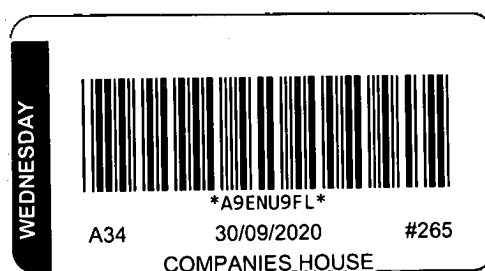


Registered number: 09882051

## CGG HOLDING IV (UK) LIMITED

### ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019



**CGG HOLDING IV (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

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FOR THE YEAR ENDED 31 DECEMBER 2019**

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**CGG HOLDING IV (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

<b>Directors</b>	Samantha Boast Peter Whiting
<b>Company secretary</b>	Samantha Boast
<b>Registered number</b>	09882051
<b>Registered office</b>	Crompton Way Manor Royal Estate Crawley West Sussex RH10 9QN
<b>Independent auditor</b>	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD

**CGG HOLDING IV (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Directors present their report and the financial statements for the year ended 31 December 2019.

**Principal activity**

The principal activity of the Company is to act as an intermediate holding company.

**Results and dividends**

The profit for the year, after taxation, amounted to \$Nil (2018 - \$20,644,000).

An interim dividend of \$Nil was paid during the year (2018 - \$20,600,000). The Directors do not recommend the payment of a final dividend (2018 - \$Nil).

**Directors**

The Directors who served during the year were:

Samantha Boast  
Clementine Maveyraud (resigned 15 March 2019)  
Peter Whiting

**Going concern**

The Company is in the process of being wound down and once complete will be dissolved, therefore the Directors have prepared the financial statements on the basis the Company is no longer a going concern, for more information see note 2.1.

**Future developments**

It is estimated the Company will be dissolved within 12 months from the year end.

**Qualifying third party indemnity provisions**

The Company maintains Directors' liability insurance which gives appropriate cover for any legal action brought against its Directors. The Company has also granted indemnities to each of its Directors to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force in the year ending 31 December 2019 and remain in force, in relation to certain losses and liabilities which the Directors may incur to third parties in the course of acting as Directors of the Company.

**Disclosure of information to auditor**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**CGG HOLDING IV (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Post balance sheet events**

There have been no adjusting post balance sheet events, for information on the impact of COVID-19 see note 13.

**Risks**

The referendum on the United Kingdom's (UK) membership of the European Union (EU), leading to the departure of the UK from the EU, could cause disruptions to, and create uncertainty within, the Company, such as affecting our relationships with our existing and future customers, suppliers and colleagues. These disruptions and uncertainties could have an adverse effect on the Company, both operationally and financially.

The oil price volatility caused by COVID-19 may cause clients of the CGG group to re-evaluate their plans which could negatively affect the Company.

The Directors will continue to assess the potential risks and how they may affect the Company.

**Auditor**

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

**CGG HOLDING IV (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Directors' responsibilities statement**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

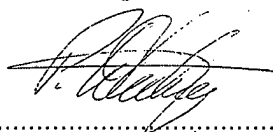
Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board and signed on its behalf.



**Peter Whiting**  
Director

Date: 17 September 2020

**CGG HOLDING IV (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CGG HOLDING IV (UK) LIMITED  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Opinion**

We have audited the financial statements of CGG Holding IV (UK) Limited (the 'Company') for the year ended 31 December 2019, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of matter – impact of the outbreak of COVID-19 on the financial statements**

In forming our opinion on the company financial statements, which is not modified, we draw your attention to the directors' view on the impact of the COVID-19 as disclosed on page 3, and the consideration in the going concern basis of preparation on page 12 and non-adjusting post balance sheet events on page 19.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19, the potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of the COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implication to the company's trade, customers, suppliers and the wider economy.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**CGG HOLDING IV (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CGG HOLDING IV (UK) LIMITED  
(CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.



