

CMG Investor Presentation

November 2024

CMG: TSX

Computer Modelling Group Ltd.

Market Capitalization (at Nov 8 th , 2024)	\$1.0B
FY 2024 Revenue	\$108.7M
FY 2024 Adjusted EBITDA ¹	\$43.2M
FY 2024 FCF/Share ¹	\$0.44/Share

¹ See Non-IFRS Measures

Forward-Looking Information

This presentation contains "forward-looking statements". Forward-looking statements can be identified by words such as: "anticipate", "intend", "plan", "goal", "seek", "believe", "project", "estimate", "expect", "strategy", "future", "likely", "may", "should", "will", and similar references to future periods. Examples of forward-looking statements include, among others, the financial returns of using simulation or IPSM; statements we make regarding our evolving technology architecture; integration with third party workflows and data; our ability to generate revenue growth and profitability; our ability to capture market share in energy transition; positioning CoFlow™ as an integrated platform; the financial and operational synergies of acquiring Bluware (BHV); our ability to grow the software revenue and profitability margins of BHV operating segment; the ability to recognize financial results of acquired businesses and assets, and our ability to successfully execute on commercial partnerships and acquisitions.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements are detailed in the Company's public filings which can be found on SEDAR+ at www.sedarplus.ca and on CMG's corporate website at www.cmgl.ca

Any forward-looking statement made in this presentation is based only on information currently available to us and speaks only as of the date on which it is made. Except as required by applicable securities laws, we undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Non-IFRS Financial Measures

Certain financial measures in this presentation – namely, Adjusted EBITDA, Adjusted Operating Profit Margin and Free Cash Flow – do not have a standard meaning prescribed by IFRS and, accordingly, may not be comparable to measures used by other companies. Management believes that these indicators nevertheless provide useful measures in evaluating the Company's performance.

Adjusted EBITDA and Adjusted EBITDA Margin refers to net income before adjusting for depreciation and amortization expense, interest income, income and other taxes, stock-based compensation, restructuring charges, foreign exchange gains and losses, repayment of lease obligations, asset impairments, acquisition related costs and other expenses directly related to business combinations, including compensation expenses, and gains or losses on contingent consideration. Adjusted EBITDA should not be construed as an alternative to operating income, net income or liquidity as determined by IFRS. The Company believes that Adjusted EBITDA and Adjusted EBITDA Margin are useful supplemental measures as they provide an indication of the results generated by the Company's main business activities prior to consideration of how those activities are amortized, financed or taxed. See "Adjusted EBITDA and Adjusted EBITDA Margin" heading in the Q2 2025 Financial Report, and prior quarterly Financial Reports, at www.cmgl.ca/investors or at www.sedarplus.ca for a reconciliation of Adjusted EBITDA to net income.

Adjusted Operating Profit and Adjusted Operating Profit Margin are calculated as operating profit excluding restructuring charges, stock-based compensation, amortization of acquired intangible assets, and acquisition-related expenses.

Free cash flow is a non-IFRS financial measure that is calculated as funds flow from operations less capital expenditures and repayment of lease liabilities. Free cash flow per share is calculated by dividing free cash flow by the number of weighted average outstanding shares during the period.

All figures are presented in Canadian dollars unless otherwise indicated.

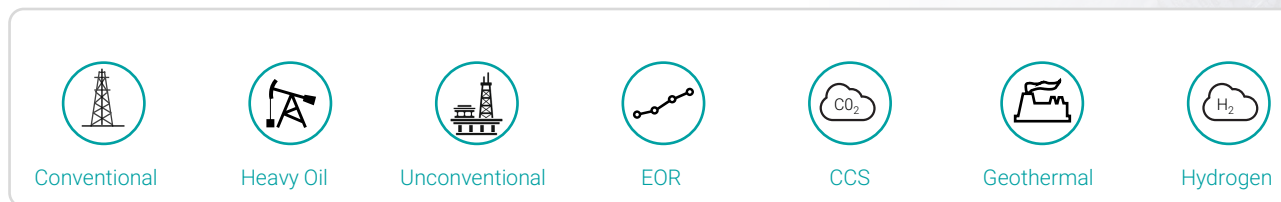
We provide solutions to solve some of the world's most complex surface and subsurface problems

