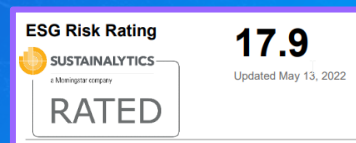




# CGG A GLOBAL TECHNOLOGY & HPC LEADER

## Q4 & FY 2023 FINANCIAL RESULTS

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





# Disclaimer

- This presentation contains forward-looking statements, including, without limitation, statements about CGG (“the Company”) and its 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 other regulated information filed with the AMF.

# Agenda



1

Q4 & FY 2023  
Operational Overview

2

FY 2023  
Financials

3

2024 - 2026  
Business  
Perspectives

4

2024 - 2025  
Financial  
Roadmap

# A wider scope of businesses offering attractive prospects

## CORE BUSINESSES



### Geoscience

Established leader in subsurface imaging, geology and geoscience services.



### Earth Data

The industry's most technically advanced seismic data and geologic studies in the world's key locations.



### Sensing & Monitoring

Established leader in marine, land, ocean floor and downhole seismic equipment and gauges.

## NEW BUSINESSES



### Low Carbon

Supporting industry transition with technology, data and expertise for CCUS, geothermal and critical minerals.



### HPC & Digital Solutions

Data transformation, data science, AI, machine learning, HPC expertise & CGG Cloud services.



### Infrastructure Monitoring

Structural health and earthworks monitoring solutions with advanced sensors.

# Strengthening ESG commitments



## Top tier ESG rating

MSCI  
ESG RATING



SUSTAINALYTICS  
ESG RISK RATING

- Emissions at 24 kTCO<sub>2</sub>\*, reduced by 58% since 2019  
65% low carbon energy mix in 2023
- 25% female in senior leadership in 2023
- Scope 1 (2023) : 3  
Scope 2 (2023) : 21  
PUE (2023) : 1.35

1

# Q4 & FY 2023 Operational Overview





# Q4 2023 & FY 2023 key segment financial highlights

## REVENUE

## EBITDAs

## NET CASH FLOW

Q4  
2023

**\$320 million**

stable y-o-y

**\$122 million**

including \$(13)m penalty fees from vessel commitments

**\$48 million**

including \$(18)m contractual fees from vessel commitments

2023

**\$1,125 Billion**

up 21% y-o-y

**\$400 million**

including \$(44)m penalty fees from vessel commitments

**\$32 million**

including \$(66)m contractual fees from vessel commitments

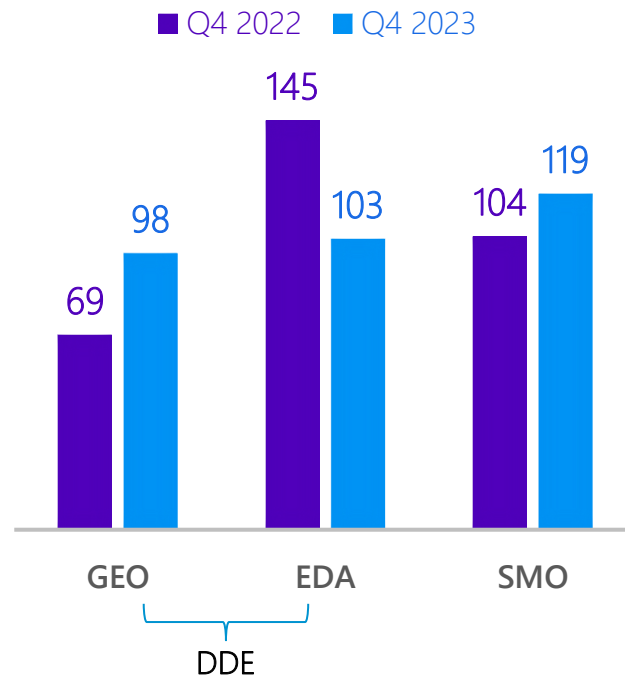
Liquidity of \$417 million, including \$90 million undrawn RCF



# Q4 2023: GEO & SMO solid quarterly activity; EDA impacted by delayed bid rounds

- **Strong GEO activity worldwide performance with revenue up 41% year on year** driven by delivery of large processing projects
- **High level of EDA prefunding revenues** driving full year prefunding rate to 113%.  
**Lower EDA after-sales** from delayed Brazil and GoM licensing rounds
- **SMO: Very high level of** land and nodes equipment deliveries

