



Strong Q4 2021 Financial Performance

Q4 2021 Segment EBITDAs at \$154m, a 51% margin

Accelerating New Business Initiatives

2022 revenue expected to increase by around 10%

Beyond the Core new businesses expected
to represent above 20% of revenue in 2025

PARIS, France – March 3, 2022 – **CGG** (ISIN: FR0013181864), a world leader in Geoscience, announced today its fourth quarter 2021 financial results.

Commenting on these results and beyond the core strategy, Sophie Zurquiyah, CGG CEO, said:

"CGG delivered solid Q4 and 2021 results in line with expectations, confirming the gradual recovery trends that began earlier in the second half of the year across our businesses. In 2021, CGG extended its leadership and technology differentiation and increased its market share, which puts us in an advantageous position as demand for our products and services continues to increase. We made significant progress towards our carbon neutrality objectives by reducing our scope 1 and scope 2 direct emissions in 2021 to respectively 2 and 43 kt eq.CO₂. In 2022, we will accelerate investment in our core domains to further expand our differentiation, while delivering a stronger segment EBITDA margin due to the full impact of costs savings, revenue growth and a more favorable business mix. Beyond our core businesses, CGG made substantial progress through 2021, organically growing to over 150 engineers focused on developing and offering a range of new technology and solutions to our traditional and new client base. Today these new businesses represent approximately 5% of Group's revenue, which provides a solid foundation for accelerated growth. As we continue to transform the CGG business profile into a technology company, we have the ambition to become a global leader in specialized Digital Sciences, Energy Transition technologies and services, and Monitoring & Observation solutions. These Beyond the Core new businesses are expected to generate above 20% of total revenue in 2025."

Q4 2021: A strong operational & financial performance

- **IFRS figures:** revenue at \$471m, EBITDAs at \$324m, OPINC at \$(23)m
- **Segment revenue** at **\$301m**, up 7% year-on-year and up 12% sequentially
 - Geoscience segment revenue at \$93m, up 24% year-on-year
 - Multi-Client segment sales at \$114m, up 13% year-on-year
 - Equipment segment sales at \$94m, down (12)% year-on-year
- **Segment EBITDAs** at **\$154m** a 51% margin and Adjusted* Segment EBITDAs at \$150m



- **Segment Operating Income / (loss)** at **\$(57)m** including \$(23)m fair value adjustment of a multi-client survey and \$(102)m impairment of the multi-client goodwill. Adjusted* Segment Operating Income at \$78m
- **Group Net loss** at **\$(28)m**
- **Net Cash Flow** at **\$81m**

Full Year 2021: Sound resilience and reinforced market shares

- **IFRS figures:** revenue at \$1,062m, EBITDAs at \$465m, OPINC at \$(23)m
- **Segment revenue** at **\$941m**, down (1)% year-on-year
 - Geoscience segment revenue at \$309m, down (6)% year-on-year
 - Multi-Client segment sales at \$276m, down (19)% year-on-year
 - Equipment segment sales at \$357m, up 23% year-on-year
- **Segment EBITDAs** at **\$344m** a 37% margin and Adjusted* Segment EBITDAs at \$337m
- **Segment Operating Income / (loss)** at **\$(49)m** and Adjusted* Segment Operating Income at \$78m
- **Group Net loss** at **\$(180)m** compared to \$(437)m last year
- **Net Cash Flow** at **\$19m** before \$(40)m of refinancing related fees, a significant improvement year-on-year
- **Balance Sheet as of December 31, 2021:**
 - **Liquidity** of **\$419m**, including \$319m cash liquidity and \$100m of undrawn RCF (Revolving Credit Facility)
 - **Net debt after IFRS 16** at **\$989m**
 - **Net debt before IFRS 16** at **\$866m**

Post closing event

- Signature of a binding offer for the sale and leaseback of Galileo, the headquarter building located in Massy, France
- We are monitoring very closely the implications of war in Ukraine with the main objective of supporting our employees and evaluating its economic consequences. In 2021 revenue generated from Russia represented around 4% of CGG Group revenue.

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

2022: Entering a positive industry cycle

- In 2021, CGG confirmed the value generated by its technology in traditional energy as clients focused on reservoir optimization and near field exploration. The multi-client strategy, focused on proven and mature producing basins, has confirmed its relevance.



- In 2022, the E&P sector is entering a positive upcycle with market recovery expected to further accelerate in 2023. Resumption of licensing rounds in core mature basins is expected to further support this acceleration.

