



## CGG Announces its Q3 2021 Results

### Solid Q3 quarterly performance

**Segment Revenue at \$270m, up 35% year-on-year  
and Segment EBITDAs at \$118m, more than doubled year-on-year**

PARIS, France – November 3, 2021 – **CGG** (ISIN: FR0013181864), **a world leader in Geoscience**, announced today its third quarter 2021 non-audited results.

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

*"I am encouraged by our Q3 results and more importantly by the signs of the gradually increasing demand for our core businesses, supported by the strengthening macro-environment. Our differentiated products and services remain fundamental to solving our client's challenges in complex sub-surface environments, addressing their digitalization needs and reducing their environmental footprint.*

*Beyond the core, we are developing and commercially progressing a growing portfolio of business opportunities targeting digital geoscience, energy transition, environmental geoscience, and infrastructure monitoring. These opportunities leverage our leadership technology positions in sophisticated algorithms, high performance computing, earth subsurface data base and sensors, all of which provide new growth for the company".*

#### Q3 2021: A solid performance

- **IFRS figures:** revenue at \$210m, EBITDAs at \$58m, OPINC at \$20m
- **Segment revenue at \$270m**, up 35% year-on-year and up 71% sequentially
  - Geoscience segment revenue at \$77m, stable year-on-year and up 5% sequentially.
  - Multi-Client segment sales at \$92m, up 26% year-on-year and up 149% sequentially.
  - Equipment segment sales at \$101m, up 105% year-on-year and up 113% sequentially.
- **Segment EBITDAs at \$118m** a 44% margin and Adjusted\* Segment EBITDAs at \$118m,
- **Segment Operating Income at \$33m** and Adjusted\* Segment Operating Income at \$33m
- **Group Net Loss at \$(17)m**
- **Net Cash Flow at \$(34)m.**



### 9 months 2021: A progressive recovery

- **IFRS figures:** revenue at \$591m, EBITDAs at \$146m, OPINC at \$5m
- **Segment revenue** at **\$640m**, down (5)% year-on-year
- **Segment EBITDAs** at **\$195m** a 31% margin due to low H1 activity and Adjusted\* Segment EBITDAs at \$193m,
- **Segment Operating Income** at **\$14m** and Adjusted\* Segment Operating Income at \$6m
- **Group Net loss** at **\$(148)m** divided by two year on year
- **Net Cash Flow** at **\$(61)m** before \$(40)m of fees related to the refinancing

### Balance Sheet at the end of September

- The sale of the physical asset storage business and the sale and lease back of the headquarter building are progressing as planned
- **Liquidity** of **\$340m** and cash liquidity of \$240m after reducing gross debt by \$28m as part of refinancing. **Net debt before IFRS 16** at **\$987m** as of September 30, 2021

### Post closing event

- The sale of the GeoSoftware business was completed on October 1<sup>st</sup> 2021 for a total cash consideration of \$95m

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



### Key Figures - Third Quarter 2021

| Key Figures - Quarter<br>In million \$              | 2020<br>Q3   | 2021<br>Q3   | Variations<br>% |
|---|--------------|--------------|-----------------|
| <b>Operating revenues</b>                           | <b>178</b>   | <b>210</b>   | <b>18%</b>      |
| <b>Operating Income</b>                             | <b>(43)</b>  | <b>20</b>    | <b>-</b>        |
| Equity from Investment                              | -            | -            | -               |
| Net cost of financial debt                          | (34)         | (27)         | (21)%           |
| Other financial income (loss)                       | (12)         | -            | -               |
| Income taxes  | 1            | (7)          | -               |
| <b>Net Income / Loss from continuing operations</b> | <b>(88)</b>  | <b>(14)</b>  | <b>(84)%</b>    |
| Net Income / Loss from discontinued operations      | (5)          | (3)          | (44)%           |
| <b>Group net income / (loss)</b>                    | <b>(93)</b>  | <b>(17)</b>  | <b>82%</b>      |
| Operating Cash Flow                                 | 12           | 76           | -               |
| Net Cash Flow                                       | (92)         | (34)         | 63%             |
| <b>Net debt</b>                                     | <b>910</b>   | <b>1,113</b> | <b>22%</b>      |
| <b>Net debt before lease</b>                        | <b>749</b>   | <b>987</b>   | <b>32%</b>      |
| <b>Capital employed</b>                             | <b>2,172</b> | <b>2,140</b> | <b>(1)%</b>     |

### Key Figures – 9 months 2021

| Key Figures IFRS – 9 months<br>In million \$        | 2020<br>9 MONTHS | 2021<br>9 MONTHS | Variations<br>% |
|---|------------------|------------------|-----------------|
| <b>Operating revenues</b>                           | <b>669</b>       | <b>591</b>       | <b>(12)%</b>    |
| <b>Operating Income</b>                             | <b>(115)</b>     | <b>5</b>         | <b>-</b>        |
| Equity from Investment                              | -                | -                | -               |
| Net cost of financial debt                          | (100)            | (94)             | (5)%            |
| Other financial income (loss)                       | (42)             | (42)             | (1)%            |
| Income taxes  | (37)             | (19)             | (48)%           |
| <b>Net Income / Loss from continuing operations</b> | <b>(293)</b>     | <b>(150)</b>     | <b>(49)%</b>    |
| Net Income / Loss from discontinued operations      | (45)             | 2                | -               |
| <b>Group net income / (loss)</b>                    | <b>(338)</b>     | <b>(148)</b>     | <b>56%</b>      |
| Operating Cash Flow                                 | 238              | 235              | (1)%            |
| Net Cash Flow                                       | (152)            | (61)             | 60%             |
| <b>Net debt</b>                                     | <b>910</b>       | <b>1,113</b>     | <b>22%</b>      |
| <b>Net debt before lease liabilities</b>            | <b>749</b>       | <b>987</b>       | <b>32%</b>      |
| <b>Capital employed</b>                             | <b>2,172</b>     | <b>2,140</b>     | <b>(1)%</b>     |



