



Q2 2021 FINANCIAL RESULTS



Disclaimer

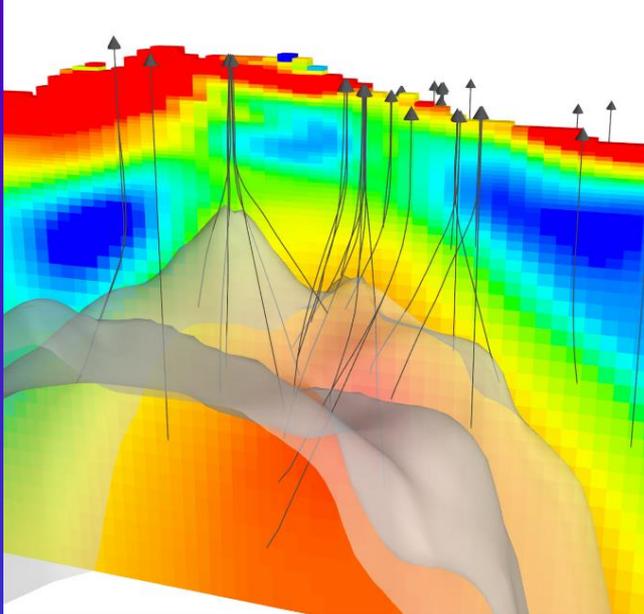
This presentation contains forward-looking statements, including, without limitation, statements about CGG (“the Company”) plans, strategies and prospects. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, the Company’s actual results may differ materially from those that were expected.

The Company based these forward-looking statements on its current assumptions, expectations and projections about future events. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it is very difficult to predict the impact of known factors and it is impossible for us to anticipate all factors that could affect our proposed results. All forward-looking statements are based upon information available to the Company as of the date of this presentation.

Important factors that could cause actual results to differ materially from management's expectations are disclosed in the Company’s periodic reports and registration statements filed with the AMF. Investors are cautioned not to place undue reliance on such forward-looking statements.



Agenda



01 Business overview

02 Operational review

03 Financial review

04 2021 Business outlook & Financial objectives



BUSINESS OVERVIEW



Q2 2021 Business overview

MARKET TRENDS

- Continuing demand recovery for oil & Gas is expected to drive solid demand for geoscience technologies
- Green energy and mining are becoming a medium term driver
- IOCs's currently prioritize production while NOCs and Independent maintain investments in exploration and development

BUSINESS PERFORMANCE

- A soft Multi-client and Equipment quarter
- Geoscience progressive quarterly improvement
- Delayed Multi-client prefunding and after-sales to H2
- Low level of Equipment deliveries as planned

BALANCE SHEET

- Sale of GeoSoftware business progressing as planned and closing expected in Q4 2021
- Physical asset storage business has been put for sale
- Closing of the Sale and Lease Back of the headquarter building expected in Q4 2021
- Sale of Multi-Physics business completed at the end of June



Q2 / H1 2021 Key financial highlights

SEGMENT REVENUE

SEGMENT EBITDAS

CASH FLOW

Q2 2021

\$157m

down 22%
year on year

\$42m

a margin of 26%

Segment FCF at **\$(3)m**
Net Cash Flow at **\$(56)m**
before \$(39)m of
refinancing fees