Q4 segment revenue per business

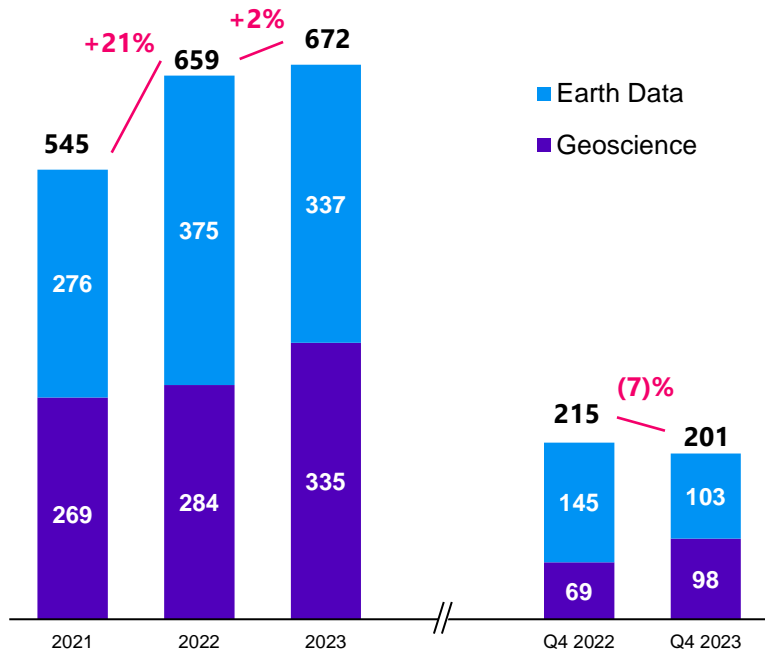




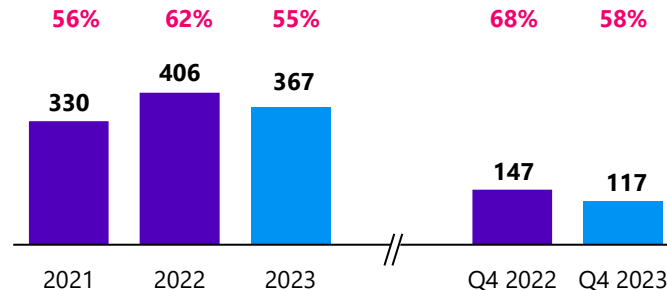


# DDE Segment: Key business indicators

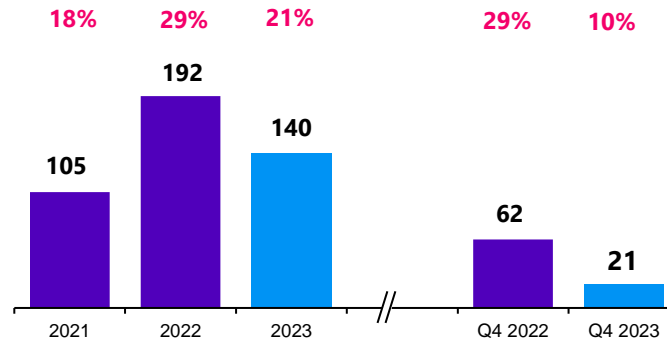
## Segment revenue (\$m)



## Adjusted segment EBITDAs (\$m) & margin (%)



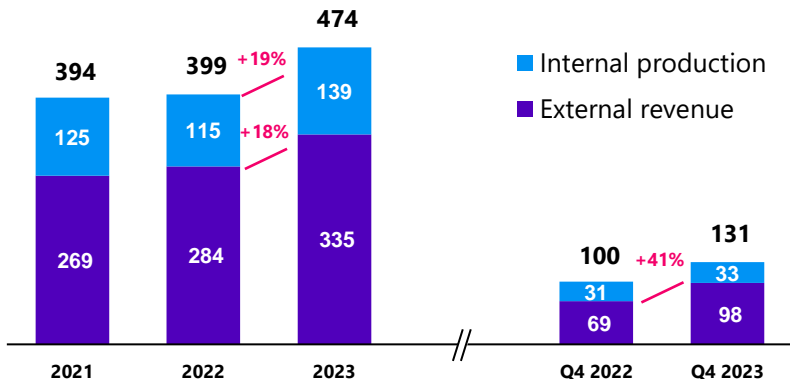
## Adjusted segment OPINC (\$m) & margin (%)



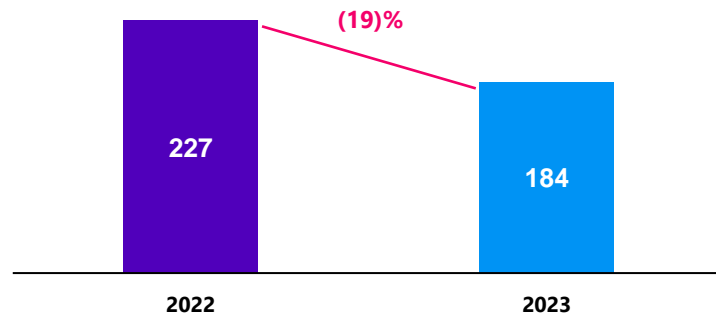


# Geoscience: Key business indicators

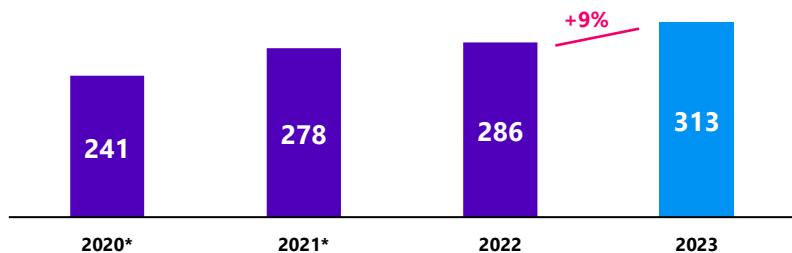
## Total production (\$m)



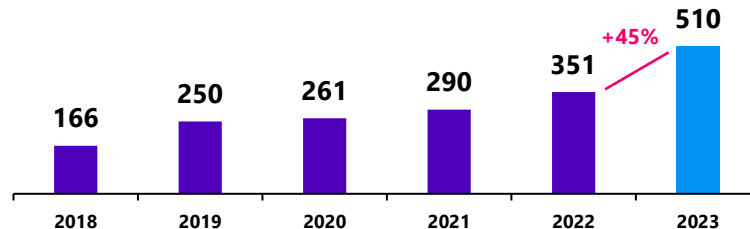
## Backlog as of December. 31<sup>st</sup> (\$m)