### Key Segment Figures - Third Quarter 2021

| Key Segment Figures - Quarter<br>In million \$      | 2020<br>Q3   | 2021<br>Q3 | Variations<br>% |
|---|--------------|------------|-----------------|
| <b>Segment revenue</b>                              | <b>199</b>   | <b>270</b> | <b>35%</b>      |
| <b>Segment EBITDAs</b>                              | <b>52</b>    | <b>118</b> | <b>-</b>        |
| <i>Group EBITDAs margin</i>                         | <i>26%</i>   | <i>44%</i> | <i>18 bps</i>   |
| <b>Segment operating income</b>                     | <b>(38)</b>  | <b>33</b>  | <b>-</b>        |
| <i>Opinc margin</i>                                 | <i>(19%)</i> | <i>12%</i> | <i>31 bps</i>   |
| IFRS 15 adjustment                                  | (5)          | (13)       | -               |
| <b>IFRS operating income</b>                        | <b>(43)</b>  | <b>20</b>  | <b>-</b>        |
| Operating Cash Flow                                 | 12           | 76         | -               |
| Segment Net Cash Flow                               | (92)         | (34)       | 63%             |
| <b>Supplementary information</b>                    |              |            |                 |
| <b>Adjusted segment EBITDAs before NRC</b>          | <b>80</b>    | <b>118</b> | <b>47%</b>      |
| <i>EBITDAs margin</i>                               | <i>40%</i>   | <i>44%</i> | <i>3 bps</i>    |
| <b>Adjusted segment operating income before NRC</b> | <b>(4)</b>   | <b>33</b>  | <b>-</b>        |
| <i>Opinc margin</i>                                 | <i>(2%)</i>  | <i>12%</i> | <i>14 bps</i>   |

### Key Segment Figures – 9 months 2021

| Key Segment Figures – 9 months<br>In million \$     | 2020<br>9 MONTHS | 2021<br>9 MONTHS | Variations<br>% |
|---|------------------|------------------|-----------------|
| <b>Segment revenue</b>                              | <b>672</b>       | <b>640</b>       | <b>(5)%</b>     |
| <b>Segment EBITDAs</b>                              | <b>243</b>       | <b>195</b>       | <b>(20)%</b>    |
| <i>Group EBITDAs margin</i>                         | <i>36%</i>       | <i>31%</i>       | <i>(6) bps</i>  |
| <b>Segment operating income</b>                     | <b>(122)</b>     | <b>14</b>        | <b>-</b>        |
| <i>Opinc margin</i>                                 | <i>(18%)</i>     | <i>2%</i>        | <i>20 bps</i>   |
| IFRS 15 adjustment                                  | 7                | (9)              | -               |
| <b>IFRS operating income</b>                        | <b>(115)</b>     | <b>5</b>         | <b>-</b>        |
| Operating Cash Flow                                 | 238              | 235              | (1)%            |
| Net Segment Cash Flow                               | (152)            | (61)             | 60%             |
| <b>Supplementary information</b>                    |                  |                  |                 |
| <b>Adjusted segment EBITDAs before NRC</b>          | <b>281</b>       | <b>193</b>       | <b>(31)%</b>    |
| <i>EBITDAs margin</i>                               | <i>42%</i>       | <i>30%</i>       | <i>(12) bps</i> |
| <b>Adjusted segment operating income before NRC</b> | <b>32</b>        | <b>6</b>         | <b>(82)%</b>    |
| <i>Opinc margin</i>                                 | <i>5%</i>        | <i>1%</i>        | <i>(4) bps</i>  |



### Key figures bridge: Segment to IFRS - Third Quarter 2021

| P&L items<br>In million \$ | Segment<br>figures | IFRS 15<br>adjustment | IFRS figures |
|----------------------------|--------------------|-----------------------|--------------|
| Total Revenue              | 270                | (59)                  | 210          |
| OPINC                      | 33                 | (13)                  | 20           |

| Cash Flow Statement items<br>In million \$ | Segment<br>figures | IFRS 15<br>adjustment | IFRS figures |
|--|--------------------|-----------------------|--------------|
| EBITDAs                                    | 118                | (59)                  | 58           |
| Change in Working Capital & Provisions     | (48)               | 59                    | 11           |
| Cash Provided by Operations                | 76                 | -                     | 76           |

| Multi-Client Data Library NBV<br>In million \$ | Segment<br>figures | IFRS 15<br>adjustment | IFRS figures |
|--|--------------------|-----------------------|--------------|
| Opening Balance Sheet , Jun 21                 | 313                | 203                   | 516          |
| Closing Balance Sheet , Sep 21                 | 311                | 245                   | 556          |