H1 2021

\$370m

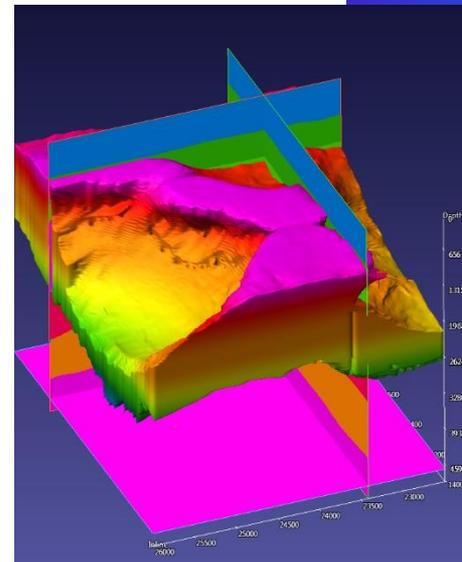
down 22%
year on year

\$78m

a margin of 21%

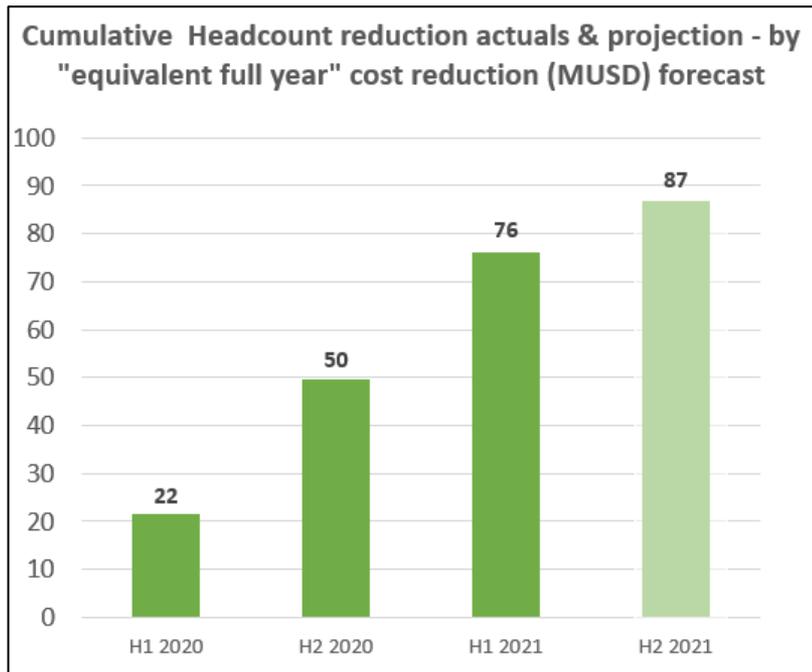
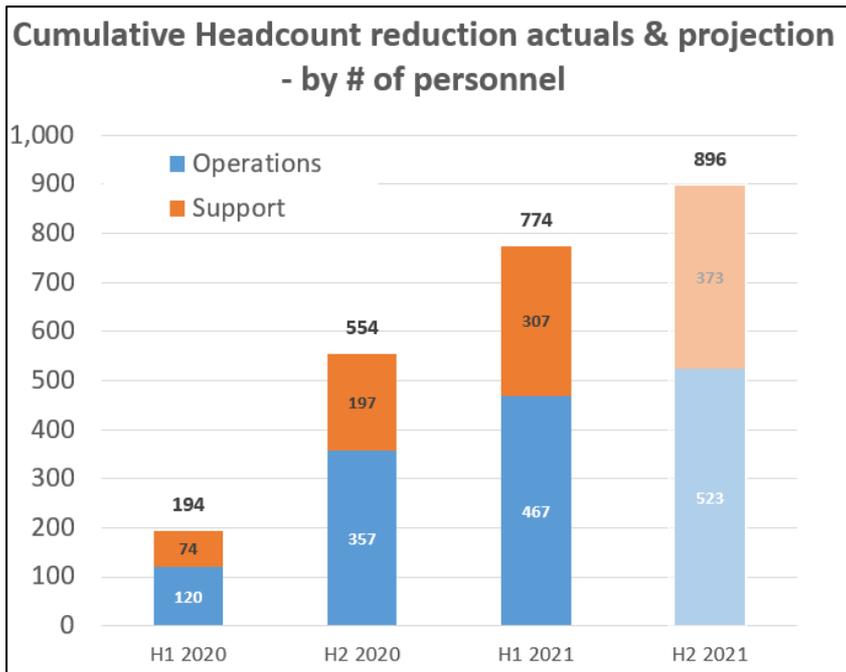
Segment FCF at **\$57m**
Net Cash Flow at **\$(27)m**
before \$(39)m of
refinancing fees