**CGG HOLDING IV (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CGG HOLDING IV (UK) LIMITED  
(CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

**CGG HOLDING IV (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CGG HOLDING IV (UK) LIMITED  
(CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Use of the audit report**

This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Jon Seaman (Sep 18, 2020 17:07 GMT+1)

**Jonathan Seaman (Senior Statutory Auditor)**

for and on behalf of  
**Mazars LLP**

Chartered Accountants and Statutory Auditor

Tower Bridge House  
St Katharine's Way  
London  
E1W 1DD

17 September 2020

**CGG HOLDING IV (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 \$000	2018 \$000
Investment income		-	20,597
Interest receivable and similar income	5	-	47
<b>Profit before tax</b>		-	20,644
Tax	6	-	-
<b>Profit for the financial year</b>		-	20,644
<b>Total comprehensive income for the year</b>		-	20,644

All amounts relate to discontinuing operations.

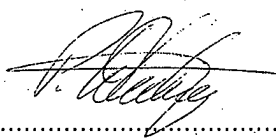
The notes on pages 12 to 19 form part of these financial statements.

**CGG HOLDING IV (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**REGISTERED NUMBER:09882051**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2019**

	Note	2019 \$000	2018 \$000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment in associates	9	141,294	141,294
<b>Current assets</b>			
Trade and other receivables	10	25	25
<b>Total assets</b>		<u>141,319</u>	<u>141,319</u>
<b>Net assets</b>		<u>141,319</u>	<u>141,319</u>
<b>Equity</b>			
Share capital	11	1	1
Share premium		141,293	141,293
Retained earnings		25	25
<b>Total shareholder's funds</b>		<u>141,319</u>	<u>141,319</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Peter Whiting**  
Director

Date: 17 September 2020

The notes on pages 12 to 19 form part of these financial statements.

**CGG HOLDING IV (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Share capital \$000	Share premium \$000	Retained earnings/ (deficit) \$000	Total shareholder's funds \$000
<b>At 1 January 2018</b>	<b>1</b>	<b>141,293</b>	<b>(19)</b>	<b>141,275</b>
Profit for the year	-	-	20,644	20,644
Dividends paid	-	-	(20,600)	(20,600)
<b>At 1 January 2019</b>	<b>1</b>	<b>141,293</b>	<b>25</b>	<b>141,319</b>
Profit for the year	-	-	-	-
<b>At 31 December 2019</b>	<b>1</b>	<b>141,293</b>	<b>25</b>	<b>141,319</b>

The retained deficit related to the performance of the Company.

The notes on pages 12 to 19 form part of these financial statements.

CGG HOLDING IV (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

CGG Holding IV (UK) Limited is a private company limited by shares and incorporated in England & Wales. The registered address of the Company is given on page 1. The principal activities of the Company are included in the Directors' report on page 2.

2. Accounting policies

2.1 Basis of preparation

**Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101") and in accordance with the applicable provisions of the Companies Act 2006. Except for certain disclosure exemptions detailed below, the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU have been applied to these financial statements and, where necessary, amendments have been made in order to comply with the Companies Act 2006 and The Large and Medium-sized Companies and Groups Regulations 2008/410 ('Regulations').

**Basis of measurement**

The financial statements have been prepared under the historical cost convention.

**Going concern**

As the Company is in the process of being wound down and dissolved the Directors have prepared the financial statements on the basis that the Company is no longer a going concern, for No material adjustments arose as a result of ceasing to apply the going concern basis. All assets and liabilities of the Company are being settled by the Company or transferred at book value which management consider to be the fair value to other group companies.

**Functional and presentational currency**

The Company's functional currency is US Dollars (USD), as this is the currency of the primary economic environment of that which the Company operates. The financial statements are presented in USD.