## Total production / head (\$k)



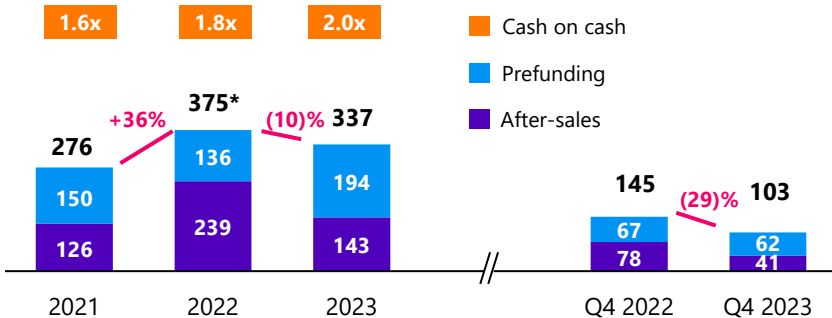
## Computing power (PFLOPS)





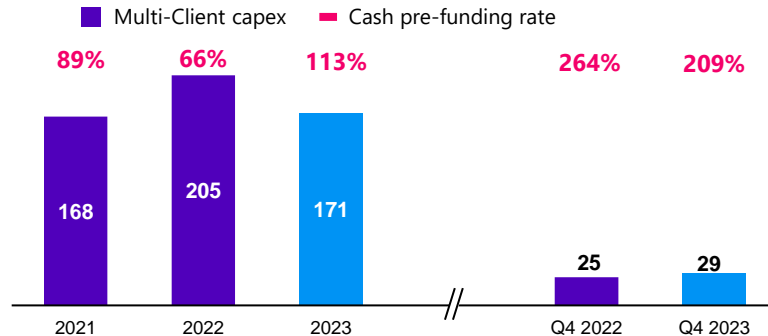
# Earth Data: key business indicators

## EDA revenue (\$m)

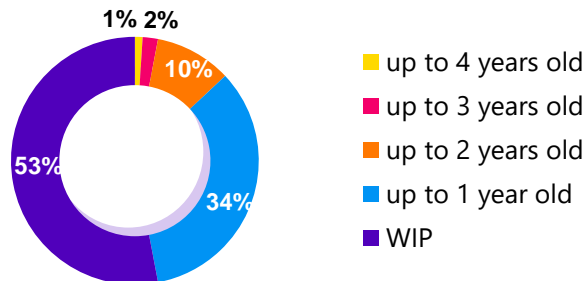


\* 2022 Included \$19m of land library and a large transfer fee

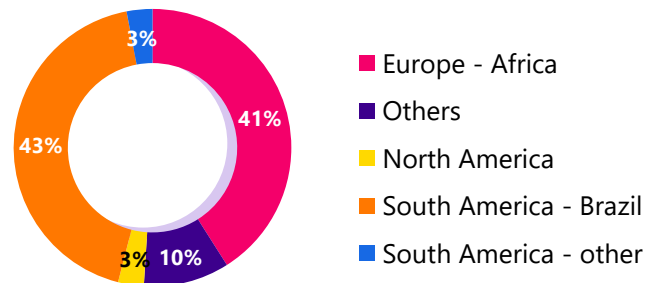
## EDA CAPEX (\$m) & pre-funding (%)



## Data library NBV split as of 12/31/23



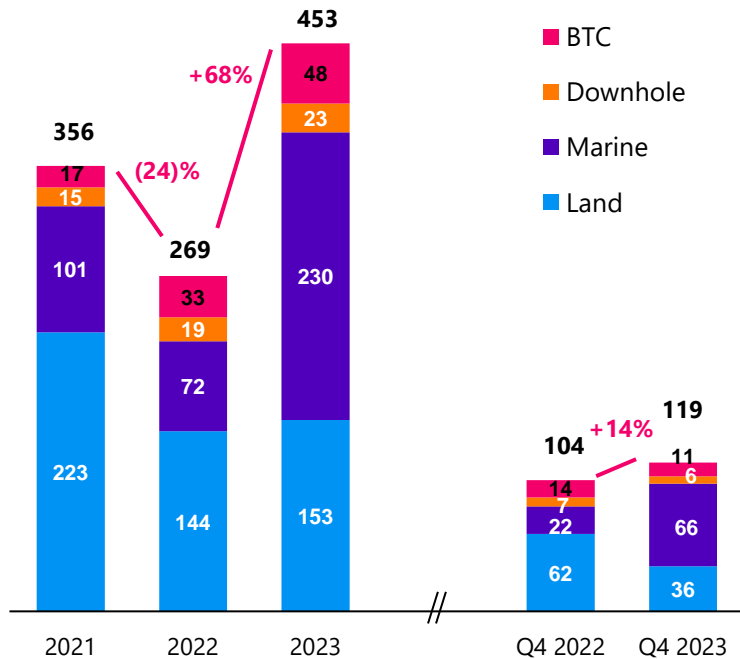
## Data library NBV regional split as of 12/31/23



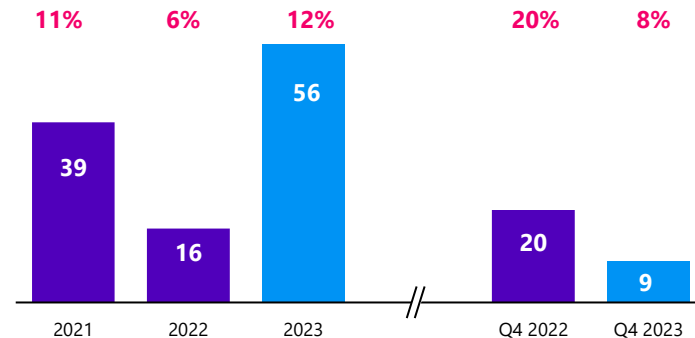
# SMO segment: key business indicators



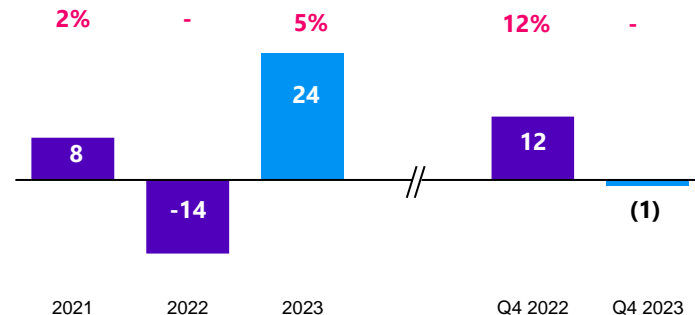
Segment revenue (\$m)