Liquidity of \$385m including \$100m undrawn RCF at the end of June





2020 – 2021 Headcount reduction



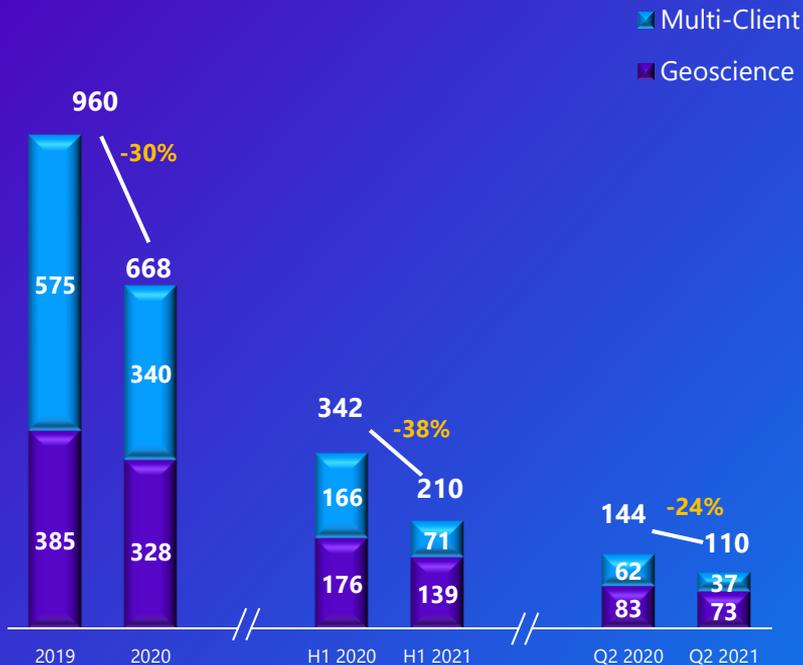


OPERATIONAL REVIEW

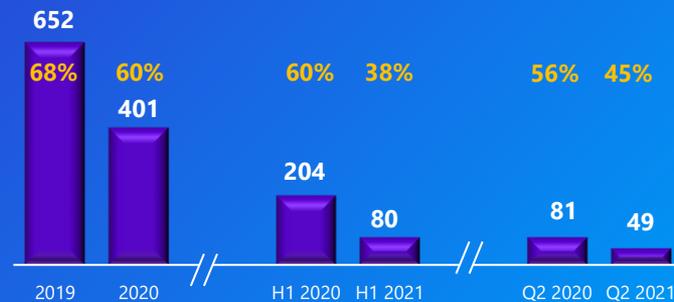


GGR key financial indicators

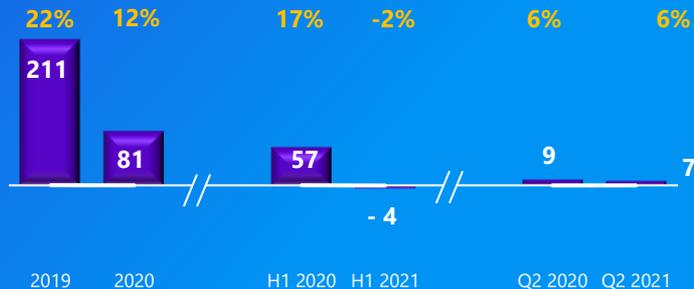
SEGMENT REVENUE (\$m)



ADJUSTED SEGMENT EBITDAS (\$m) & MARGIN (%)



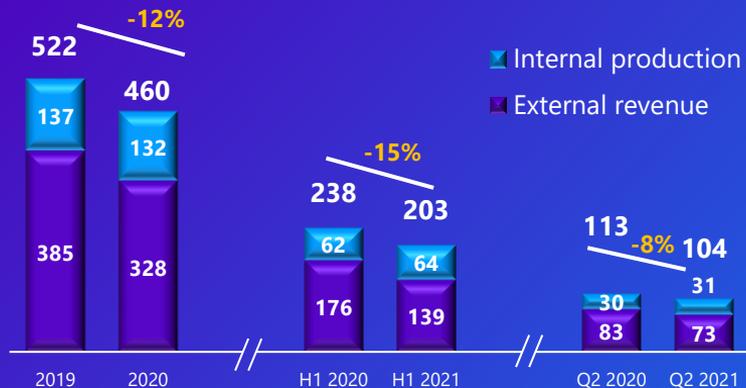
ADJUSTED SEGMENT OPINC (\$m) & MARGIN (%)





Geoscience key business indicators

TOTAL PRODUCTION (\$m)



BACKLOG AS OF JULY, 1ST (\$m)



TOTAL PRODUCTION / HEAD (\$K)



COMPUTING POWER (PFLOPS)