2022 Financial Objectives: Accelerating the development of business initiatives

- In 2022, CGG will continue to invest in core domains leveraging its high-end positioning while also accelerating the development of Beyond the Core (BTC) new businesses to address digital sciences, energy transition monitoring & observation and demand from other industries.
- In 2022, CGG segment Revenue is expected to increase by around 10% sustained by ~18% GGR growth and stable Equipment. CGG is anticipating a slow first quarter revenue due to lower equipment sales year-on-year.
- CGG 2022 segment EBITDAs margin is expected to increase to around 39%-40% on full impact of cost savings, revenue growth and favorable business mix.
- CGG is expanding its hiring program to support the growth of BTC businesses.
- 2022 Capex will increase to capture the favorable upcycle and accelerate the development of BTC businesses:
 - Multi-Client cash Capex back to around \$200m, including new offshore programs in Latin America and the North Sea
 - Industrial & R&D cash investment around \$70m, including notably up to 100 petaflops of additional CGG Cloud High Performance Computing (HPC) capacity

Beyond the Core businesses expected to represent above 20% of CGG's revenue in 2025

Over the decades, CGG has gained significant expertise and developed a portfolio of unique geoscience and data science technologies. As the energy transition continues to accelerate and society has become acutely aware of the environment and climate change, our geoscience and data science capabilities are increasingly required and provide a differentiated offering in the rapidly growing markets of **Digital Sciences, Energy Transition, and Monitoring & Observation**. Each of these markets is expected to see significant growth rates over the short, medium, and long term. Looking forward, we expect our Beyond the Core offerings to represent above 20% of CGG's revenues in 2025.

The total Digital market in the energy industry is expected to be over \$30 billion by 2025.

In this market, CGG offers Digital Sciences technology including the hardware platform, middleware, and software services that are required to cost effectively support advanced cloud-based High-Performance Computing ("HPC") workflows and data transformation services. Today our Digital Sciences solutions support over 700 users, including our internal and external clients, with around 300 petaflops of compute power and around 240 petabytes of storage, mainly for



their data processing and digital transformation needs. As a service, CGG also provides highly advanced geoscience, physics, and data science algorithms that are at the cutting edge of what is possible in computational science.

The accessible market for our specialized Digital Sciences offerings, is around \$1.2 billion in 2022, growing to \$1.6 billion in 2025, a CAGR of ~10%. Today, we have several clients accessing Software as a Service on the CGG HPC cloud, have provided high-end GPU systems onsite to our clients globally, and our Artificial Intelligence lab continues to expand with client opportunities across all Beyond the Core areas.

The total Energy Transition market for capital investments in energy is expected to be almost \$5 Trillion on an annual average until 2030, hence reaching 4.5% of global GDP in 2030. Carbon Capture Utilization and Storage ("CCUS") in particular, represents a substantial submarket and could grow to 7.6Gt CO₂ by 2050 from just 40Mt in 2020.

In this market, CGG offers technologies, data, and services for CCUS, Geothermal, Environmental Sciences and Minerals and Mining, amongst others. In support of these rapidly growing markets, CGG offers its library of earth data of more than 50 petabytes, together with specialized services and technologies for science-based analysis and monitoring. CGG has been involved in over 130 geothermal projects, most major CCUS projects, including Sleipner, Troll, Weyburn, Pembina and Gorgon, and have expanding offerings in Minerals & Mining, with the most recent launch being TailingsPulse, a Monitoring Solution for tailings storage facilities. We have also seen strong interest in our new environmental sciences solutions, which are mainly focused on environmental analytics and pollution monitoring.

The accessible market for our Energy Transition offerings is around \$500 million in 2022, growing to \$1.0 billion in 2025, a CAGR of ~26%. At current we have around 30 projects active globally.

The total **Monitoring & Observation** market was more than \$205 billion in 2021 and is expected to reach a size of \$411 billion by 2026.

In this market, CGG offers advanced sensor technology and acquisition solutions designed to gather massive amounts of data, analyze these datasets, and through our cloud computing capabilities deliver key insights directly to the engineers' desktop or mobile devices in near-real time. To address this growing market, CGG offers structural health and earthworks monitoring solutions along with underwater acoustic monitoring solutions, which are mainly aimed at environmental understanding and protection.

The accessible market for our Monitoring & Observation offerings is around \$1.5 billion in 2022 and steady double-digit growth per annum is expected through 2025. At current, our first commercial systems are active in Europe, and we have multiple pilots in North America.

For more information on these Beyond the Core Technologies see: <https://www.cgg.com/industry-applications>.



Key Figures - Fourth Quarter 2021

Key Figures IFRS – Fourth Quarter 2021 In million \$	2020 Q4	2021 Q4	Variations %
Operating revenues	217	471	-
Operating income / (loss)	(60)	(23)	62%
Equity from investments	(10)	-	-
Net cost of financial debt	(34)	(26)	24%
Other financial income / (loss)	2	-	-
Income taxes	8	22	-
Net income / (loss) from continuing operations	(94)	(27)	71%
Net income / (loss) from discontinued operations	(8)	(1)	93%
Group net income / (loss)	(101)	(28)	72%
Operating cash flow	26	102	-
Net cash flow	(95)	81	-
Net debt	1,004	989	(1%)
Net debt before IFRS 16	849	866	2%
Capital employed	2,168	1,996	(8%)

