) million, \$(92) million of interest expenses, \$(22) million of CGG Plan 2021, **Group net cash flow** was \$(3) million.



Balance Sheet

Group's liquidity amounted to **\$398 million** at the end of December 31, 2022, including **\$298 million of cash liquidity** and \$100 million undrawn RCF.

Group gross debt before IFRS 16 was **\$1,157 million** and **net debt** was **\$859 million** at the end of December 31, 2022.

Group gross debt after IFRS 16 was **\$1,249 million** and **net debt** was **\$951 million** at the end of December 31, 2022.

Segment leverage ratio of **Net debt to Adjusted** Segment EBITDAs** was **2.4x** at the end of December 2022.

* Proforma indicators represent supplementary information adjusted for GeoSoftware and Physical Asset Storage and Services businesses sold in 2021.

** Adjusted indicators represent supplementary information adjusted for non-recurring charges triggered by economic downturn.



Q4 2022 Conference call

An English language analysts conference call is scheduled today at 6.30 pm (CET)

CGG will host a question & answer session today, March 2nd, 2023 after the close of the markets.

Participants should register for the call [here](#) to receive a dial-in number and code or participate in the live webcast from [here](#).

A replay of the conference call will be made available the day after for a period of 12 months in audio format on the Company's website www.cgg.com.

About CGG

CGG (www.cgg.com) is a global technology and HPC leader that provides data, products, services and solutions in Earth science, data science, sensing and monitoring. Our unique portfolio supports our clients in efficiently and responsibly solving complex digital, energy transition, natural resource, environmental, and infrastructure challenges for a more sustainable future. CGG employs around 3,400 people worldwide and is listed on the Euronext Paris SA (ISIN: 0013181864).

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FINANCIAL STATEMENTS

31st DECEMBER 2022



In millions of US\$	December 31	
	2022	2021
Operating revenues	926.9	1,062.2
Other income from ordinary activities	0.5	0.8
Total income from ordinary activities	927.4	1,063.0
Cost of operations	(654.9)	(853.2)
Gross profit	272.5	209.8
Research and development expenses – net	(19.0)	(17.0)
Marketing and selling expenses	(29.6)	(29.9)
General and administrative expenses	(68.2)	(62.9)
Other revenues (expenses) – net	25.9	(123.2)
Operating income	181.6	(23.2)
Cost of financial debt – gross	(100.2)	(121.5)
Income from cash and cash equivalents	1.7	1.0
Cost of financial debt – net	(98.5)	(120.5)
Other financial income (loss)	0.4	(42.4)
Income (loss) before income taxes and share of income (loss) from companies accounted for under the equity method	83.5	(186.1)
Income taxes	(17.2)	4.4
Net income (loss) before share of net income (loss) from companies accounted for under the equity method	66.3	(181.7)
Net income (loss) from companies accounted for under the equity method	(18.5)	0.1
Net income (loss) from continuing operations	47.8	(181.6)
Net income (loss) from discontinued operations	(4.5)	1.6
Consolidated net income (loss)	43.3	(180.0)
<i>Attributable to:</i>		
Owners of CGG	43.1	(180.5)
Non-controlling interests	0.2	0.5
Weighted average number of shares outstanding	712,088,021	711,526,474
Weighted average number of shares outstanding adjusted for dilutive potential ordinary shares	714,608,919	711,526,474
Net income (loss) per share		
Base	0.06	(0.25)
Diluted	0.06	(0.25)
Net income (loss) from continuing operations per share		
Base	0.07	(0.25)
Diluted	0.07	(0.25)
Net income (loss) from discontinued operations per share ^(a)		
Base	(0.01)	-
Diluted	(0.01)	-