Imaging value map from Kimberlite 2021 survey

Supplier performance vs price

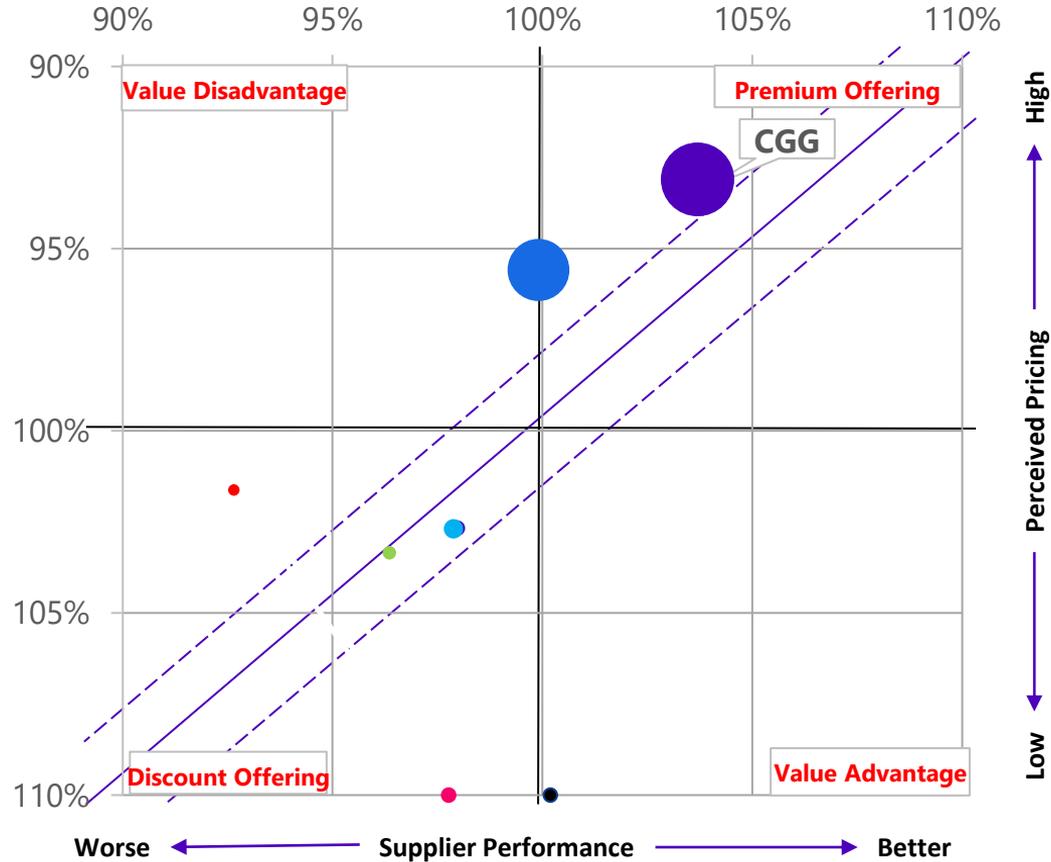


OFFSHORE

Ranking of Perceived Benefits (Non- Price)

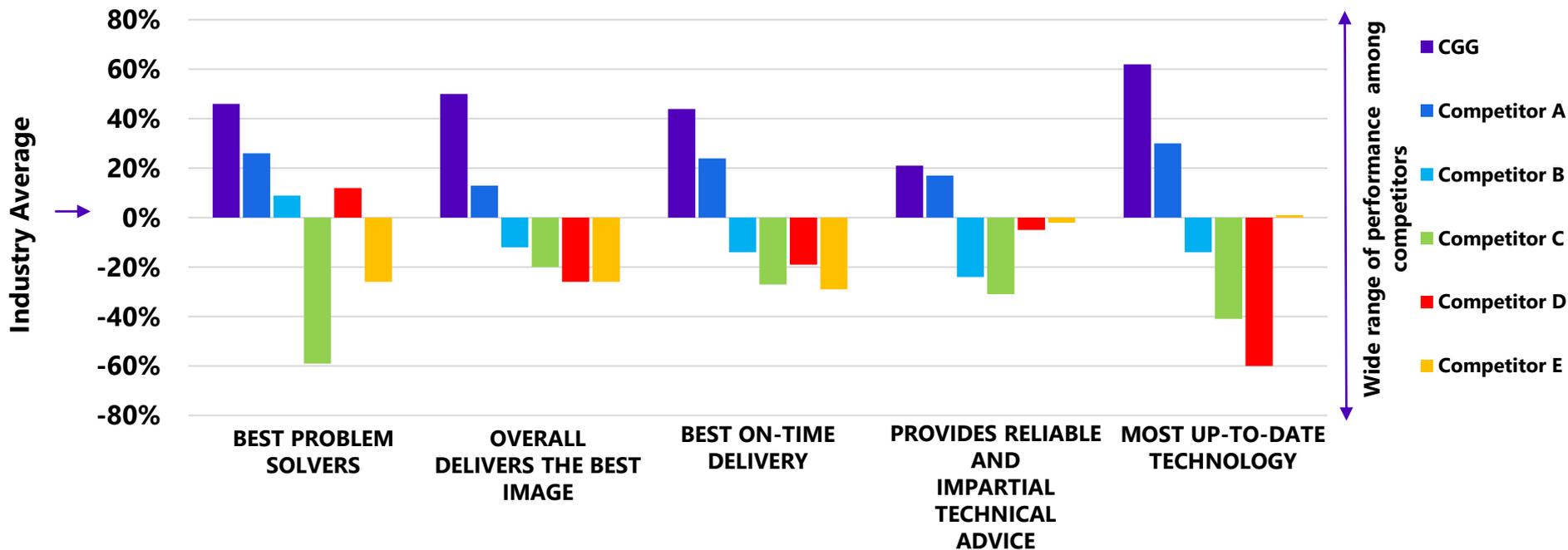
- Track record
- Experience of specific processor
- Turnaround time
- Overall image quality
- Technical Support
- Responsive to needs
- State-of-the-Art technology

Percent of Purchase Decision
Based on Price
50%



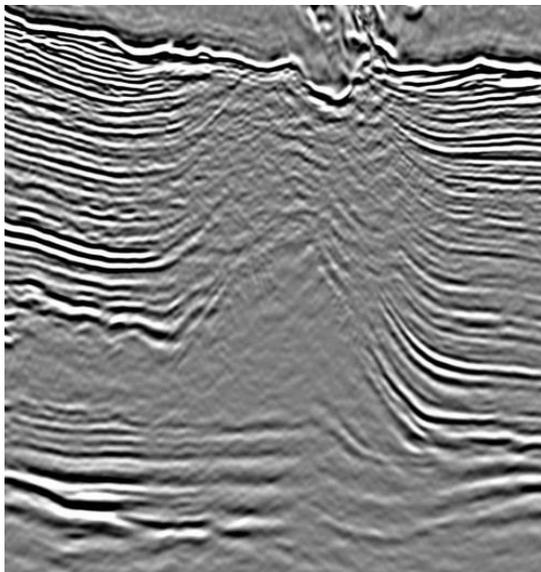
Imaging performance ranking from Kimberlite 2021 survey