Key Figures – 12 months 2021

Key Figures IFRS – 12 months 2021 In million \$	2020 12 months	2021 12 months	Variations %
Operating revenues	886	1,062	20%
Operating income / (loss)	(173)	(23)	87%
Equity from investments	(32)	-	-
Net cost of financial debt	(134)	(121)	10%
Other financial income / (loss)	(39)	(42)	(8%)
Income taxes	(29)	4	-
Net income / (loss) from continuing operations	(408)	(182)	55%
Net income / (loss) from discontinued operations	(29)	2	-
Group net income / (loss)	(437)	(180)	59%
Operating cash flow	264	337	27%
Net cash flow	(247)	19	-
Net debt	1,004	989	(1%)
Net debt before IFRS 16	849	866	2%
Capital employed	2,168	1,996	(8%)



Key Segment Figures - Fourth Quarter 2021

Key Segment Figures – Fourth Quarter 2021 In million \$	2020 Q4	2021 Q4	Variations %
Segment revenue	283	301	7%
Segment EBITDAs	116	154	33%
<i>Group EBITDAs margin</i>	<i>41%</i>	<i>51%</i>	<i>10 bps</i>
Segment operating income / (loss)	(44)	(57)	-
<i>Opinc margin</i>	<i>(15%)</i>	<i>(19%)</i>	<i>(4) bps</i>
IFRS 15 adjustment	(16)	35	-
IFRS operating income / (loss)	(60)	(23)	62%
Operating cash flow	26	102	-
Segment net cash flow	(95)	81	-
Supplementary information			
Adjusted segment EBITDAs before NRC	120	150	24%
<i>EBITDAs margin</i>	<i>43%</i>	<i>50%</i>	<i>7 bps</i>
Adjusted segment operating income before NRC	16	78	-
<i>Opinc margin</i>	<i>6%</i>	<i>26%</i>	<i>20 bps</i>

Key Segment Figures – 12 months 2021

Key Segment Figures – 12 months 2021 In million \$	2020 12 MONTHS	2021 12 MONTHS	Variations %
Segment revenue	955	941	(1%)
Segment EBITDAs	360	344	(4%)
<i>Group EBITDAs margin</i>	<i>38%</i>	<i>37%</i>	<i>(1) bps</i>
Segment operating income / (loss)	(165)	(49)	71%
<i>Opinc margin</i>	<i>(17%)</i>	<i>(5%)</i>	<i>12 bps</i>
IFRS 15 adjustment	(8)	25	-
IFRS operating income / (loss)	(173)	(23)	87%
Operating cash flow	264	337	27%
Segment net cash flow	(247)	19	-
Supplementary information			
Adjusted segment EBITDAs before NRC	403	337	(16%)
<i>EBITDAs margin</i>	<i>42%</i>	<i>36%</i>	<i>(6) bps</i>
Adjusted segment operating income before NRC	50	78	58%
<i>Opinc margin</i>	<i>5%</i>	<i>8%</i>	<i>3 bps</i>



Key figures bridge: Segment to IFRS - Fourth Quarter 2021

P&L items In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
Total Revenue	301	170	471
OPINC	(57)	35	(23)

Cash Flow Statement items In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
EBITDAs	154	170	324
Change in Working Capital & Provisions	(46)	(170)	(216)
Cash Provided by Operations	102	-	102

Multi-Client Data Library NBV In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
Opening Balance Sheet , Sep 21	311	245	556
Closing Balance Sheet , Dec 31 th 21	283	109	393

Key figures bridge: Segment to IFRS – 12 months 2021

P&L items In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
Total Revenue	941	121	1,062
OPINC	(49)	25	(23)

Cash Flow Statement items In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
EBITDAs	344	121	465
Change in Working Capital & Provisions	(2)	(121)	(123)
Cash Provided by Operations	337	-	337

Multi-Client Data Library NBV In million \$	Segment figures	IFRS 15 adjustment	IFRS figures
Opening Balance Sheet , Jan 1 st 21	285	207	492
Closing Balance Sheet , Dec 31 th 21	283	109	393



Fourth Quarter 2021 Segment Financial Results

Geology, Geophysics & Reservoir (GGR)

Geology, Geophysics & Reservoir (GGR) In million \$	2020 Q4	2021 Q4	Variances %
Segment revenue	176	207	17%
Geoscience	75	93	24%
Multi-Client	101	114	13%
Prefunding	70	59	(16%)
After-Sales	31	55	78%
Segment EBITDAs	108	145	34%
<i>EBITDAs Margin</i>	<i>61%</i>	<i>70%</i>	<i>9 bps</i>
Segment operating income / (loss)	(43)	(57)	(31%)
<i>OPINC Margin</i>	<i>(25%)</i>	<i>(27%)</i>	<i>(3) bps</i>
Equity from investments	-	-	-
Capital employed (in billion \$)	1.7	1.5	(11%)
Supplementary information			
Adjusted segment EBITDAs before NRC	112	142	26%
<i>EBITDAs Margin</i>	<i>64%</i>	<i>69%</i>	<i>5 bps</i>
Adjusted segment OPINC before NRC	16	77	-
<i>OPINC Margin</i>	<i>9%</i>	<i>37%</i>	<i>28 bps</i>
Other Key Metrics			
Multi-Client cash capex (\$m)	(41)	(37)	9%
Multi-Client cash prefunding rate (%)	171%	158%	(13) bps

GGR segment revenue was \$207 million, up 17% year-on-year.