Adjusted segment EBITDAs (\$m) & margin (%)



Adjusted segment OPINC (\$m) & margin (%)



2

# 2023 Financials Results



# A 21% revenue growth and a positive net income for the second year in a row



<i>In million \$</i>	Q4 2023	Q4 2022	2023	2022
<b>Segment Revenue</b>	<b>320</b>	<b>319</b>	<b>1125</b>	<b>928</b>
IFRS 15 adjustment	(54)	(50)	(49)	(2)
IFRS Revenue	265	268	1076	927
<b>Segment EBITDAs</b>	<b>122</b>	<b>193</b>	<b>400</b>	<b>434</b>
<b>Adjusted Segment EBITDA</b>	<b>121</b>	<b>159</b>	<b>400</b>	<b>395</b>
<b>Segment OPINC</b>	<b>15</b>	<b>94</b>	<b>138</b>	<b>180</b>
<b>Adjusted Segment OPINC</b>	<b>14</b>	<b>66</b>	<b>138</b>	<b>147</b>
IFRS 15 adjustment	(26)	(10)	(19)	2
IFRS OPINC	(11)	84	119	182
Equity from Investments	(3)	(18)	(2)	(19)
Net cost of financial debt	(20)	(24)	(95)	(98)
Other financial income	(2)	(2)	(4)	-
Taxes	11	9	(14)	(17)
<b>Net income from continuing operations</b>	<b>(25)</b>	<b>49</b>	<b>4</b>	<b>48</b>
Net income / (loss) from Discop	10	(2)	12	(5)
<b>Group Net income / (loss)</b>	<b>(15)</b>	<b>47</b>	<b>16</b>	<b>43</b>

## Full Year 2023

- **Segment Revenue** at **\$1,125m**, up 21% year-on-year
- **Segment EBITDAs** at **\$400m**, a 36% margin and including \$(44)m contractual vessel compensation fees and \$(8)m SMO inventory write-off
- **Segment OPINC** at **\$138m**
- **Group Net Income** at **\$16m**

# An organic positive net cash flow generation including \$(66)m vessel commitment fees



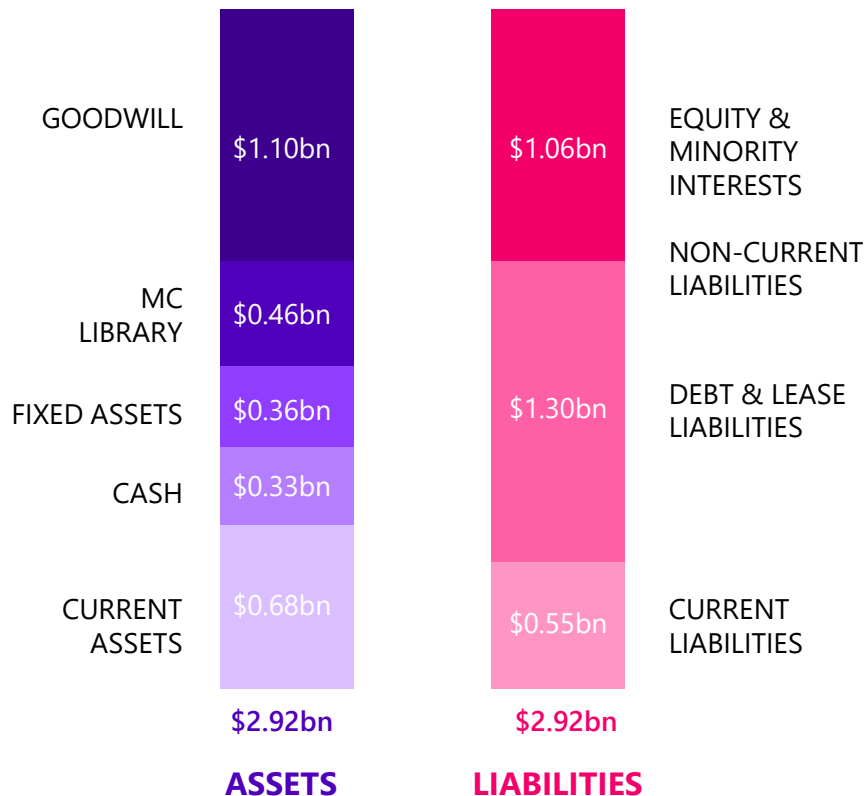
<i>In million \$</i>	Q4 2023	Q4 2022	2023	2022
<b>Segment Operating Cash Flow before change in working capital</b>	<b>130</b>	<b>164</b>	<b>406</b>	<b>398</b>
Change in working capital & provisions	21	(61)	3	(52)
Capex	(42)	(50)	(232)	(260)
Acquisitions and disposals	7	62	5	64
<b>Segment free cash flow</b>	<b>116</b>	<b>115</b>	<b>181</b>	<b>149</b>
Cash cost of debt & other financial items	(44)	(45)	(91)	(92)
Asset financing & leases	(18)	(2)	(35)	(38)
Discontinued Operations	(6)	(6)	(23)	(22)
<b>Net cash flow</b>	<b>48</b>	<b>62</b>	<b>32</b>	<b>(3)</b>

## Full Year 2023

- **Net cash flow** at **\$32m**, including \$(66)m contractual fees vs \$(35)m contractual fees in 2022
- **\$3m** positive change in **working capital & provisions**
- **Capex** at **\$(232)m**, down **(11)%**
- **Segment free cash flow** at **\$181m**, up 21% y.o.y.