Normalized on industry average

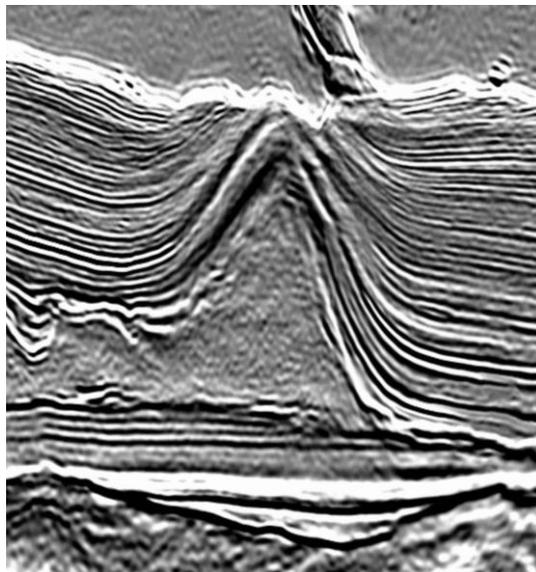


CGG consistently performs well above the industry average and better than any other major competitor

Continued Innovation in OBN Imaging



Legacy streamer data Reverse Time Migration
Shenzi Field, Gulf of Mexico



OBN Full Waveform Inversion image – Shenzi

Effective Presurvey Design

- Advanced forward modeling to optimize acquisition for velocity model and image quality vs. acquisition cost

Advanced OBN Imaging Technology

- TL-FWI for the most accurate velocity model with long-offset OBN data
- FWI Imaging of subsalt reservoirs

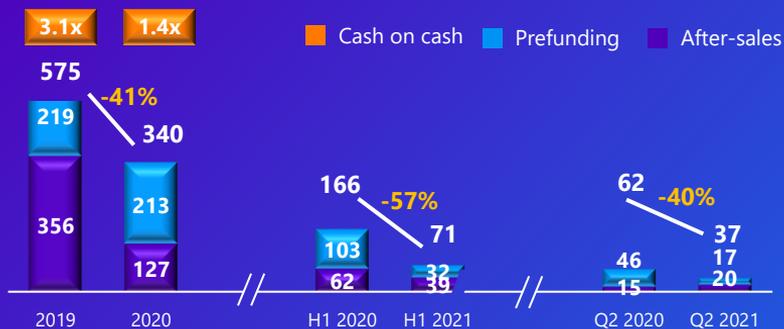
Improved Final Results

- Bespoke OBN data and advanced proprietary OBN Imaging provide a step change
- Drilling locations can be selected with greater confidence

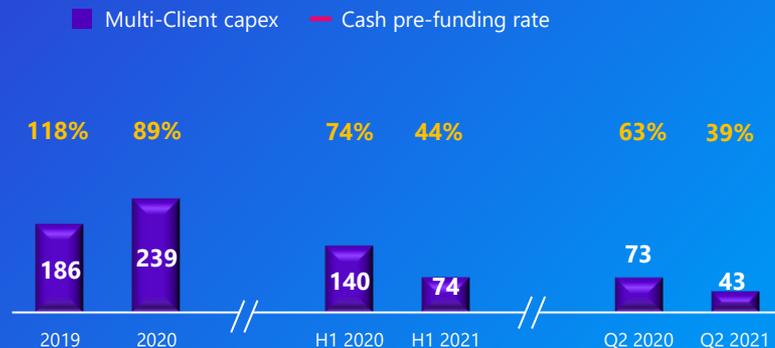


Multi-Client key business indicators

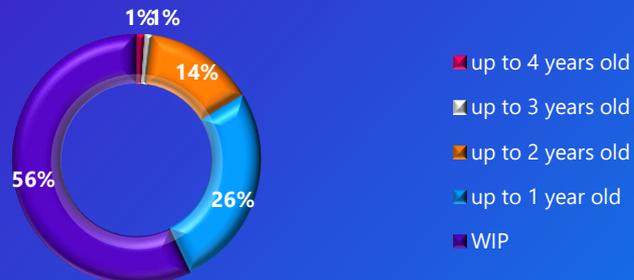
MULTI-CLIENT REVENUE (\$m)



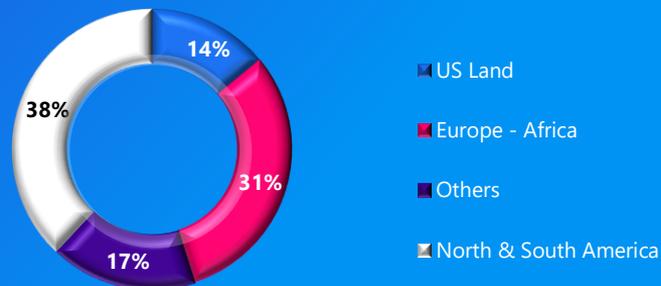
MULTI-CLIENT CAPEX (\$m) & PRE-FUNDING (%)