- **Geoscience revenue** was \$93 million, up 24% year-on-year.

Pro-forma segment revenue excluding GeoSoftware and SDS, was 88 million, up 19% year-on-year.

Strong Q4 revenues were driven by global increase in demand for best resolution imaging of the subsurface, especially in geologically complex basins, such as the Gulf of Mexico and Brazil, where application of CGG Full Wave Inversion ("FWI") technology and High-Performance Computing are key for the clients to a better understanding of the geology and de-risking development and production.

Market remains solid worldwide driven by our clients' focus on near-field exploration, production optimization and increasing interest in new fields development.

Geoscience was awarded this quarter a very large multi-year contract in Latin America for its Geovation seismic imaging software.

- **Multi-Client revenue** was \$114 million, up 13% year-on-year.

Multi-client cash Capex was \$(37) million this quarter, down 9% year-on-year, and was dedicated to the marine Nebula area B & C program offshore Brazil and five reprocessing projects.

Prefunding revenue of our multi-client projects was \$59 million, down (16)% year-on-year and the prefunding rate was 158%.

Multi-client after-sales were at \$55 million this quarter, up 78% year-on-year.

The segment library Net Book Value was \$283 million (\$393 million after IFRS 15 adjustments) at the end of December 2021, split 91% offshore and 9% onshore.



GGR segment EBITDAs was \$145 million, a high 70% margin, and **GGR Adjusted* segment EBITDAs** was \$142 million.

GGR segment operating income / (loss) was \$(57) million, including \$(23) million fair value adjustment of a multi-client survey offshore North Sea and \$(102) million impairment of the multi-client goodwill after two consecutive years of lower than expected multi-client after-sales. **GGR Adjusted* segment operating income** was \$77 million, a significant increase year-on-year, and a 37% margin.

GGR capital employed decreased to \$1.5 billion at the end of December 2021.

Equipment

Equipment In million \$	2020 Q4	2021 Q4	Variances %
Segment revenue	108	94	(12%)
Land	87	54	(38%)
Marine	13	27	-
Downhole gauges	3	5	76%
Non Oil & Gas	5	8	62%
Segment EBITDAs	14	17	19%
<i>EBITDAs margin</i>	<i>13%</i>	<i>18%</i>	<i>5 bps</i>
Segment operating income	6	6	(9%)
<i>OPINC Margin</i>	<i>5%</i>	<i>6%</i>	<i>1 bps</i>
Capital employed (in billion \$)	0.6	0.6	-
Supplementary information			
Adjusted segment EBITDAs before NRC	14	15	6%
<i>EBITDAs margin</i>	<i>13%</i>	<i>16%</i>	<i>3 bps</i>
Adjusted segment OPINC before NRC	6	7	15%
<i>OPINC margin</i>	<i>6%</i>	<i>8%</i>	<i>2 bps</i>

Equipment segment revenue was \$94 million, down (12)% year-on-year.

- Land equipment sales were \$54 million, representing 57% of total sales, with deliveries mainly in China, Russia and North Africa.
- Marine equipment sales were \$27 million, representing 29% of total sales, as we completed the delivery of GPR 300 nodes order to the UAE.
- Downhole equipment sales were \$5 million and sales of non Oil & Gas equipment were \$8 million.

Equipment segment EBITDAs was \$17 million, a 18% margin, and **Equipment Adjusted* segment EBITDAs** was \$15 million.

Equipment segment operating income was \$6 million, a 6% margin and **Equipment Adjusted* segment operating income** was \$7 million.

Equipment capital employed was stable at \$0.6 billion at the end of December 2021.