# Net debt / adjusted EBITDA ratio at 2.4x



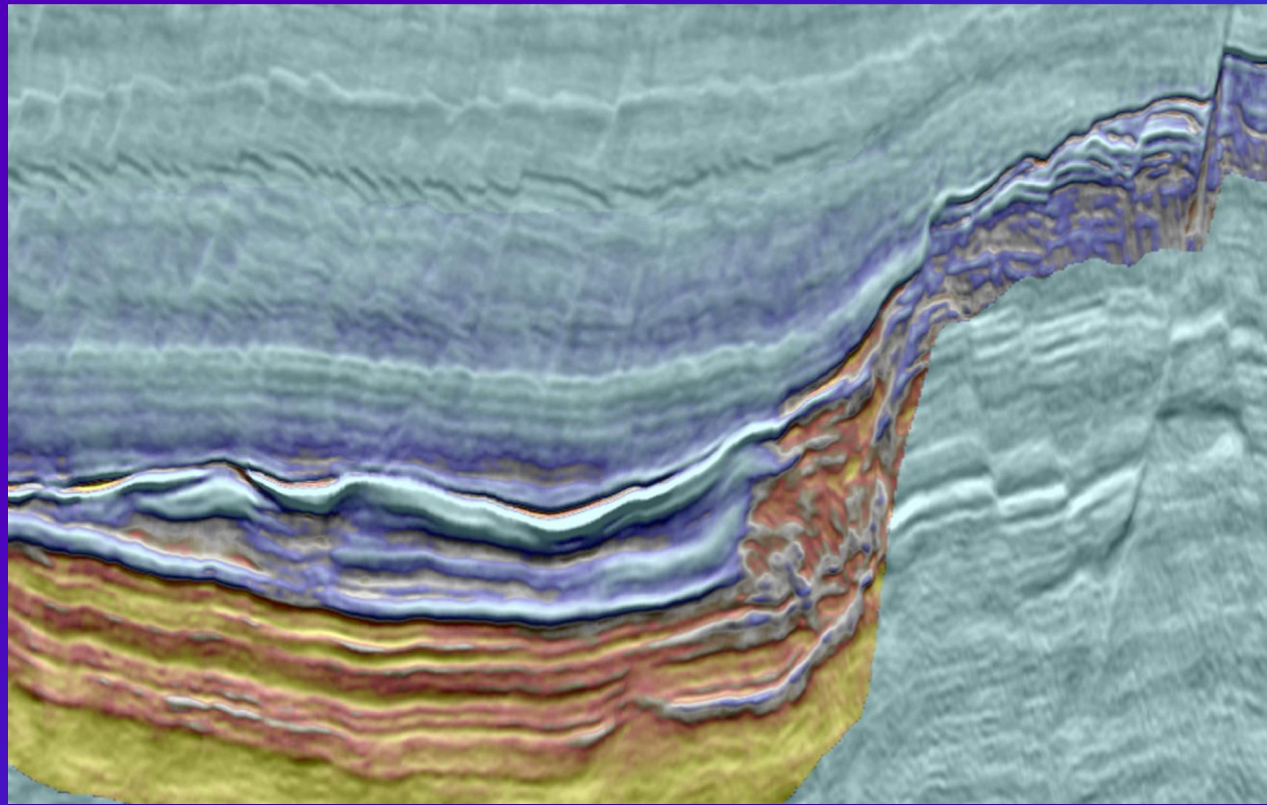
## At the end of December 2023

- Group's liquidity amounted to **\$417m**, including:
  - **\$327m** cash liquidity
  - **\$90m** undrawn RCF
- Group **Gross debt before IFRS 16** at **\$1,198m** vs \$1,156m last year
- Group **Net debt before IFRS 16** at **\$871m** vs \$858m last year
- Group **Gross debt** is **\$1,301m** and **net debt** at **\$974m**
  - **\$1146m** HY Bonds, due 2027
  - **\$20m** Accrued interests
  - **\$103m** Lease liabilities
  - **\$32m** Other loans



# 3

## Business Perspectives



2024 -2026  
Core businesses  
market trends



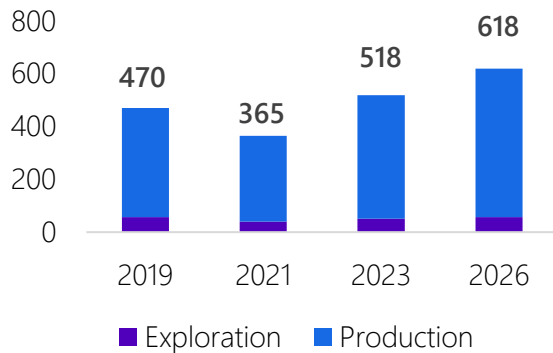
2024 -2026  
New Businesses  
market trends



# 2024 - 2026:

## Our core market, Exploration and Production, is rebounding

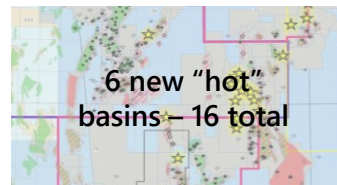
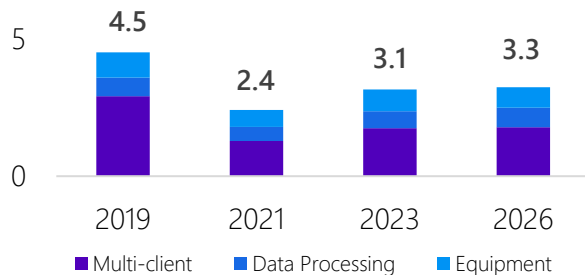
### E&P CAPEX (\$ Billion)