DATA LIBRARY NBV SPLIT AS OF 06/30/21



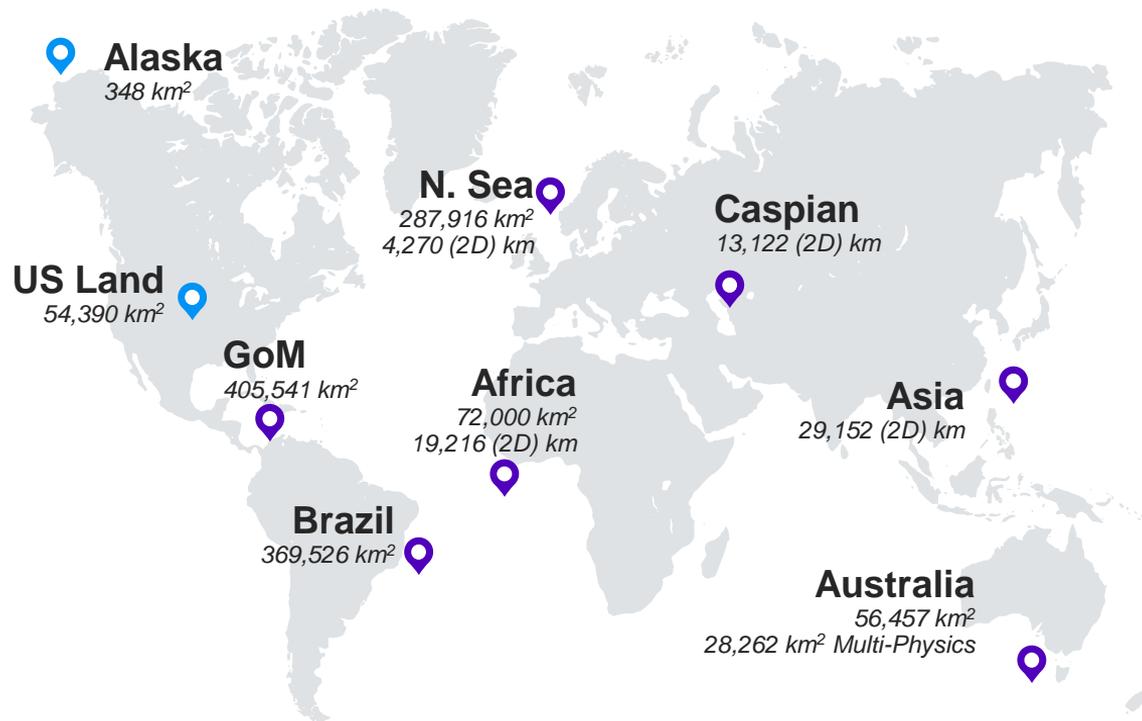
DATA LIBRARY NBV REGIONAL SPLIT AS OF 06/30/21





Multi-Client - worldwide footprint in proven & mature basins

Over 1.25 million km²



Q2 2021 PROJECTS



Brazil – Santos/Campos Nebula



North Sea – NVG EW



Reprocessing projects:

US – Central Basin Platform

GOM – WR FWI / MPVK PSDM

Brazil – Agata / Megabar Repro

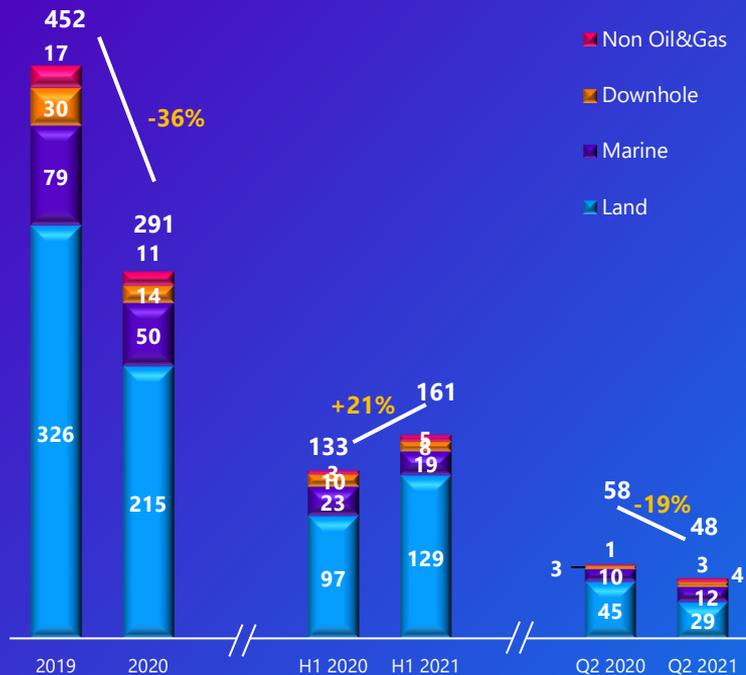
North Sea – CNS Repro / Nodes

Australia – Gippsland / NW Shelf



Equipment key financial indicators

SEGMENT PRODUCTION (\$m)