### Key figures bridge: Segment to IFRS – 9 months 2021

| P&L items<br>In million \$ | Segment<br>figures | IFRS 15<br>adjustment | IFRS figures |
|----------------------------|--------------------|-----------------------|--------------|
| Total Revenue              | 640                | (49)                  | 591          |
| OPINC                      | 14                 | (9)                   | 5            |

| Cash Flow Statement items<br>In million \$ | Segment<br>figures | IFRS 15<br>adjustment | IFRS figures |
|--|--------------------|-----------------------|--------------|
| EBITDAs                                    | 195                | (49)                  | 146          |
| Change in Working Capital & Provisions     | 39                 | 49                    | 88           |
| Cash Provided by Operations                | 235                | -                     | 235          |

| Multi-Client Data Library NBV<br>In million \$  | Segment<br>figures | IFRS 15<br>adjustment | IFRS figures |
|---|--------------------|-----------------------|--------------|
| Opening Balance Sheet , Jan 1 <sup>st</sup> 21  | 285                | 207                   | 492          |
| Closing Balance Sheet , Sep 30 <sup>th</sup> 21 | 311                | 245                   | 556          |



## Third Quarter 2021 Segment Financial Results

### Geology, Geophysics & Reservoir (GGR)

| Geology, Geophysics & Reservoir (GGR)<br>In million \$ | 2020<br>Q3   | 2021<br>Q3 | Variances<br>% |
|--|--------------|------------|----------------|
| <b>Segment revenue</b>                                 | <b>150</b>   | <b>168</b> | <b>12%</b>     |
| Geoscience (SIR)                                       | 77           | 77         | -              |
| Multi-Client   | 73           | 92         | 26%            |
| Prefunding   | 39           | 59         | 51%            |
| After-Sales  | 34           | 32         | (4)%           |
| <b>Segment EBITDAs</b>                                 | <b>56</b>    | <b>106</b> | <b>88%</b>     |
| <i>EBITDAs Margin</i>                                  | <i>38%</i>   | <i>63%</i> | <i>25 bps</i>  |
| <b>Segment operating income</b>                        | <b>(25)</b>  | <b>30</b>  | <b>-</b>       |
| <i>OPINC Margin</i>                                    | <i>(16%)</i> | <i>18%</i> | <i>34 bps</i>  |
| Equity from investments                                | -            | -          | -              |
| <b>Capital employed (in billion \$)</b>                | <b>1.7</b>   | <b>1.6</b> | <b>(3)%</b>    |
| <b>Supplementary information</b>                       |              |            |                |
| <b>Adjusted segment EBITDAs before NRC</b>             | <b>85</b>    | <b>107</b> | <b>26%</b>     |
| <i>EBITDAs Margin</i>                                  | <i>57%</i>   | <i>63%</i> | <i>6 bps</i>   |
| <b>Adjusted segment OPINC before NRC</b>               | <b>10</b>    | <b>30</b>  | <b>-</b>       |
| <i>OPINC Margin</i>                                    | <i>6%</i>    | <i>18%</i> | <i>12 bps</i>  |
| <b>Other Key Metrics</b>                               |              |            |                |
| Multi-Client cash capex (\$m)                          | (58)         | (57)       | 1%             |
| Multi-Client cash prefunding rate (%)                  | 68%          | 103%       | 36 bps         |

**GGR segment revenue** was \$168 million, up 12% year-on-year and up 53% sequentially.

- **Geoscience revenue** was \$77 million, stable year-on-year and up 5% sequentially.

Market recovery is accelerating driven by high-end marine & OBN projects for reservoir optimization mainly for IOCs. At the end of September total order intakes were up 10% year-on-year and up more than 50% sequentially. Demand for technology remains strong as projects are mainly dedicated to reservoir optimization and near-field exploration.

Beyond the core new businesses activity is improving with commercial bids related to beyond the core representing more than 10% of total Geoscience bids pending at the end of September.

- **Multi-Client revenue** was \$92 million, up 26% year-on-year and up 149% sequentially.

Multi-client cash capex was \$(57) million this quarter, stable year-on-year and dedicated to marine multi-client programs only. In Q3 we had three vessels working on multi-client programs, two on a five-month 3D multi-client program in the Norwegian North Sea and one in Brazil on our on-going Nebula project. We also had 5 reprocessings projects this quarter including a new one in the US Gulf of Mexico.

Prefunding revenue of our multi-client projects was \$59 million, up 51% year-on-year and prefunding rate was 103%.

Multi-client after-sales were at \$32 million this quarter, down (4)% year-on-year.



The segment library Net Book Value was \$311 million (\$556 million after IFRS 15 adjustments) at the end of September 2021, split 89% offshore and 11% onshore.

**GGR segment EBITDAs** was \$106 million, a strong 63% margin, and **GGR Adjusted\* segment EBITDAs** was \$107 million.

**GGR segment operating income** was \$30 million.

**GGR capital employed** decreased to \$1.6 billion at the end of September 2021.

## Equipment

| Equipment<br>In million \$                 | 2020<br>Q3   | 2021<br>Q3 | Variances %   |
|--|--------------|------------|---------------|
| <b>Segment revenue</b>                     | <b>50</b>    | <b>101</b> | <b>105%</b>   |
| Land                                       | 31           | 40         | 28%           |
| Marine                                     | 15           | 55         | -             |
| Downhole gauges                            | 2            | 2          | 28%           |
| Non Oil & Gas                              | 3            | 4          | 52%           |
| <b>Segment EBITDAs</b>                     | <b>(1)</b>   | <b>17</b>  | <b>-</b>      |
| <i>EBITDAs margin</i>                      | <i>(1%)</i>  | <i>17%</i> | <i>18 bps</i> |
| <b>Segment operating income</b>            | <b>(9)</b>   | <b>9</b>   | <b>-</b>      |
| <i>OPINC Margin</i>                        | <i>(18%)</i> | <i>9%</i>  | <i>27 bps</i> |
| Capital employed (in billion \$)           | 0.6          | 0.6        | -             |
| <b>Supplementary information</b>           |              |            |               |
| <b>Adjusted segment EBITDAs before NRC</b> | <b>(0)</b>   | <b>17</b>  | <b>-</b>      |
| <i>EBITDAs margin</i>                      | <i>(0%)</i>  | <i>17%</i> | <i>17 bps</i> |
| <b>Adjusted segment OPINC before NRC</b>   | <b>(9)</b>   | <b>9</b>   | <b>-</b>      |
| <i>OPINC margin</i>                        | <i>(17)%</i> | <i>9%</i>  | <i>26 bps</i> |