**CGG HOLDING IV (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**2. Accounting policies (continued)**

**Disclosure exemptions applied**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS101 paragraph 8:

- i) The requirement of IFRS 7 'Financial Instruments: Disclosures' relating to the disclosure of financial instruments and the nature and extent of risks arising from such instruments;
- ii) The applicable requirements of IAS 1 'Presentation of Financial Statements' relating to the disclosure of comparative information in respect of the number of shares outstanding at the beginning and end of the period (IAS 1.79(a)(iv));
- iii) The requirements of IAS 1 'Presentation of Financial Statements' paragraph 10(d), the requirement to make an explicit and unreserved statement of compliance with IFRS;
- iv) The requirement of IAS 1 'Presentation of Financial Statements' paragraphs 134 to 136 relating to the disclosure of capital management policies and objectives;
- v) The requirements of IAS 7 'Statement of Cash Flows' and IAS 1 'Presentation of Financial Statements' paragraph 10(d) and 111 relating to the presentation of a Cash Flow Statement;
- vi) The requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31 relating to the disclosure of standards, amendments and interpretations in issue but not yet effective;
- vii) The requirements of IAS 24 'Related Party Disclosures' paragraph 17 and 18(a) relating to the disclosure of key management personnel compensation and relating to the disclosure of related party transactions entered into between the company and other wholly-owned subsidiaries of the group; and
- viii) The requirements of IAS 36 'Impairment of Assets' paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) relating to certain disclosure requirements of impairment testing.

For the disclosure exemptions listed in points (i), (vii) and (viii), the equivalent disclosures are included in the consolidated financial statements of the Group, which the Company is consolidated into.

**Use of estimates and judgments**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainties and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in note 2.9.

**CGG HOLDING IV (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**2. Accounting policies (continued)**

**2.2 Investment in associates**

Investments in associates are measured at cost less accumulated impairment losses.

**2.3 Equity and reserves**

Share capital represents the nominal value of shares that have been issued.

Share premium represents the excess amount the Company receives above the nominal value of the shares issued.

Retained earnings include all current and prior period retained profits and losses, less distributions.

**2.4 Financial instruments**

Financial assets and liabilities are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities carried at amortised costs

Financial liabilities are classified as payables and comprise of cash advances from group undertakings.

Payables are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market.

Financial liabilities are initially recognised at fair value adjusted for any directly attributable transaction costs. After initial recognition, financial liabilities are measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

**2.5 Foreign currency**

Monetary assets and liabilities denominated in foreign currencies are translated into USD at the spot exchange rates as at the closing date.

Transactions in foreign currencies are translated into the USD at the spot exchange rates at the date of the transactions or appropriate averages. For practical reasons an average rate for the month may be used for all transactions in foreign currencies occurring during this period.

Foreign currency differences arising on translation are recognised in profit or loss.

The year end GBP to USD exchange rate was 1.32040 (2018: 1.28000).



**CGG HOLDING IV (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**2. Accounting policies (continued)**

**2.6 Impairment of non-financial assets**

At each reporting date, the company reviews the carrying value of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit.

The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply.

**2.7 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2.8 Interest income and expense**

Interest is recognised in the Income statement using the effective interest method.

**Significant management judgments in applying accounting policies and estimation**

**2.9 uncertainty**

The preparation of financial statements in accordance with FRS 101 required management to make estimates, assumptions and judgments that affect the reported amount of assets and liabilities at the date of the statutory accounts and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates due to changes in economic conditions, changes in laws and regulations, changes in strategy and the inherent imprecision associated with the use of estimates.

Key judgments and estimates used in the financial statements are summarised below:

**Financial assets**

The investments in associates are stated at cost less provision for impairment. The Company tests its investment in associates annually for impairment, or more frequently if events or changes in circumstances indicate that the asset might be impaired.

No impairment charge was recognised in the year (2018 - \$Nil) as the carrying value of investments was supported by the net assets of the invested company.

**CGG HOLDING IV (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**2. Accounting policies (continued)**

**2.10 Adoption of new and revised standards**

The following standards and interpretations have been adopted in the financial statements as they are mandatory for the period ended 31 December 2019:

	<b>EU effective date Periods beginning on or after</b>
IFRS 16 - Leases	1 January 2019
Amendments to IFRS 9 - Prepayment features with negative compensation and modifications of financial liabilities	1 January 2019
IFRIC 23 - Uncertainty over income tax treatments	1 January 2019
Annual improvements (2015-2017)	1 January 2019
Amendments to IAS 19 - Employee Benefit	1 January 2019
Amendments to IAS 28 - Long-term interests in associates and joint ventures	1 January 2019

The adoption of the standards and interpretations above has not had a material impact on the Company's financial statements.

**3. Operating profit**

The auditors' remuneration of \$7,000 (2018 - \$8,000) was borne by CGG Services (UK) Limited.