Fourth Quarter 2021 Financial Results

Consolidated Income Statements In million \$	2020 Q4	2021 Q4	Variations %
<i>Exchange rate euro/dollar</i>	1.18	1.15	
Segment revenue	283	301	7%
GGR	176	207	17%
Equipment	108	94	(12%)
Elim & Other	(1)	-	-
Segment Gross Margin	44	103	-
Segment EBITDAs	116	154	33%
Adjusted GGR*	112	142	26%
Adjusted Equipment*	14	15	6%
Corporate	(4)	(6)	(51%)
Elim & Other	(2)	(1)	43%
Non recurring charges	(4)	5	-
Segment operating income / (loss)	(44)	(57)	(32%)
Adjusted GGR*	16	77	-
Adjusted Equipment*	6	7	15%
Corporate	(4)	(6)	(28%)
Elim & Other	(2)	(1)	53%
Non recurring charges	(59)	(135)	-
IFRS 15 adjustment	(16)	35	-
IFRS operating income / (loss)	(60)	(23)	62%
Equity from investments	(10)	-	-
Net cost of financial debt	(34)	(26)	24%
Other financial income (loss)	5	-	-
Income taxes	8	22	-
NRC (Tax & OFI)	(3)	-	-
Net income / (loss) from continuing operations	(94)	(27)	71%
Net income / (loss) from discontinued operations	(8)	(1)	93%
IFRS net income / (loss)	(101)	(28)	72%
Shareholder's net income / (loss)	(103)	(27)	74%
Basic Earnings per share in \$	(0.13)	(0.03)	77%
Basic Earnings per share in €	(0.11)	(0.03)	73%

Segment revenue was \$301 million, up 7% year-on-year and up 12% sequentially. The respective contributions from the Group's businesses were 31% from Geoscience, 38% from Multi-Client (69% from the GGR segment) and 31% from Equipment.

Pro-forma segment revenue excluding GeoSoftware and SDS, was \$296 million, up 11% year-on-year.

Segment EBITDAs was \$154 million, up 33% year-on-year, a high 51% margin, and **Adjusted* segment EBITDAs** was \$150 million, up 24% year-on-year.

Segment operating income / (loss) was \$(57) million including \$(23) million fair value adjustment of a multi-client survey and \$(102) multi-client goodwill impairment.



Adjusted* segment operating income was \$78 million, a significant increase year-on-year, and a 26% margin.

IFRS 15 adjustment at operating income level was \$35 million, and **IFRS operating income / (loss)**, after IFRS 15 adjustment, was \$(23) million.

Cost of financial debt was \$(26) million.

Taxes were at \$22 million.

Net Income / (loss) from continuing operations was \$(27) million.

Q4 2021 Discontinued operations :

Correspond to the former Contractual Data Acquisition and Non-Operated Resources segments. Main aggregates are as follows:

- **Revenue from discontinued operations** was \$0 million.
- **Net loss from discontinued operations** was \$(1) million.

Group net income / (loss) was \$(28) million.

After minority interests, **Group net income attributable to CGG shareholders** was \$(27) million/ €(23) million.



Fourth Quarter 2021 Cash Flow

Cash Flow items In million \$	2020 Q4	2021 Q4	Variances %
Segment Operating Cash Flow	26	102	-
CAPEX	(55)	(55)	-
Industrial	(5)	(12)	-
R&D	(9)	(6)	33%
Multi-Client (Cash)	(41)	(37)	9%
Marine MC	(40)	(37)	8%
Land MC	(1)	-	-
Proceeds from disposals of assets	-	95	-
Segment Free Cash Flow	(29)	142	-
Lease repayments	(12)	(13)	(13%)
Paid Cost of debt	(34)	(53)	(57%)
CGG 2021 Plan	(18)	(8)	59%
Free cash flow from discontinued operations	(2)	13	-
Net Cash flow	(95)	81	-
Financing cash flow	-	2	-
Forex and other	16	(3)	-
Net increase/(decrease) in cash	(79)	80	-
Supplementary information			
Change in working capital and provisions, included in Segment Operating Cash Flow	(86)	(46)	53%

Segment Operating Cash Flow was \$102 million.

Total Capex was \$(55) million:

- **Industrial Capex** was \$(12) million,
- **Research & Development Capex** was \$(6) million, a 33% decrease year-on-year
- **Multi-client cash Capex** was \$(37) million, a 9% decrease year-on-year

Segment Free Cash Flow was \$142 million, including \$95 million proceeds from disposal of GeoSoftware and Physical Storage Businesses.

Net Cash Flow was \$81 million, after \$(13) million lease repayments, \$(53) million paid cost of debt, \$(8) million CGG 2021 Plan cash costs and \$13 million free cash flow from discontinued operations



2021 Financial Results

Consolidated Income Statements In million \$	2020	2021	Variance %
<i>Exchange rate euro/dollar</i>	1.14	1.19	
Segment revenue	955	941	(1%)
GGR	668	586	(12%)
Equipment	291	357	23%
Elim & Other	(4)	(1)	75%
Segment Gross Margin	169	186	10%
Segment EBITDAs	360	344	(4%)
Adjusted GGR*	402	330	(18%)
Adjusted Equipment*	23	39	69%
Corporate	(21)	(19)	7%
Elim & Other	(1)	(12)	-
Non recurring charges	(43)	7	-
Segment operating income / (loss)	(165)	(49)	71%
Adjusted GGR*	82	105	27%
Adjusted Equipment*	(9)	8	-
Corporate	(23)	(22)	7%
Elim & Other	(1)	(12)	-
Non recurring charges	(214)	(127)	41%
IFRS 15 adjustment	(8)	25	-
IFRS operating income / (loss)	(173)	(23)	87%
Equity from investments	(32)	-	-
Net cost of financial debt	(134)	(121)	10%
Other financial income (loss)	8	(42)	-
Income taxes	(20)	4	-
NRC (Tax & OFI)	(56)	-	-
Net income / (loss) from continuing operations	(408)	(182)	55%
Net income / (loss) from discontinued operations	(29)	2	-
IFRS net income / (loss)	(437)	(180)	59%
Shareholder's net income / (loss)	(440)	(181)	59%
Basic Earnings per share in \$	(0.62)	(0.25)	59%
Basic Earnings per share in €	(0.54)	(0.21)	61%