**Equipment segment revenue** was \$101 million, up 105% year-on-year and up 113% sequentially.

- Land equipment sales were \$40 million, i.e. 40% of total sales, as we delivered in China, Russia, North Africa and India.
- Marine equipment sales were \$55 million, representing 54% of total sales, due to scheduled delivery of 18,000 GPR300 nodes.
- Downhole equipment sales were \$2 million and sales of non Oil & Gas equipment were \$4 million with first commercial project for S-scan railtrack monitoring solution.

**Equipment segment EBITDAs** was \$17 million, a 17% margin.

**Equipment segment operating income** was \$9 million, a 9% margin.

**Equipment capital employed** stabled at \$0.6 billion at the end of September 2021.



## Third Quarter 2021 Financial Results

| Consolidated Income Statements<br>In million \$       | 2020<br>Q3  | 2021<br>Q3  | Variations<br>% |
|---|-------------|-------------|-----------------|
| <i>Exchange rate euro/dollar</i>                      | <b>1.17</b> | <b>1.19</b> | <b>2%</b>       |
| <b>Segment revenue</b>                                | <b>199</b>  | <b>270</b>  | <b>35%</b>      |
| GGR   | 150         | 168         | 12%             |
| Equipment   | 50          | 101         | 105%            |
| Elim & Other  | (1)         | (0)         | -               |
| <b>Segment Gross Margin</b>                           | <b>27</b>   | <b>63</b>   | <b>137%</b>     |
| <b>Segment EBITDAs</b>                                | <b>52</b>   | <b>118</b>  | <b>126%</b>     |
| GGR   | 85          | 107         | 26%             |
| Equipment   | (0)         | 17          | -               |
| Corporate   | (5)         | (5)         | -               |
| Elim & Other  | 1           | (1)         | -               |
| COVID-19 plan   | (28)        | (0)         | -               |
| <b>Segment operating income</b>                       | <b>(38)</b> | <b>33</b>   | <b>186%</b>     |
| GGR   | 10          | 30          | -               |
| Equipment   | (9)         | 9           | -               |
| Corporate   | (6)         | (5)         | 10%             |
| Elim & Other  | 1           | (2)         | -               |
| Non recurring charges                                 | (34)        | (1)         | 98%             |
| IFRS 15 adjustment                                    | (5)         | (13)        | -               |
| <b>IFRS operating income</b>                          | <b>(43)</b> | <b>20</b>   | <b>-</b>        |
| Equity from investments                               | -           | -           | -               |
| Net cost of financial debt                            | (34)        | (27)        | 21%             |
| Other financial income (loss)                         | (4)         | (0)         | 99%             |
| Income taxes  | 1           | (7)         | -               |
| NRC (Tax & OFI)                                       | (8)         | -           | -               |
| <b>Net income / (loss) from continuing operations</b> | <b>(88)</b> | <b>(14)</b> | <b>84%</b>      |
| Net income / (loss) from discontinued operations      | (5)         | (3)         | 44%             |
| <b>IFRS net income / (loss)</b>                       | <b>(93)</b> | <b>(17)</b> | <b>82%</b>      |
| Shareholder's net income / (loss)                     | (93)        | (17)        | 82%             |
| Basic Earnings per share in \$                        | (0.13)      | (0.02)      | 82%             |
| Basic Earnings per share in €                         | (0.11)      | (0.02)      | 82%             |

**Segment revenue** was \$270 million, up 35% year-on-year and up 71% sequentially. The respective contributions from the Group's businesses were 28% from Geoscience, 34% from Multi-Client (62% for the GGR segment) and 38% from Equipment.

**Segment EBITDAs** was \$118 million, up 126% year-on-year, a solid 44% margin and **Adjusted\* segment EBITDAs** was \$118 million, up 47% year-on-year.

**Segment operating income** was \$33 million up 186% year-on-year, a 12% margin and **Adjusted\* segment operating income** was \$33 million.





**IFRS 15 adjustment** at operating income level was \$(13)million and **IFRS operating income**, after IFRS 15 adjustment, was \$20 million.

**Cost of financial debt** was \$(27) million.

**Taxes** were at \$(7) million.

**Net loss from continuing operations** was \$(14) million.

**Q3 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 \$(3) million.
- **Net Cash flow from discontinued operations** was \$(15) million.

**Group net loss** was \$(17) million.

After minority interests, **Group net loss attributable to CGG shareholders** was \$(17) million/ €(15) million.