CAGR 2023-26
Prod 6%
Explo 3%

- Focus on proven basins and ILX: low risk/cost/carbon, fast turnaround
- Offshore greenfield projects picking up
- Middle East on a race to produce
- New emerging basins, select frontier exploration

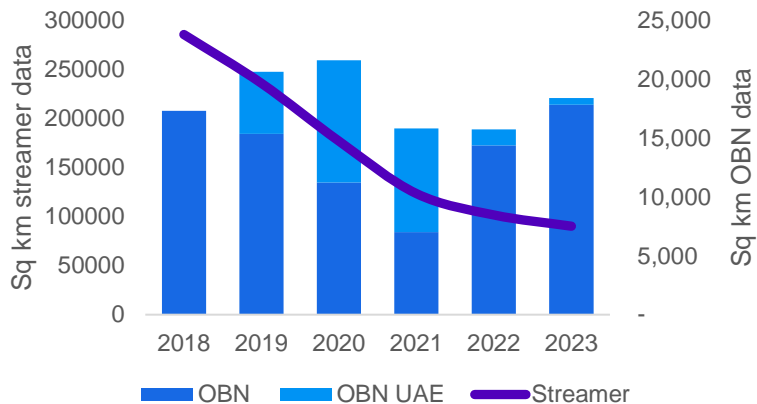
### CGG Accessible Market (\$ Billion)



# 2024 - 2026: OBN is becoming the reference data in proven basins and we have leading positions



Streamer and OBN data acquisition 2018 - 2023



80%

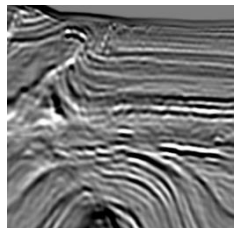
market share in geoscience OBN

36%

of OBN sensors installed base in 3 years

71%

market share in OBN data acquisition software

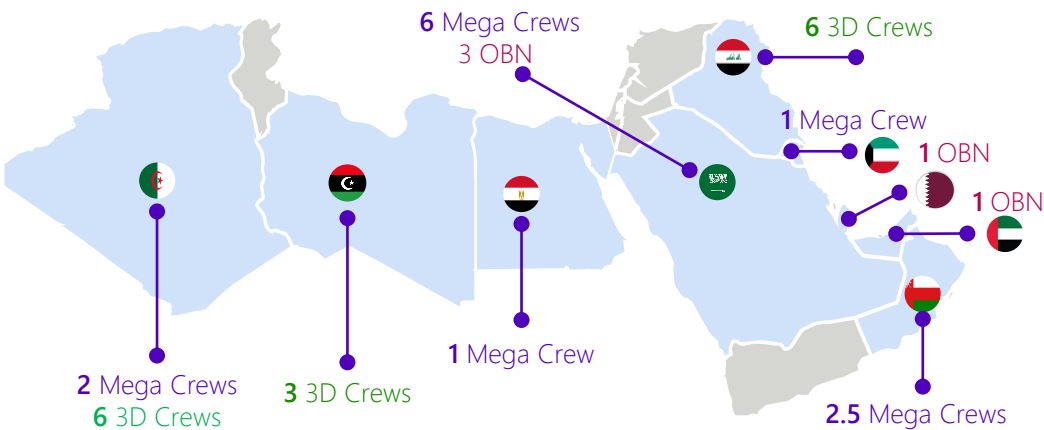


- Critical to solve subsurface complexities
- Established in GOM and going global
- Powered by advances in HPC



# 2024 - 2026: Middle East and North Africa are accelerating and acquiring vast amounts of high-end data

## 2023 - 2024 data acquisition activity



**30**  
years

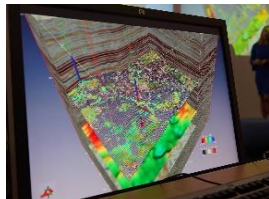
running Oman PDO  
dedicated center

**50,000**  
km<sup>2</sup>

of OBN data imaged  
by CGG

**18/27**

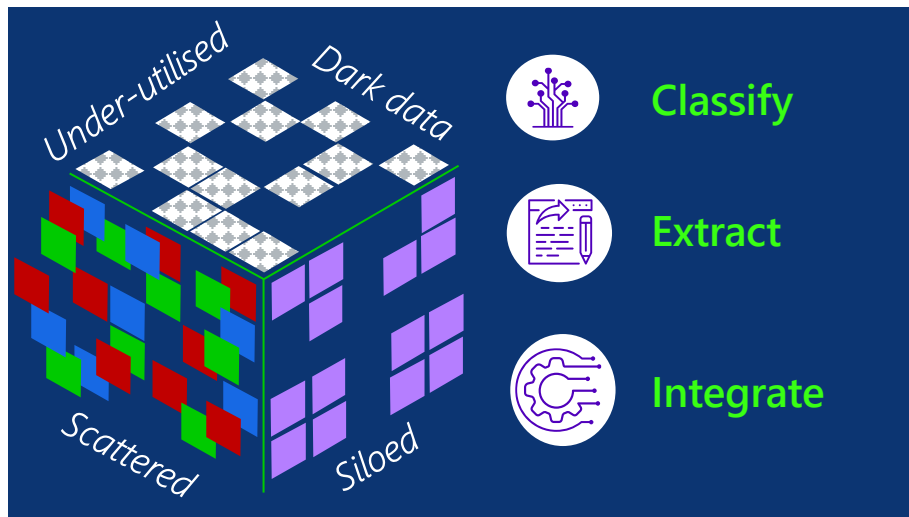
land crews equipped with  
Sercel systems