<i>In millions of US\$</i>	12.31.2022	12.31.2021
ASSETS		
Cash and cash equivalents	298.0	319.2
Trade accounts and notes receivable, net	308.3	350.7
Inventories and work-in-progress, net	257.2	197.3
Income tax assets	53.4	68.7
Other current financial assets, net	0.1	1.7
Other current assets, net	99.9	105.1
Assets held for sale, nets	-	-
Total current assets	1,016.9	1,042.7
Deferred tax assets	24.2	19.6
Other non-current assets, net	8.2	-
Investments and other financial assets, net	18.4	17.8
Investments in companies accounted for under the equity method	10.8	28.1
Property plant & equipment, net	167.3	212.1
Intangible assets, net	554.2	520.7
Goodwill, net	1,089.4	1,083.6
Total non-current assets	1,872.5	1,881.9
TOTAL ASSETS	2,889.4	2,924.6
LIABILITIES AND EQUITY		
Bank overdrafts	-	-
Financial debt – current portion	60.4	90.3
Trade accounts and notes payable	92.0	76.4
Accrued payroll costs	85.6	105.4
Income taxes payable	27.2	30.4
Advance billings to customers	29.4	27.1
Provisions – current portion	17.6	18.2
Other current financial liabilities	20.0	19.2
Other current liabilities	222.1	218.2
Total current liabilities	554.3	585.2
Deferred tax liabilities	18.7	14.1
Provisions – non-current portion	28.6	30.6
Financial debt – non-current portion	1,188.8	1,218.1
Other non-current financial liabilities	21.8	37.4
Other non-current liabilities	18.4	32.8
Total non-current liabilities	1,276.3	1,333.0
Common stock ^(a)	8.7	8.7
Additional paid-in capital	118.6	464.1
Retained earnings	967.9	570.0
Other Reserves	50.0	5.0
Treasury shares	(20.1)	(20.1)
Cumulative income and expense recognized directly in equity	(3.4)	(0.8)
Cumulative translation adjustments	(102.4)	(64.2)
Equity attributable to owners of CGG SA	1,019.3	962.7
Non-controlling interests	39.5	43.7
Total Equity	1,058.8	1,006.4
TOTAL LIABILITIES AND EQUITY	2,889.4	2,924.6



<i>In millions of US\$</i>	December 31	
	2022	2021
OPERATING ACTIVITIES		
Consolidated net income (loss)	43.3	(180.0)
Less: Net income (loss) from discontinued operations	4.5	(1.6)
Net income (loss) from continuing operations	47.8	(181.6)
Depreciation, amortization and impairment	92.2	225.7
Impairment and amortization of Earth Data surveys	171.4	281.5
Amortization and depreciation of Earth Data surveys, capitalized	(16.0)	(17.3)
Variance on provisions	1.4	(37.7)
Share-based compensation expenses	3.0	(1.8)
Net (gain) loss on disposal of fixed and financial assets	(37.6)	(2.7)
Share of (income) loss in companies recognized under equity method	18.5	(0.1)
Dividends received from companies accounted for under the equity method	-	-
Other non-cash items	(0.4)	42.4
Net cash flow including net cost of financial debt and income tax	280.3	308.4
Less: Cost of financial debt	98.5	120.5
Less: Income tax expense (gain)	17.2	(4.4)
Net cash flow excluding net cost of financial debt and income tax	396.0	424.5
Income tax paid	1.6	(2.9)
Net cash flow before changes in working capital	397.6	421.6
Changes in working capital	(52.1)	(84.9)
- Change in trade accounts and notes receivable	45.0	(97.3)
- Change in inventories and work-in-progress	(68.5)	28.8
- Change in other current assets	(20.8)	3.2
- Change in trade accounts and notes payable	16.8	(23.4)
- Change in other current liabilities	(24.6)	3.8
Net cash flow from operating activities	345.5	336.7
INVESTING ACTIVITIES		
Total capital expenditures (tangible and intangible assets) net of variation of fixed assets suppliers and excluding Earth Data surveys)	(54.5)	(58.6)
Investments in Earth Data surveys	(205.3)	(168.3)
Proceeds from disposals of tangible and intangible assets	95.0	3.7
Acquisition of investments, net of cash & cash equivalents acquired	(36.4)	(2.0)
Proceeds from divestment of activities and sale of financial assets	4.9	89.3
Variation in subsidies for capital expenditures	(0.1)	0.3
Variation in other non-current financial assets	(2.5)	(3.2)
Net cash-flow used in investing activities	(198.9)	(138.8)
FINANCING ACTIVITIES		
Repayment of long-term debt	(0.1)	(1,227.5)
Total issuance of long-term debt	10.7	1,162.3
Lease repayments	(48.4)	(57.0)
Change in short-term loans	-	(0.2)
Financial expenses paid	(92.4)	(89.8)



Loan granted	1.6	(1.8)
Dividends paid and share capital reimbursements		
- to owners of CGG	0.4	-
- to non-controlling interests of integrated companies	(0.9)	(3.6)
Net cash-flow from (used in) financing activities	(129.1)	(217.6)
Effect of exchange rate changes on cash	(16.8)	(10.5)
Net cash flows incurred by discontinued operations	(21.9)	(36.0)
Net increase (decrease) in cash and cash equivalents	(21.2)	(66.2)
Cash and cash equivalents at beginning of year	319.2	385.4
Cash and cash equivalents at end of period	298.0	319.2