## Third Quarter 2021 Cash Flow

| Cash Flow items<br>In million \$   | 2020<br>Q3  | 2021<br>Q3  | Variances<br>% |
|--|-------------|-------------|----------------|
| <b>Segment Operating Cash Flow</b>   | <b>12</b>   | <b>76</b>   | <b>-</b>       |
| <b>CAPEX</b>   | <b>(71)</b> | <b>(73)</b> | <b>2%</b>      |
| Industrial   | (5)         | (8)         | 47%            |
| R&D  | (8)         | (7)         | (7)%           |
| Multi-Client (Cash)  | (58)        | (57)        | (1)%           |
| Marine MC  | (56)        | (57)        | 1%             |
| Land MC  | (2)         | (0)         | (74)%          |
| Proceeds from disposals of assets  | (0)         | (1)         | -              |
| <b>Segment Free Cash Flow</b>  | <b>(59)</b> | <b>2</b>    | <b>-</b>       |
| Lease repayments   | (15)        | (14)        | (4)%           |
| Paid Cost of debt  | (7)         | (0)         | (96)%          |
| Plan 2021  | (19)        | (7)         | (64)%          |
| Free cash flow from discontinued operations  | 7           | (15)        | -              |
| <b>Net Cash flow</b>   | <b>(92)</b> | <b>(34)</b> | <b>63%</b>     |
| Financing cash flow  | (5)         | (2)         | (60)%          |
| Forex and other  | 16          | (9)         | -              |
| <b>Net increase/(decrease) in cash</b>   | <b>(81)</b> | <b>(45)</b> | <b>44%</b>     |
| <b>Supplementary information</b>   |             |             |                |
| <b>Change in working capital and provisions, included in Segment Operating Cash Flow</b> | <b>(37)</b> | <b>(48)</b> | <b>30%</b>     |
| <b>From severance cash costs</b>   | <b>(7)</b>  | <b>(5)</b>  | <b>28%</b>     |
| <b>Segment Free Cash Flow before severance cash costs</b>                                | <b>(52)</b> | <b>7</b>    | <b>113%</b>    |

**Segment Operating Cash Flow** was \$76 million.

**Total capex** was \$(73) million:

- **Industrial capex** was \$(8) million,
- **Research & Development capex** was \$(7) million,
- **Multi-client cash capex** was \$(57) million

**Segment Free Cash Flow** was \$2 million.

**Net Cash Flow** was \$(34) million, after \$(14) million lease repayments, \$(0) million paid cost of debt, \$(7) million 2021 Plan cash costs and \$(15) million free cash flow from discontinued operations



## 9 months 2021 Financial Results

| Consolidated Income Statements<br>In million \$       | YTD<br>September<br>2020 | YTD<br>September<br>2021 | Variations<br>% |
|---|--------------------------|--------------------------|-----------------|
| <i>Exchange rate euro/dollar</i>                      | <b>1.12</b>              | <b>1.20</b>              | <b>7%</b>       |
| <b>Segment revenue</b>                                | <b>672</b>               | <b>640</b>               | <b>(5)%</b>     |
| GGR   | 492                      | 379                      | (23)%           |
| Equipment   | 183                      | 262                      | 43%             |
| Elim & Other  | (2)                      | (1)                      | 66%             |
| <b>Segment Gross Margin</b>                           | <b>124</b>               | <b>89</b>                | <b>(28)%</b>    |
| <b>Segment EBITDAs</b>                                | <b>243</b>               | <b>195</b>               | <b>(20)%</b>    |
| GGR   | 289                      | 187                      | (35)%           |
| Equipment   | 9                        | 25                       | -               |
| Corporate   | (17)                     | (13)                     | 23%             |
| Elim & Other  | (0)                      | (6)                      | -               |
| COVID-19 plan   | (38)                     | 2                        | -               |
| <b>Segment operating income</b>                       | <b>(122)</b>             | <b>14</b>                | <b>-</b>        |
| GGR   | 66                       | 26                       | (60)%           |
| Equipment   | (15)                     | 1                        | -               |
| Corporate   | (19)                     | (16)                     | 18%             |
| Elim & Other  | (0)                      | (6)                      | -               |
| Non recurring charges                                 | (154)                    | 9                        | -               |
| IFRS 15 adjustment                                    | 7                        | (9)                      | -               |
| <b>IFRS operating income</b>                          | <b>(115)</b>             | <b>5</b>                 | <b>-</b>        |
| Equity from investments                               | -                        | -                        | -               |
| Net cost of financial debt                            | (100)                    | (94)                     | (5)%            |
| Other financial income (loss)                         | 3                        | (42)                     | -               |
| Income taxes  | (28)                     | (19)                     | (32)%           |
| NRC (Tax & OFI)                                       | (53)                     | -                        | -               |
| <b>Net income / (loss) from continuing operations</b> | <b>(293)</b>             | <b>(150)</b>             | <b>49%</b>      |
| Net income / (loss) from discontinued operations      | (45)                     | 2                        | -               |
| <b>IFRS net income / (loss)</b>                       | <b>(338)</b>             | <b>(148)</b>             | <b>56%</b>      |
| Shareholder's net income / (loss)                     | (340)                    | (150)                    | 56%             |
| Basic Earnings per share in \$                        | (0.48)                   | (0.21)                   | 56%             |
| Basic Earnings per share in €                         | (0.43)                   | (0.21)                   | 56%             |

**Segment revenue for the first 9 months 2021** was \$640 million, down (5)% compared to last year. The respective contributions from the Group's businesses were 34% from Geoscience, 25% from Multi-Client (59% for the GGR segment) and 41% from Equipment.

**GGR segment revenue** was \$379 million, down (23)% year-on-year

- **Geoscience revenue** was \$216 million, down (15)% year-on-year
- **Multi-Client sales** reached \$163 million, down (32)% year-on-year. Prefunding revenue was \$92 million, down (36)% year-on-year. Multi-Client



cash capex was \$(131) million, down (34)% year-on-year. Cash prefunding rate was 70%.

After-sales were \$71 million, down (26)%.