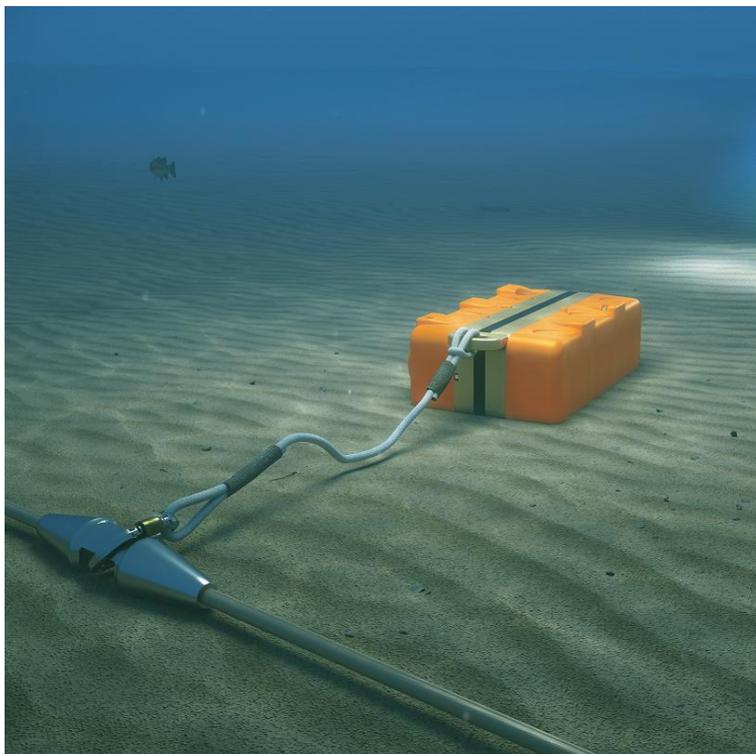
ADJUSTED SEGMENT EBITDAS (\$m) & MARGIN (%)



ADJUSTED SEGMENT OPINC (\$m) & MARGIN (%)



Equipment overview



Ocean Bottom Node, the GPR300

Land

- Delivery of systems in China, Russia and the Middle-East
- Strong activity for vibrators with over 25 Nomad delivered
- First deliveries of WiNG AFUs land nodes

Marine

- Major contract with BGP for 18,000 GPR300 shallow water nodes
- Finalized the acquisition of LISS (Low Impact Seismic Sources)

Downhole tools

- Activity supported by memory gauges

Diversification

- SHM : first commercial deliveries of S-lynks nodes



FINANCIAL REVIEW



Q2/H1 2021 Income Statement

In million \$	Q2 2021	Q2 2020	H1 2021	H1 2020
Segment Revenue	157	202	370	473
IFRS 15 adjustment	14	37	10	18
IFRS Revenue	172	239	380	491
Segment EBITDAs	42	68	78	191
Adjusted Segment EBITDAs	35	76	75	200
Segment OPINC	(7)	(53)	(18)	(84)
Adjusted Segment OPINC	(15)	(5)	(28)	36
IFRS 15 adjustment	6	21	3	12
IFRS OPINC	(1)	(32)	(15)	(72)
Net cost of financial debt	(33)	(33)	(68)	(66)
Other financial income	(4)	(36)	(42)	(30)
Taxes	(7)	(33)	(12)	(38)
Net income / (loss) from continuing operations	(44)	(134)	(136)	(205)
Net income / (loss) from discontinued operations	(7)	(13)	5	(40)
Group Net income / (loss)	(51)	(147)	(132)	(245)

Q2 2021:

Segment Revenue at **\$157m**, down 22%

Segment EBITDAs at **\$42m** and Adjusted* segment EBITDAs at \$35m, a 22% margin due to revenue mix

Group Net Loss of **\$(51)m**, a net loss divided by 3 vs Q2 2020

H1 2021:

Segment Revenue at **\$370m**, down 22%

Segment EBITDAs at **\$78m** and Adjusted* segment EBITDAs at \$75m, a 20% margin due to revenue mix

Group Net Loss of **\$(132)m**, a net loss divided by 2 vs H1 2020

**Adjusted indicators represent supplementary information adjusted for non-recurring charges*



Q2/H1 2021 Simplified Cash Flow

In million \$	Q2 2021	Q2 2020	H1 2021	H1 2020
Segment FCF before change in working cap	(17)	(23)	(30)	14
Change in working capital	14	15	87	36
Segment FCF	(3)	(8)	57	50
Cash Cost of Debt - Other financial items & Lease repayments	(45)	(47)	(65)	(69)
Net Cash Flow from Discontinued Operations	-	-	-	9
Plan 2021	(8)	(22)	(19)	(50)
Net cash flow before refinancing	(56)	(77)	(27)	(60)