2021 Segment revenue was \$941 million, down (1)% compared to last year. The respective contributions from the Group's businesses were 33% from Geoscience, 29% from Multi-Client (62% from the GGR segment) and 38% from Equipment.

2021 Pro-forma segment revenue excluding GeoSoftware and SDS, was \$901 million, stable year-on-year.

2021 GGR segment revenue was \$586 million, down (12)% year-on-year



- **Geoscience revenue** was \$309 million, down (6)% year-on-year. Pro-forma segment revenue excluding GeoSoftware and SDS, was \$269million, a (2)% decrease year-on-year.
- **Multi-Client sales** were \$276 million, down (19)% year-on-year. Prefunding revenue was \$150 million, down (29)% year-on-year on lower cash Capex. Multi-Client cash Capex was \$(168) million, down (30)% year-on-year. Cash prefunding rate was 89%. After-sales were \$126 million, down (1)%.

Equipment revenue was \$357 million, up 23% year-on-year.

Segment EBITDAs was \$344 million, down (4)% year-on-year, a 37% margin. GGR segment EBITDA was \$334 million, a 57% margin, and Equipment segment EBITDA was \$40 million, a 11% margin.

Adjusted* segment EBITDAs was \$337 million, a 36% margin. GGR adjusted segment EBITDA was \$330 million, a 56% margin, and Equipment adjusted segment EBITDA was \$39 million, a 11% margin.

Segment operating income / (loss) was \$(49) million. GGR segment operating income / (loss) was \$(21) million and Equipment segment operating income was \$5 million.

Adjusted* segment operating income was \$78 million, an 8% margin. GGR adjusted segment operating income was \$105 million, a 18% margin, and Equipment adjusted segment operating income was \$8 million, a 2% margin.

IFRS 15 adjustment at operating income level was \$25 million and **IFRS operating income / (loss)**, after IFRS 15 adjustment, was \$(23) million.

Cost of financial debt was \$(121) million.

Other Financial Items were \$(42) million, including \$(40) million of refinancing related fees.

Taxes were at \$4 million.

Net income / (loss) from continuing operations was \$(182) million.

2021 Discontinued operations :

Correspond to the former Contractual Data Acquisition and Non-Operated Resources segments. Main aggregates are as follows:

-Revenue from discontinued operations was \$19 million.

-Net profit from discontinued operations was \$2 million.

Group net income / (loss) was \$(180) million.

After minority interests, **Group loss attributable to CGG's shareholders** at the end of December 2021 was \$(181) million / €(152) million.



Cash Flow

Cash Flow items In million \$	2020	2021	Variances %
Segment Operating Cash Flow	264	337	27%
CAPEX	(303)	(227)	25%
Industrial	(23)	(29)	(25%)
R&D	(41)	(30)	28%
Multi-Client (Cash)	(239)	(168)	30%
Marine MC	(210)	(167)	21%
Land MC	(29)	(2)	94%
Proceeds from disposals of assets	-	91	-
Segment Free Cash Flow	(39)	201	-
Lease repayments	(55)	(57)	(3%)
Paid Cost of debt	(80)	(90)	(12%)
CGG 2021 Plan	(87)	(33)	62%
Free cash flow from discontinued operations	15	(2)	-
Net Cash Flow	(247)	19	-
Financing cash flow	(5)	(67)	-
Forex and other	27	(18)	-
Net increase/(decrease) in cash	(225)	(66)	71%
Supplementary information			
Change in working capital and provisions, included in Segment Operating Cash Flow	(88)	(2)	-

2021 Segment Operating Cash Flow was \$337 million compared to \$264 million last year, a 27% increase.

Capex was \$(227) million, a 25% decrease year-on-year,

- **Industrial Capex** was \$(29) million, up (25)% year-on-year,
- **Research & Development Capex** was \$(30) million, a 28% decrease year-on-year,
- **Multi-client cash Capex** was \$(168) million, a 30% decrease year-on-year.

Segment Free Cash Flow was positive \$201 million, including \$91 million proceeds from disposals of assets and compared to negative \$(39) million in 2020.