**4. Staff costs**

The Company has no employees other than the Directors, who did not receive any remuneration (2018 - \$Nil).

**5. Interest receivable and similar income**

	<b>2019 \$000</b>	<b>2018 \$000</b>
Interest receivable from group companies	-	47
	<u>-</u>	<u>47</u>

**6. Tax**

	<b>2019 \$000</b>	<b>2018 \$000</b>
UK tax for current year	-	-
<b>Total tax charge</b>	<u>-</u>	<u>-</u>

**CGG HOLDING IV (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**6. Tax (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	<b>2019</b>	<b>2018</b>
	<b>\$000</b>	<b>\$000</b>
Profit before tax	-	20,644
Income tax calculated at 19% (2018 - 19%)	-	3,922
<b>Effects of:</b>		
Expenses not deductible for tax purposes	-	(9)
Non-taxable dividend income	-	(3,913)
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>

**Factors that may affect future tax charges**

On 11 March 2020, it was announced that the reduction in the rate of corporation tax from 19% to 17% due to be effective from 1 April 2020 will be cancelled, the applicable rate remaining at 19%.

**7. Dividends paid**

	<b>2019</b>	<b>2018</b>
	<b>\$000</b>	<b>\$000</b>
Interim dividend (2018 - \$20,579 per share)	-	20,600
	-	20,600

**8. Investment income**

	<b>2019</b>	<b>2018</b>
	<b>\$000</b>	<b>\$000</b>
Dividends received from investments in group undertakings	-	20,597
	-	20,597

**CGG HOLDING IV (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**9. Investment in associates**

	<b>Investment in associates \$000</b>	
<b>Cost or valuation</b>		
At 1 January 2019		<b>141,294</b>
At 31 December 2019		<b>141,294</b>
<b>Net book value</b>		
At 31 December 2019		<b>141,294</b>
At 31 December 2018		141,294
	<b>2019 \$000</b>	<b>2018 \$000</b>
<b>Investment in associates at cost</b>		
CGG Holding III (UK) Limited	<b>141,294</b>	141,294
	<b>141,294</b>	141,294
	<b>2019 \$000</b>	<b>2018 \$000</b>
<b>Investment in associates at carrying value</b>		
CGG Holding III (UK) Limited	<b>141,294</b>	141,294
	<b>141,294</b>	141,294

No impairment charge was recognised in the year (2018 - \$Nil) as the carrying value was supported by the net assets of the invested company.

**Associates**

The following was an associate of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
CGG Holding III (UK) Limited	United Kingdom	Ordinary	42.65%

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**10. Trade and other receivables**

	2019 \$000	2018 \$000
<b>Amounts falling due within one year</b>		
Amounts owed by group undertakings	25	25
	<u>25</u>	<u>25</u>

Amounts owed by group undertakings are interest bearing at LIBOR plus 1.5% and repayable on demand.

**11. Share capital**

	2019 \$000	2018 \$000
<b>Authorised, allocated, called up and fully paid</b>		
1,001 (2018 - 1,001) Ordinary shares of \$1.00 each	1	1
	<u>1</u>	<u>1</u>

**12. Related party transactions**

The Company has taken advantage of the exemption under IAS 24, as a wholly owned subsidiary, not to disclose its details of transactions with other group companies.

**13. Non-adjusting post balance sheet events**

On 11 March 2020, the World Health Organisation declared the coronavirus outbreak to be a pandemic in recognition of its rapid spread across the globe with over 200 countries now affected. Governments are taking increasingly stringent steps to help contain, and in many jurisdictions delay the spread of the virus. The Directors consider there has been no material impact to date but will continue to assess risks the Company faces such as the significant increase in economic uncertainty and volatile oil prices which may affect the Company in future, however for the year end the coronavirus outbreak and the related measures are considered non-adjusting events.

**14. Ultimate controlling party**

The immediate parent company is CGG Holding U.S. Inc, a company incorporated in the United States of America. The ultimate parent company, and controlling party is CGG SA, a company incorporated in France. Copies of the ultimate parent company's financial statements are available from its registered office at 27 avenue Carnot, 91300, Massy, France, or via its website [www.cgg.com](http://www.cgg.com).