Computer Modelling Group (“CMG”) is a leading provider of reservoir simulation software to energy companies globally. Our software supports our customers in the optimization and de-risking of hydrocarbon development and production. With its roots as a research institute, CMG has a 40+ year history of applying advanced physics, mathematical modelling, geoscience and engineering techniques to develop its core simulation offering.

CMG’s reservoir simulation is critical to energy transition initiatives including carbon storage, geothermal and hydrogen. In fiscal 2024, 23% of software revenue in the CMG operating segment came from energy transition.

In 2023, the Company acquired Bluware-Headwave Ventures Inc., a software and services company specializing in cloud and interactive deep learning solutions for subsurface decision-making, including seismic interpretation.

In 2024, the Company acquired Sharp Reflections GmbH, a cloud-based seismic processing and interpretation platform. Built on modern advancements in high performance computing, it combines prestack seismic data visualization, processing, and interpretation.



\$88.3M

TTM¹ Total Software Revenue

\$37.0M

TTM¹ Services Revenue

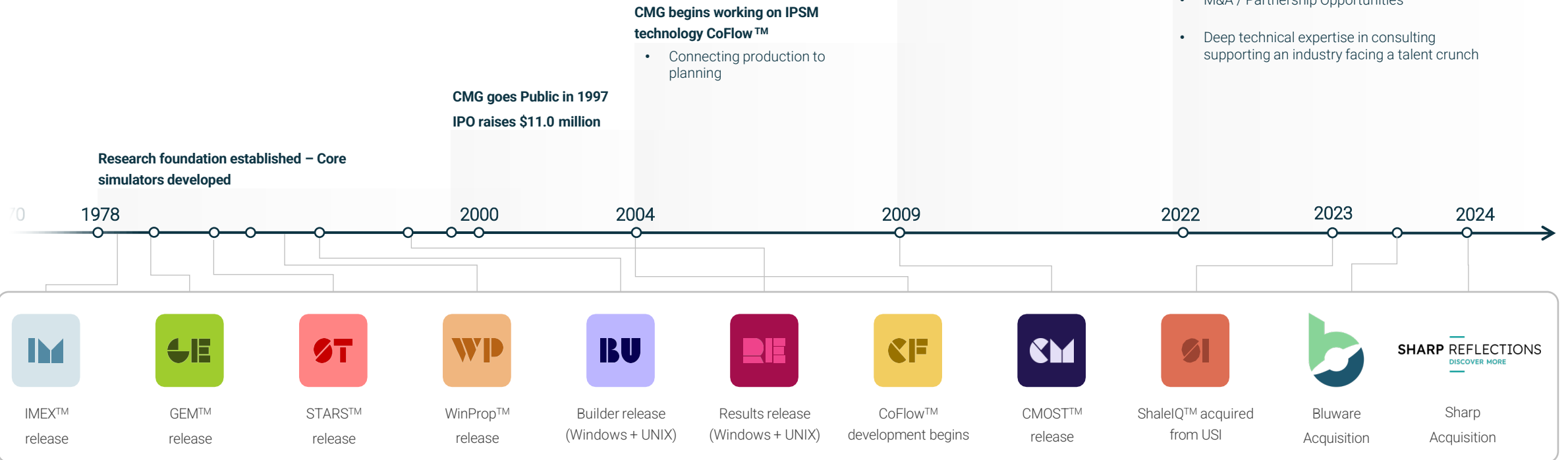
65%

Recurring Revenue²

290+

Employees Globally (as of Sept 30, 2024)

Over 40 years of science, innovation, and technical expertise



Why CMG

Global brand recognition underpinned by **40+** years of reservoir simulation software development and best-in-class training and support