After lease repayments of \$(57) million, Paid cost of debt of \$(90) million, CGG 2021 Plan cash costs of \$(33) million and Free cash flow from discontinued operations of \$(2) million, **Group Net Cash Flow** was positive \$19 million, compared to highly negative \$(247) million in 2020.



Refinancing impact on cash flow was \$(67) million, including \$(40) million refinancing fees and call premiums, and \$(28) million net reduction in debt principal.

Balance Sheet

Group's liquidity amounted to \$419 million at the end of December 31, 2021, including cash liquidity of \$319 million after reducing gross debt by \$28m as part of refinancing and \$100 million of undrawn RCF.

Group gross debt before IFRS 16 was **\$1,186 million** at the end of December 30, 2021 and **net debt** was **\$866 million**.

Group gross debt after IFRS 16 was **\$1,308 million** at the end of December 30, 2021 and **net debt** was **\$989 million**.

Segment leverage ratio of **Net debt to Adjusted segment EBITDAs** was **2.9x** at the end of December 2021.



Q4 2021 Conference call

- The press release and the slide presentation are available on our website www.cgg.com
- An English language analysts conference call is scheduled today at 6.30 pm (CET)

To follow the conference call, please access the audio webcast from your computer at www.cgg.com

Please dial 5 to 10 minutes prior to the scheduled start time the following numbers:

Confirmation Code:	8578464
Standard International	+44 (0) 2071 928338
France (Toll Free)	+33 (0) 805101465
France (Local)	+33 (0) 170700781
UK (Toll Free)	+44 (0) 8002796619
UK (Local)	+44 (0) 8444819752
US (Toll Free)	+1 877 8709 135
US (Local)	+1 646 7413 167

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 geoscience technology leader. Employing around 3,700 people worldwide, CGG provides a comprehensive range of data, products, services and solutions that support our clients to more efficiently and responsibly solve complex natural resource, environmental and infrastructure challenges. CGG is listed on the Euronext Paris SA (ISIN: 0013181864).

Contacts

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CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021



Consolidated statement of operations

In millions of US\$	Year	
	2021	2020 Restated (a)
Operating revenues	1,062.2	886.0
Other income from ordinary activities	0.8	0.7
Total income from ordinary activities	1,063.0	886.7
Cost of operations	(853.2)	(726.5)
Gross profit	209.8	160.2
Research and development expenses – net	(17.0)	(18.6)
Marketing and selling expenses	(29.9)	(32.5)
General and administrative expenses	(62.9)	(67.9)
Other revenues (expenses) – net	(123.2)	(214.5)
Operating income	(23.2)	(173.3)
Cost of financial debt – gross	(121.5)	(136.3)
Income from cash and cash equivalents	1.0	2.2
Cost of financial debt – net	(120.5)	(134.1)
Other financial income (loss)	(42.4)	(39.4)
Income (loss) before income taxes and share of income (loss) from companies accounted for under the equity method	(186.1)	(346.8)
Income taxes	4.4	(29.3)
Net income (loss) before share of net income (loss) from companies accounted for under the equity method	(181.7)	(376.1)
Net income (loss) from companies accounted for under the equity method	0.1	(31.8)
Net income (loss) from continuing operations	(181.6)	(407.9)
Net income (loss) from discontinued operations	1.6	(28.9)
Consolidated net income (loss)	(180.0)	(436.8)
<i>Attributable to:</i>		
Owners of CGG	(180.5)	(440.5)
Non-controlling interests	0.5	3.7
Weighted average number of shares outstanding	711,526,474	710,739,746
Weighted average number of shares outstanding adjusted for dilutive potential ordinary shares	711,526,474	710,739,746
Net income (loss) per share		
- Base	(0.25)	(0.62)
- Diluted	(0.25)	(0.62)
Net income (loss) from continuing operations per share		
- Base	(0.25)	(0.58)
- Diluted	(0.25)	(0.58)
Net income (loss) from discontinued operations per share		
- Base	-	(0.04)
- Diluted	-	(0.04)

(a) In accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", financial information was restated to present comparative amounts for each period presented.