**Equipment revenue** was \$262 million, up 43% year-on-year.

**Segment EBITDAs** was \$195 million, down (20)% year-on-year, a 31% margin. GGR EBITDA margin due to low H1 activity. GGR EBITDA margin was 49% and Equipment EBITDA margin was 9%.

**Segment operating income** was \$14 million.

**IFRS 15 adjustment** at operating income level was \$(9) million and **IFRS operating income**, after IFRS 15 adjustment, was \$5 million.

**Cost of financial debt** was \$(94) million. The total amount of interest paid at the end of September was \$(37) million.

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

**Taxes** were at \$(19) million.

**Net income from continuing operations** was \$(150) million.

**YTD September 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 income from discontinued operations** was \$2 million.

**-Net Cash flow from discontinued operations** was \$(14) million.

**Group net loss** was \$(148) million.

After minority interests, **Group loss attributable to CGG's shareholders** at the end of September 2021 was \$(150) million / €(125) million.



## Cash Flow

| Cash Flow items<br>In million \$   | YTD<br>September<br>2020 | YTD<br>September<br>2021 | Variences<br>% |
|--|--------------------------|--------------------------|----------------|
| <b>Segment Operating Cash Flow</b>   | <b>238</b>               | <b>235</b>               | <b>(1)%</b>    |
| <b>CAPEX</b>   | <b>(248)</b>             | <b>(172)</b>             | <b>(31)%</b>   |
| Industrial   | (18)                     | (17)                     | (3)%           |
| R&D  | (32)                     | (24)                     | (26)%          |
| Multi-Client (Cash)  | (198)                    | (131)                    | (34)%          |
| Marine MC  | (169)                    | (130)                    | (23)%          |
| Land MC  | (29)                     | (1)                      | (95)%          |
| Proceeds from disposals of assets  | (0)                      | (4)                      | -              |
| <b>Segment Free Cash Flow</b>  | <b>(9)</b>               | <b>59</b>                | <b>-</b>       |
| Lease repayments   | (44)                     | (44)                     |                |
| Paid Cost of debt  | (47)                     | (37)                     | (21)%          |
| Plan 2021  | (69)                     | (26)                     | (63)%          |
| Free cash flow from discontinued operations  | 17                       | (14)                     | -              |
| <b>Net Cash flow</b>   | <b>(152)</b>             | <b>(61)</b>              | <b>60%</b>     |
| Financing cash flow  | (5)                      | (69)                     | -              |
| Forex and other  | 11                       | (15)                     | -              |
| <b>Net increase/(decrease) in cash</b>   | <b>(146)</b>             | <b>(146)</b>             |                |
| <b>Supplementary information</b>   |                          |                          |                |
| <b>Change in working capital and provisions, included in Segment Operating Cash Flow</b> | <b>(1)</b>               | <b>39</b>                | <b>-</b>       |
| <b>From severance cash costs</b>   | <b>(11)</b>              | <b>(17)</b>              | <b>(53)%</b>   |
| <b>Segment Free Cash Flow before severance cash costs</b>                                | <b>1</b>                 | <b>76</b>                | <b>-</b>       |

**Segment Operating Cash Flow** was \$235 million compared to \$238 million for the 9 months of 2020, stable year-on-year.

**Capex** was \$(172) million, (31)% decrease year-on-year,

- **Industrial capex** was \$(17) million, (3)% decrease year-on-year,
- **Research & Development capex** was \$(24) million, (26)% decrease year-on-year,
- **Multi-client cash capex** was \$(131) million, (34)% decrease year-on-year.

**Segment Free Cash Flow** was at \$59 million compared to \$(9) million in 2020.

After the lease repayments of \$(44) million, CGG 2021 Plan cash costs of \$(26) million, Paid cost of debt of \$(37) million and Free cash flow from discontinued operations of \$(14) million, **Group Net Cash Flow** was \$(61) million, compared to \$(152) million for the 9 months of 2020.

**Refinancing impact on cash flow** was \$(69) million, including \$(40) million refinancing fees and call premiums, and \$(28) million net reduction in principal.



## Balance Sheet

**Group's liquidity amounted to \$340 million** at the end of September 30, 2021 and cash liquidity of \$240m after reducing gross debt by \$28m as part of refinancing.

**Group gross debt before IFRS 16** was **\$1,226 million** at the end of September 30, 2021 and **net debt** was **\$987 million**.

**Group gross debt after IFRS 16** was **\$1,353 million** at the end of September 30, 2021 and **net debt** was **\$1,113 million**.

Segment leverage ratio of **Net debt to Adjusted segment EBITDAs** was **3.5x** at the end of September 2021.



## Q3 2021 Conference call

- The press release and the slide presentation are available on our website [www.cgg.com](http://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](http://www.cgg.com)

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

France call-in: +33(0) 1 70 70 07 81  
UK call-in: +44(0) 844 4819 752  
US call-in: +1 646 7413 167  
Access Code: 104 45 17

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](http://www.cgg.com).