Attractive **Annual Recurring Revenue** profile that is diversifying with energy transition use cases and acquisitions

Compelling operating margins; history of strong **profitability and consistent, robust Free Cash Flow**¹

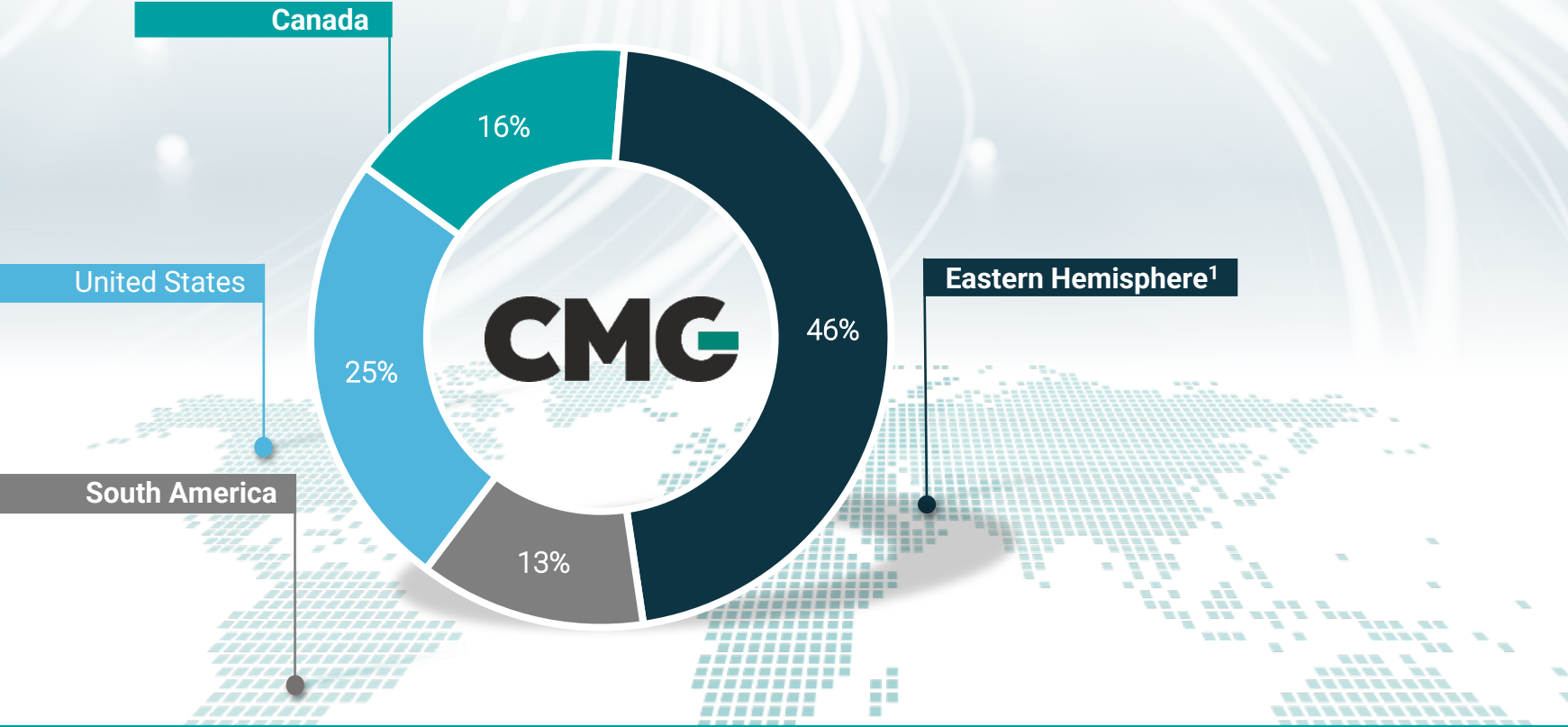
Capital Allocation; deploying capital at high rates of return to acquire differentiated software businesses in energy or adjacent industries