Consolidated statement of financial position

<i>In millions of US\$</i>	12.31.2021	12.31.2020 Restated (a)
ASSETS		
Cash and cash equivalents	319.2	385.4
Trade accounts and notes receivable, net	350.7	325.0
Inventories and work-in-progress, net	197.3	237.8
Income tax assets	68.7	84.6
Other current financial assets, net	1.7	13.7
Other current assets, net	105.1	92.0
Assets held for sale, net	-	92.7
Total current assets	1,042.7	1,231.2
Deferred tax assets	19.6	10.3
Investments and other financial assets, net	17.8	13.6
Investments in companies accounted for under the equity method	28.1	28.6
Property plant & equipment, net	212.1	268.1
Intangible assets, net	520.7	639.2
Goodwill, net	1,083.6	1,186.5
Total non-current assets	1,881.9	2,146.3
TOTAL ASSETS	2,924.6	3,377.5
LIABILITIES AND EQUITY		
Bank overdrafts	-	0.2
Financial debt – current portion	90.3	58.6
Trade accounts and notes payable	76.4	96.7
Accrued payroll costs	105.4	106.6
Income taxes payable	30.4	56.8
Advance billings to customers	27.1	19.5
Provisions – current portion	18.2	52.7
Other current financial liabilities	19.2	34.4
Other current liabilities	218.2	278.4
Liabilities associated with non-current assets held for sale	-	13.0
Total current liabilities	585.2	716.9
Deferred tax liabilities	14.1	16.3
Provisions – non-current portion	30.6	51.8
Financial debt – non-current portion	1,218.1	1,330.3
Other non-current financial liabilities	37.4	53.2
Other non-current liabilities	32.8	44.4
Total non-current liabilities	1,333.0	1,496.0
Common stock	8.7	8.7
Additional paid-in capital	464.1	1,687.1
Retained earnings	570.0	(480.6)
Other Reserves	5.0	(37.3)
Treasury shares	(20.1)	(20.1)
Cumulative income and expense recognized directly in equity	(0.8)	(0.7)
Cumulative translation adjustments	(64.2)	(37.4)
Equity attributable to owners of CGG SA	962.7	1,119.7
Non-controlling interests	43.7	44.9
Total Equity	1,006.4	1,164.6
TOTAL LIABILITIES AND EQUITY	2,924.6	3,377.5

(a) In accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", financial information was restated to present comparative amounts for each period presented.



Consolidated statement of cash flows

In millions of US\$	Year	
	2021	2020 Restated (a)
OPERATING ACTIVITIES		
Consolidated net income (loss)	(180.0)	(436.8)
Less: Net income (loss) from discontinued operations	(1.6)	28.9
Net income (loss) from continuing operations	(181.6)	(407.9)
Depreciation, amortization and impairment	225.7	193.5
Impairment and amortization of Multi-Client surveys	281.5	284.8
Amortization and depreciation of Multi-Client surveys, capitalized	(17.3)	(18.1)
Variance on provisions	(37.7)	15.9
Share-based compensation expenses	(1.8)	4.0
Net (gain) loss on disposal of fixed and financial assets	(2.7)	0.5
Share of (income) loss in companies recognized under equity method	(0.1)	31.8
Dividends received from companies accounted for under the equity method	-	-
Other non-cash items	42.4	39.3
Net cash flow including net cost of financial debt and income tax	308.4	143.8
Less: Cost of financial debt	120.5	134.1
Less: Income tax expense (gain)	(4.4)	29.3
Net cash flow excluding net cost of financial debt and income tax	424.5	307.2
Income tax paid	(2.9)	(7.7)
Net cash flow before changes in working capital	421.6	299.5
Changes in working capital	(84.9)	(35.2)
– Change in trade accounts and notes receivable	(97.3)	39.0
– Change in inventories and work-in-progress	28.8	(25.9)
– Change in other current assets	3.2	(2.8)
– Change in trade accounts and notes payable	(23.4)	(1.6)
– Change in other current liabilities	3.8	(43.9)
Net cash flow from operating activities	336.7	264.3
INVESTING ACTIVITIES		
Total capital expenditures (tangible and intangible assets) net of variation of fixed assets suppliers and excluding Multi-Client surveys)	(58.6)	(64.1)
Investments in Multi-Client surveys, net cash	(168.3)	(239.0)
Proceeds from disposals of tangible and intangible assets	3.7	0.5
Acquisition of investments, net of cash & cash equivalents acquired	(2.0)	(0.4)
Proceeds from divestments of activities and sale of financial assets	89.3	-
Variation in subsidies for capital expenditures	0.3	-
Variation in other non-current financial assets	(3.2)	13.4
Net cash-flow used in investing activities	(138.8)	(289.6)
FINANCING ACTIVITIES		
Repayment of long-term debt	(1,227.5)	(5.2)
Total issuance of long-term debt	1,162.3	-
Lease repayments	(57.0)	(55.5)
Change in short-term loans	(0.2)	0.1



Financial expenses paid	(89.8)	(80.2)
Loan granted	(1.8)	
Capital increase:		
– by owners of CGG		-
– by non-controlling interests in integrated companies		-
Dividends paid and share capital reimbursements		
– to owners of CGG		-
– to non-controlling interests of integrated companies	(3.6)	(7.2)
Acquisition/disposal of treasury shares	-	-
Net cash-flow from (used in) financing activities	(217.6)	(148.0)
Effect of exchange rate changes on cash	(10.5)	20.7
Impact of changes in consolidation scope		
Net cash flows incurred by discontinued operations	(36.0)	(72.5)
Net increase (decrease) in cash and cash equivalents	(66.2)	(225.1)
Cash and cash equivalents at beginning of year	385.4	610.5
Cash and cash equivalents at end of period	319.2	385.4

(a) In accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", financial information was restated to present comparative amounts for each period presented.