## About CGG

*CGG ([www.cgg.com](http://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).*

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## Contacts

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## **CONSOLIDATED FINANCIAL STATEMENTS**

**September 30, 2021**





Unaudited Interim Consolidated statements of operations

| <i>(In millions of US\$, except per share data)</i>   | Nine months ended September 30, |                |
|---|---------------------------------|----------------|
|   | 2021                            | 2020           |
| Operating revenues  | 590.6                           | 668.9          |
| Other income from ordinary activities   | 0.5                             | 0.5            |
| <b>Total income from ordinary activities</b>  | <b>591.1</b>                    | <b>669.4</b>   |
| Cost of operations  | (511.5)                         | (538.4)        |
| <b>Gross profit</b>   | <b>79.6</b>                     | <b>131.0</b>   |
| Research and development expenses - net   | (15.5)                          | (12.9)         |
| Marketing and selling expenses  | (22.3)                          | (25.2)         |
| General and administrative expenses   | (46.2)                          | (52.9)         |
| Other revenues (expenses) - net   | 9.6                             | (154.8)        |
| <b>Operating income (loss)</b>  | <b>5.2</b>                      | <b>(114.8)</b> |
| Expenses related to financial debt  | (95.2)                          | (101.6)        |
| Income provided by cash and cash equivalents  | 0.9                             | 1.9            |
| <b>Cost of financial debt, net</b>  | <b>(94.3)</b>                   | <b>(99.7)</b>  |
| Other financial income (loss)   | (42.1)                          | (41.8)         |
| <b>Income (loss) before incomes taxes</b>   | <b>(131.2)</b>                  | <b>(256.3)</b> |
| Income taxes  | (19.0)                          | (36.8)         |
| <b>Net income (loss) from consolidated companies before share of income (loss) in companies accounted for under the equity method</b> | <b>(150.2)</b>                  | <b>(293.1)</b> |
| Share of income (loss) in companies accounted for under the equity method   | 0.0                             | 0.1            |
| <b>Net income (loss) from continuing operations</b>   | <b>(150.2)</b>                  | <b>(293.0)</b> |
| Net income (loss) from discontinued operations  | 2.1                             | (45.0)         |
| <b>Net income (loss)</b>  | <b>(148.1)</b>                  | <b>(338.0)</b> |
| <i>Attributable to :</i>  |                                 |                |
| <i>Owners of CGG S.A</i>  | (149.8)                         | (339.6)        |
| <i>Non-controlling interests</i>  | 1.7                             | 1.6            |
| <b>Net income (loss) per share</b>  |                                 |                |
| Basic   | (0.21)                          | (0.48)         |
| Diluted   | (0.21)                          | (0.48)         |
| <b>Net income (loss) from continuing operations per share</b>   |                                 |                |
| Basic   | (0.21)                          | (0.41)         |
| Diluted   | (0.21)                          | (0.41)         |
| <b>Net income (loss) from discontinued operations per share</b>   |                                 |                |
| Basic   | 0.00                            | (0.06)         |
| Diluted   | 0.00                            | (0.06)         |



Unaudited Consolidated statements of financial position

(In millions of US\$)

|   | September 30,<br>2021 | December 31,<br>2020 |
|---|-----------------------|----------------------|
| <b>ASSETS</b>   |                       |                      |
| Cash and cash equivalents   | 239.7                 | 385.4                |
| Trade accounts and notes receivable, net  | 273.4                 | 325.0                |
| Inventories and work-in-progress, net   | 215.6                 | 237.8                |
| Income tax assets   | 77.5                  | 84.6                 |
| Other current financial assets, net   | 1.7                   | 13.7                 |
| Other current assets, net   | 85.3                  | 92.0                 |
| Assets held for sale, net   | 137.7                 | 117.7                |
| <b>Total current assets</b>   | <b>1,030.9</b>        | <b>1,256.2</b>       |
| Deferred tax assets   | 3.0                   | 10.3                 |
| Investments and other financial assets, net   | 15.6                  | 13.6                 |
| Investments in companies under the equity method  | 3.1                   | 3.6                  |
| Property, plant and equipment, net  | 221.2                 | 268.1                |
| Intangible assets, net  | 691.6                 | 639.2                |
| Goodwill, net   | 1,188.5               | 1,186.5              |
| <b>Total non-current assets</b>   | <b>2,123.0</b>        | <b>2,121.3</b>       |
| <b>TOTAL ASSETS</b>   | <b>3,153.9</b>        | <b>3,377.5</b>       |
| <b>LIABILITIES AND EQUITY</b>   |                       |                      |
| Bank overdrafts   | -                     | 0.2                  |
| Financial debt – current portion  | 87.0                  | 58.6                 |
| Trade accounts and notes payables   | 86.7                  | 96.7                 |
| Accrued payroll costs   | 107.8                 | 106.6                |
| Income taxes payable  | 34.9                  | 56.8                 |
| Advance billings to customers   | 27.3                  | 19.5                 |
| Provisions — current portion  | 18.7                  | 52.7                 |
| Other current financial liabilities   | 19.1                  | 34.4                 |
| Other current liabilities   | 335.6                 | 278.6                |
| Liabilities directly associated with the assets classified as held for sale   | 7.8                   | 13.0                 |
| <b>Total current liabilities</b>  | <b>724.9</b>          | <b>717.1</b>         |
| Deferred tax liabilities  | 18.3                  | 16.3                 |
| Provisions — non-current portion  | 43.9                  | 51.8                 |
| Financial debt – non-current portion  | 1,265.8               | 1,330.3              |
| Other non-current financial liabilities   | 38.7                  | 53.0                 |
| Other non-current liabilities   | 35.0                  | 44.4                 |
| <b>Total non-current liabilities</b>  | <b>1,401.7</b>        | <b>1,495.8</b>       |
| Common stock: 1,191,533,002 shares authorized and 711 662 205 shares with a €0.01 nominal value outstanding at September 30, 2021 | 8.7                   | 8.7                  |
| Additional paid-in capital  | 464.1                 | 1,687.1              |
| Retained earnings   | 595.2                 | (480.6)              |
| Other Reserves  | (11.1)                | (37.3)               |
| Treasury shares   | (20.1)                | (20.1)               |
| Cumulative income and expense recognized directly in equity   | 0.2                   | (0.7)                |
| Cumulative translation adjustment   | (54.0)                | (37.4)               |
| <b>Equity attributable to owners of CGG S.A.</b>  | <b>983.0</b>          | <b>1,119.7</b>       |
| Non-controlling interests   | 44.3                  | 44.9                 |
| <b>Total equity</b>   | <b>1,027.3</b>        | <b>1,164.6</b>       |
| <b>TOTAL LIABILITIES AND EQUITY</b>   | <b>3,153.9</b>        | <b>3,377.5</b>       |