- High-density land and offshore surveys
- Critical to explore with speed
- Cost and timing key



# 2024 - 2026: Digitalization is gaining momentum



**AI** 400% revenue growth in 2023  
>100 AI / ML engineers and data scientists

**HPC** 510 petaflops capacity and growing

**Multi & mega scale Data** Data, connectivity, insights and platforms (Geoverse...)

- 
- Unlocked value of data
  - Access to high-end HPC critical for AI / ML workflows
  - Improved decisions quality and speed



# 2024 - 2026: Driving our growth in core markets

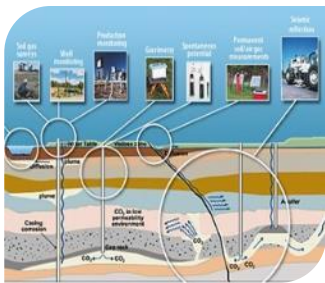
- **Pushing the boundaries of imaging:** from seismic images to reservoir features and content
- **Geoscience market share increase** driven in particular by land mega crews in Middle-east and by advanced imaging of OBN data
- **Data library expansion** in select emerging basins and G&G insights enhancement in key proven basins
- **Sustained revenue growth** from equipment installed base
- **Reinforced leadership** in node seismic equipment

Mid-single digit core business revenue growth over 2024 - 2026

# 2024 - 2026: Developing unique offerings to address the critical needs of New Markets



## CCUS



## Minerals & Mining



Low Carbon

## HPC & Digital Solutions



## Infrastructure Monitoring (SHM)



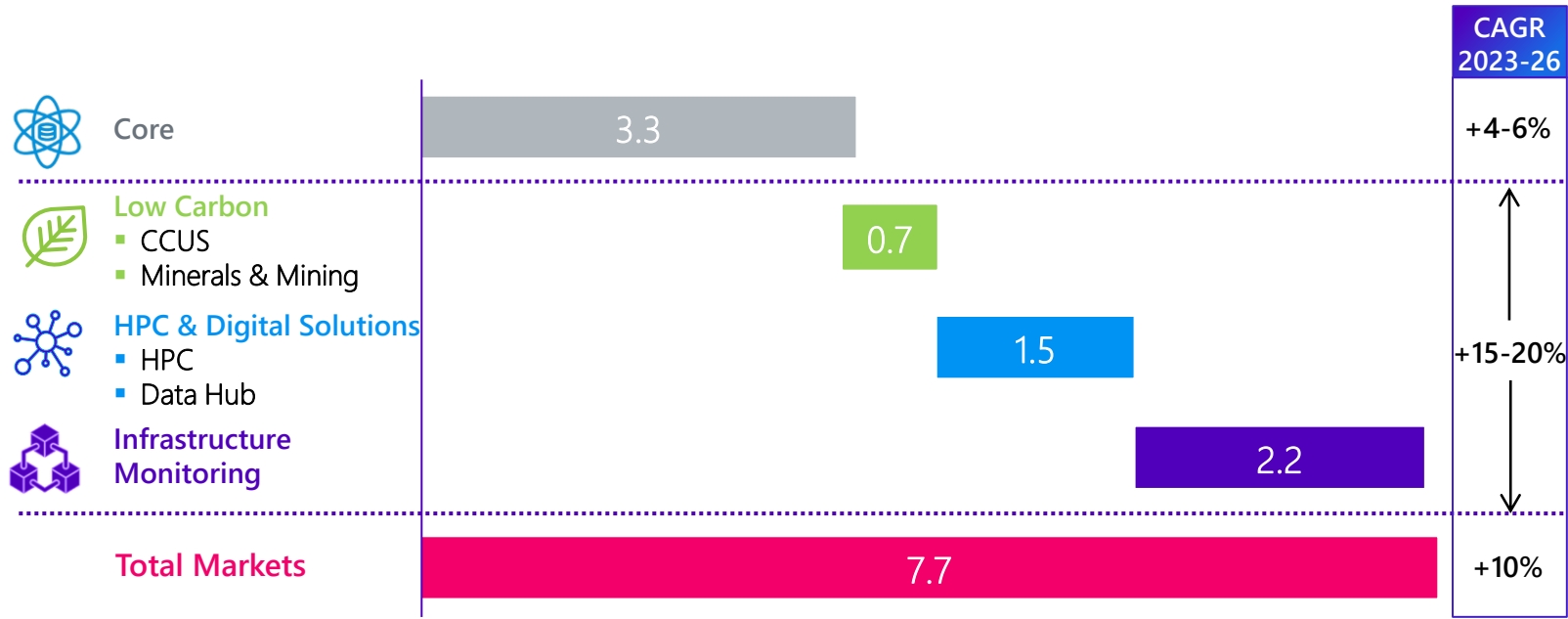
## CGG strongly positioned to address critical needs

- Subsurface intelligence and precise images
- Data analytics & Integration, AI generated insights
- Tailored HPC and Digital solutions
- Accurate, reliable and connected sensing systems