Q2 2021:

Net Cash Flow at **\$(56)m** before refinancing fees

Segment Free Cash Flow was at \$(3)m,
 Net paid cost of debt at \$(30)m
 2021 Plan cash costs at \$(8)m

H1 2021:

Net Cash Flow at **\$(27)m** before refinancing fees

Segment Free Cash Flow was at \$57m,
 including **\$87m** change in working capital

Refinancing Cash-flow impacts:

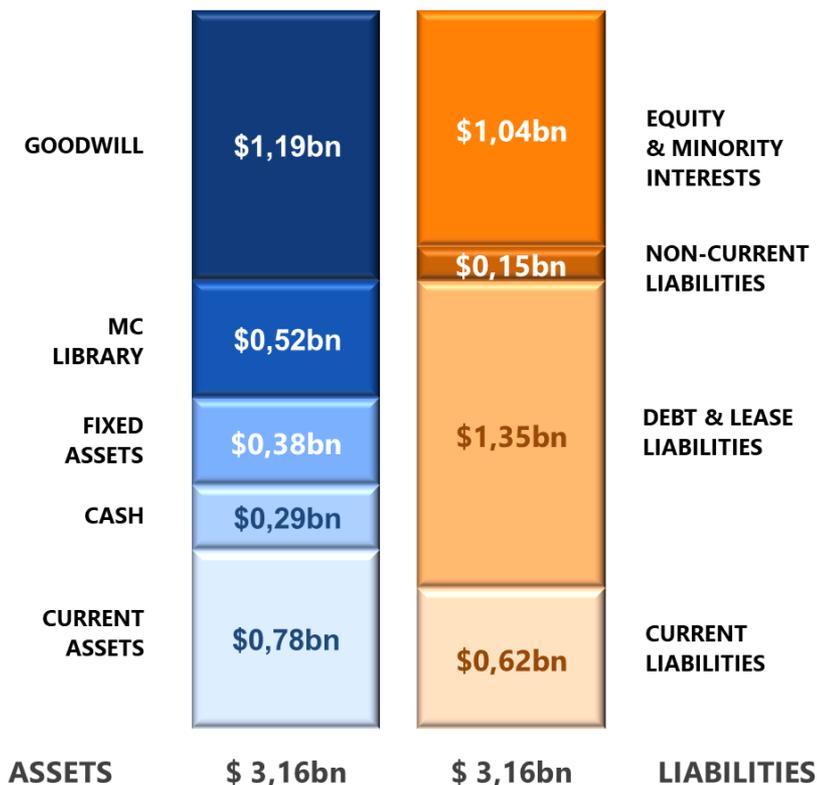
\$(28)m, net principal effect (issuance / extinguishment)

\$(14)m call premium (1L redemption)

\$(26)m transaction costs



Balance Sheet at June 30, 2021



- Group's liquidity amounted to **\$385m including \$100m undrawn RCF**
- Group gross debt before IFRS 16 was **\$1,220m** and net debt was **\$935m**
- Group gross debt after IFRS 16 was **\$1,355m** and net debt was **\$1,070m**
 - **\$1,195m** HY Bonds, 2027
 - **\$1m** Bank loans
 - **\$24m** Accrued interests
 - **\$134m** Lease liabilities



Asset monetization and disposal of business held for sale

ASSET MONETIZATION

- Headquarter building sale and lease back progressing well. Closing of transaction expected in Q4 2021

SALE OF BUSINESS HELD FOR SALE

- Sale of GeoSoftware business progressing as planned with closing expected in Q4 2021

BUSINESS HELD FOR SALE

- Physical asset storage business has been put for sale



2021 OUTLOOK



2021 Business outlook & revised financial objectives

GEOSCIENCE

- Gradual recovery accelerating throughout H2 2021
- Increase in H1 NAM order intake YoY (+238%)
- Substantial verbal awards in major basins including GoM, Brazil and Guyana (+175% YoY)

MULTI-CLIENT

- 2021 MC cash capex of \$165m focused on core mature basins with H2 capex around \$95m
- 2021 MC prefunding rate expected above 75%
- Catch-up of H1 delayed sales in H2

EQUIPMENT

- Sustained manufacturing activity and commercial deliveries anticipated in H2
- New revenue stream in marine with deliveries of GPR 300 nodes in H2
- Solid demand for land equipment in Algeria, Russia and Pakistan

BEYOND THE CORE BUSINESSES

- Further commercial successes in Mineral & Mining, Environmental Science and Digital Services with a solid opportunity pipeline
- Strategic partnerships in CCUS
- Equipment solutions first commercial successes in Infrastructure and Earth Monitoring

2021 REVISED FINANCIAL OBJECTIVES

- 2021 segment revenue expected to remain stable y.o.y.
- 2021 segment EBITDAs expected to be around \$310m
- CGG is expecting to generate positive net cash flow in 2021



THANK YOU