Unaudited Consolidated statements of cash flows

| <i>(In millions of US\$)</i>   | Nine months ended September 30, |                |
|--|---------------------------------|----------------|
|  | 2021                            | 2020           |
| <b>OPERATING</b>   |                                 |                |
| Net income (loss)  | (148.1)                         | (338.0)        |
| Less: Net income (loss) from discontinued operations   | (2.1)                           | 45.0           |
| <b>Net income (loss) from continuing operations</b>  | <b>(150.2)</b>                  | <b>(293.0)</b> |
| Depreciation, amortization and impairment  | 76.9                            | 136.5          |
| Multi-client surveys impairment and amortization   | 77.5                            | 227.4          |
| Depreciation and amortization capitalized in Multi-client surveys  | (12.9)                          | (13.2)         |
| Variance on provisions   | (32.3)                          | 22.5           |
| Share-based compensation expenses  | (0.7)                           | 3.9            |
| Net (gain) loss on disposal of fixed and financial assets  | (0.3)                           | —              |
| Equity (income) loss of investees  | —                               | (0.1)          |
| Dividends received from investments in companies under the equity method                                   | —                               | —              |
| Other non-cash items   | 42.2                            | 41.8           |
| <b>Net cash-flow including net cost of financial debt and income tax</b>                                   | <b>0.2</b>                      | <b>125.8</b>   |
| Less: net cost of financial debt   | 94.3                            | 99.7           |
| Less: income tax expense (gain)  | 19.0                            | 36.8           |
| <b>Net cash-flow excluding net cost of financial debt and income tax</b>                                   | <b>113.5</b>                    | <b>262.3</b>   |
| Income tax paid  | 1.2                             | (3.4)          |
| <b>Net cash-flow before changes in working capital</b>   | <b>114.7</b>                    | <b>258.9</b>   |
| Changes in working capital   | 120.5                           | (20.5)         |
| - change in trade accounts and notes receivable  | 110.6                           | 70.6           |
| - change in inventories and work-in-progress   | 12.9                            | (34.8)         |
| - change in other current assets   | (12.2)                          | (6.1)          |
| - change in trade accounts and notes payable   | (6.1)                           | (14.9)         |
| - change in other current liabilities  | 15.3                            | (35.3)         |
| <b>Net cash-flow provided by operating activities</b>  | <b>235.2</b>                    | <b>238.4</b>   |
| <b>INVESTING</b>   |                                 |                |
| Total capital expenditures (including variation of fixed assets suppliers, excluding Multi-client surveys) | (40.9)                          | (49.8)         |
| Investment in Multi-client surveys, net cash   | (131.0)                         | (198.0)        |
| Proceeds from disposals of tangible and intangible assets  | 0.2                             | 0.3            |
| Total net proceeds from financial assets   | (2.4)                           | —              |
| Acquisition of investments, net of cash and cash equivalents acquired                                      | (1.9)                           | (0.4)          |
| Variation in loans granted   | —                               | —              |
| Variation in subsidies for capital expenditures  | —                               | —              |
| Variation in other non-current financial assets  | (2.3)                           | 12.0           |
| <b>Net cash-flow used in investing activities</b>  | <b>(178.3)</b>                  | <b>(235.9)</b> |



| <i>(In millions of US\$)</i>                                    | Nine months ended September 30, |                |
|---|---------------------------------|----------------|
|   | 2021                            | 2020           |
| <b>FINANCING</b>  |                                 |                |
| Repayment of long-term debt                                     | (1,227.5)                       | (5.2)          |
| Total issuance of long-term debt                                | 1,160.0                         | —              |
| Lease repayments  | (43.7)                          | (43.6)         |
| Change in short-term loans                                      | (0.2)                           | —              |
| Financial expenses paid   | (36.7)                          | (46.5)         |
| Loans granted   | (1.7)                           | —              |
| Net proceeds from capital increase:                             |                                 |                |
| — from shareholders   | —                               | —              |
| — from non-controlling interests of integrated companies        | —                               | —              |
| Dividends paid and share capital reimbursements:                |                                 |                |
| — to shareholders   | —                               | —              |
| — to non-controlling interests of integrated companies          | (3.6)                           | (7.2)          |
| Acquisition/disposal from treasury shares                       | —                               | —              |
| <b>Net cash-flow provided by (used in) financing activities</b> | <b>(153.4)</b>                  | <b>(102.5)</b> |
| Effects of exchange rates on cash                               | (8.0)                           | 6.5            |
| Impact of changes in consolidation scope                        | —                               | —              |
| <b>Net cash flows incurred by discontinued operations</b>       | <b>(41.2)</b>                   | <b>(52.5)</b>  |
| <b>Net increase (decrease) in cash and cash equivalents</b>     | <b>(145.7)</b>                  | <b>(146.0)</b> |
| Cash and cash equivalents at beginning of year                  | 385.4                           | 610.5          |
| <b>Cash and cash equivalents at end of period</b>               | <b>239.7</b>                    | <b>464.5</b>   |