# 2024 - 2026: CGG's New addressable Markets are growing fast

## Addressable market 2026 (\$B)



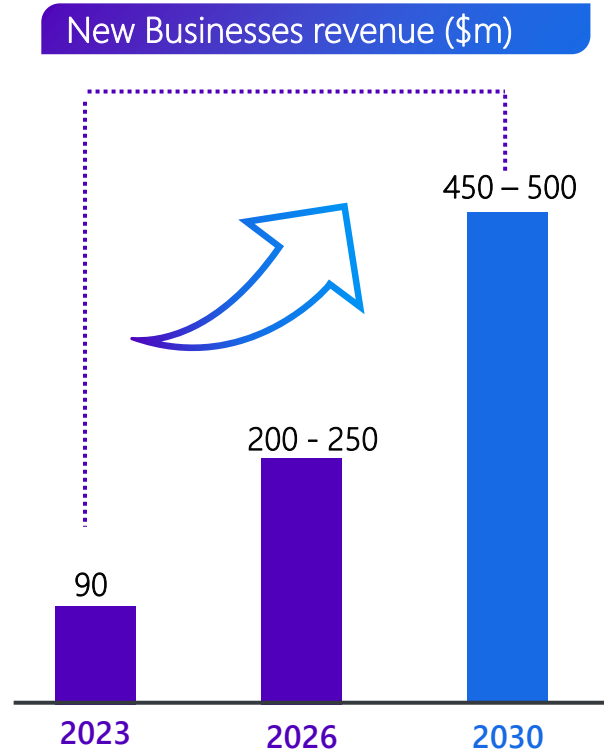
## CGG's addressable market to double by 2026



# Developing New Businesses at pace



- Strong acceleration of **low carbon** investment from 2025 – 2030
- Demand for off-premise **HPC solutions** and complex workflow optimisation offering new opportunities to AI-driven companies
- IOT (internet of things) ripe to transform **infrastructure monitoring** and maintenance



# 4

## Financial roadmap



2024 financial objectives

2025 net cash flow improvement

2024 - 2025 financial roadmap



# 2024 financial objectives\*

- Revenue expected to be aligned with 2023
  - Geoscience: to continue growing driven by technology and demand for low carbon
  - Earth Data: after-sales to increase driven by transfer fees and favorable impact of delayed 2023 licensing rounds
  - Sensing and Monitoring: to be down on lower numbers of mega-projects
  - New Businesses: expected to grow by more than 30%
- EBITDAs to be positively impacted by business mix
- Earth Data cash Capex expected to be around \$175m - \$200m with a minimum 75% prefunding rate
- Net cash-flow to reach similar level as 2023\*\*
  - Last year negative impact of our vessel contractual commitment

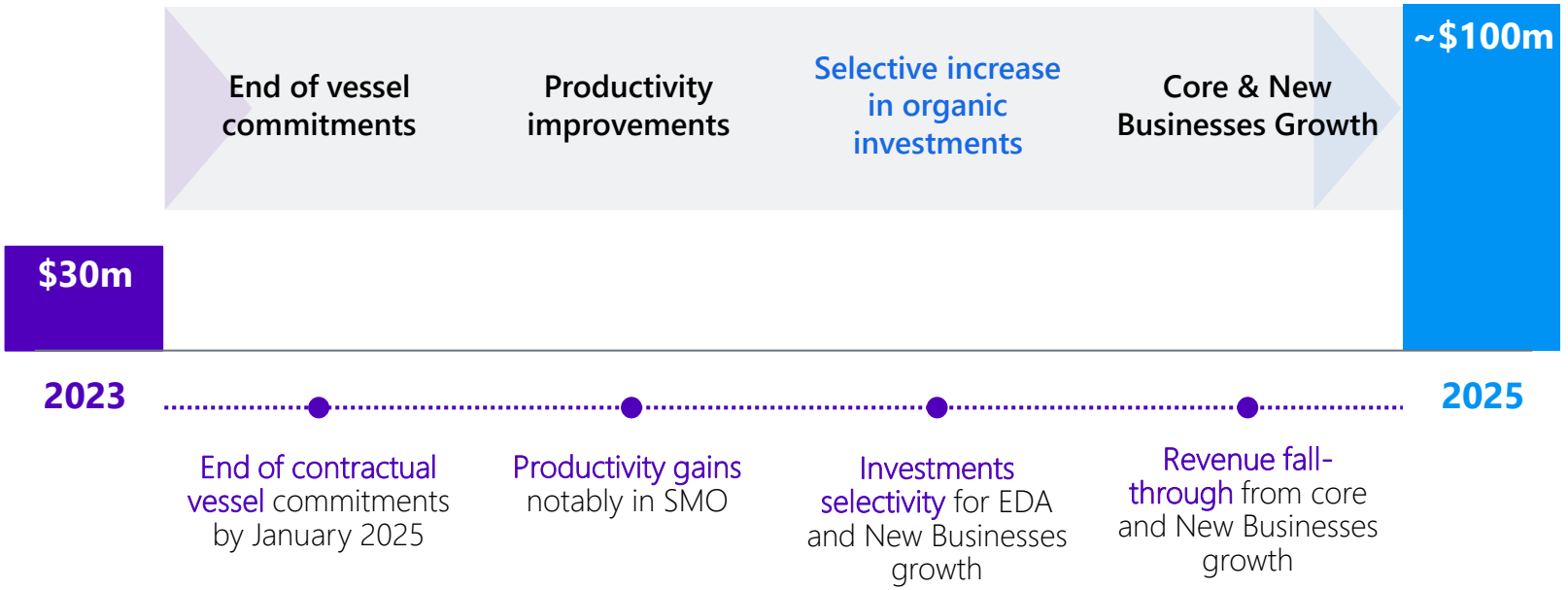
\*based on €/€ exchange rate at 1.1

\*\* excl any debt buyback



# Net Cash-Flow of ~\$100m by 2025

## Net cash-flow\* growth (\$m)



# 2024-2025 Financial Roadmap

Minimum cash required to run operations reduced to \$100m

2025 net cash generation ~\$100m

~\$300m of cash at disposal for debt buyback and/or reduced refinancing. First tranche of \$30m debt buyback in 2024

RCF extension in 2024

Re-rating discussion with rating agencies

Refinancing before Q1 2026

## Delivering financial performance for deleveraging



THANK YOU