Expanding **product portfolio** through acquisitions

¹ See Non-IFRS Measures

40+ Years of Expertise, Trusted Globally

Split of Total Software Revenue Globally – FY24
(Percent of total software revenue)



100%
of the Super Majors

90%
of the top-10 National Oil Companies

75%
of the world's top-25 largest oil companies

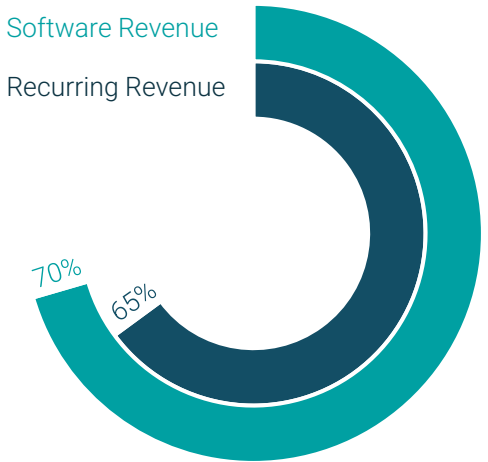
70%
of the top unconventional producers

¹ Includes Europe, Africa, Asia and Australia

Attractive Recurring Revenue Profile that Continues to Diversify

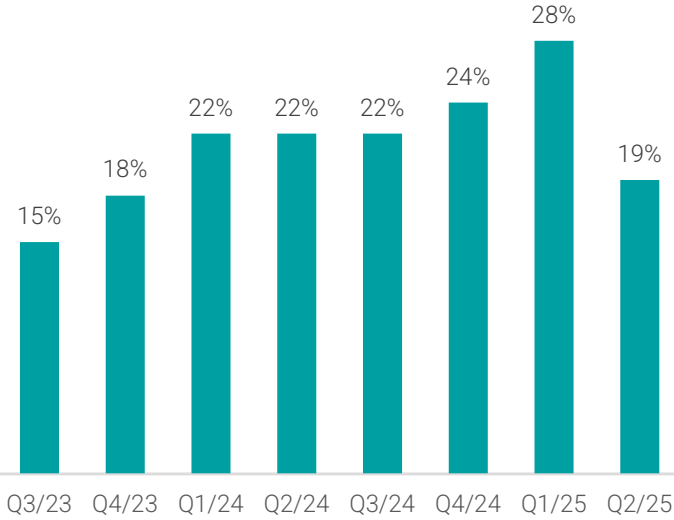
65% Recurring Revenue¹ (TTM²)

(% of Total Revenue)



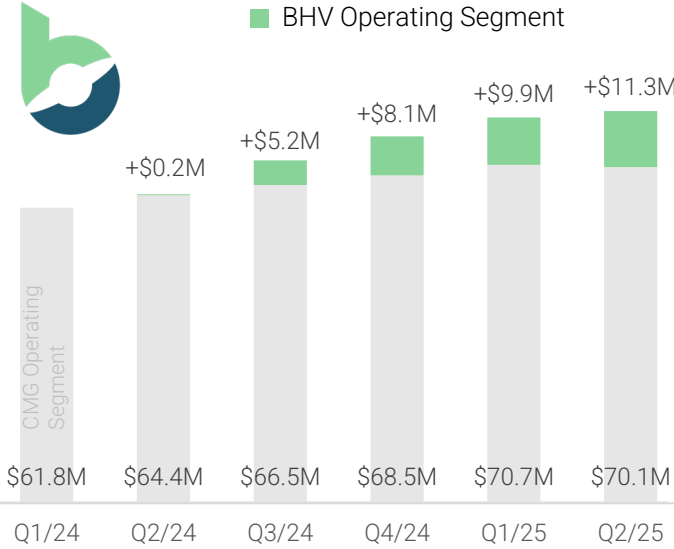
Revenue Attributable to Energy Transition

(% of Total CMG Operating Segment Software Revenue)



BHV Recurring Software Revenue

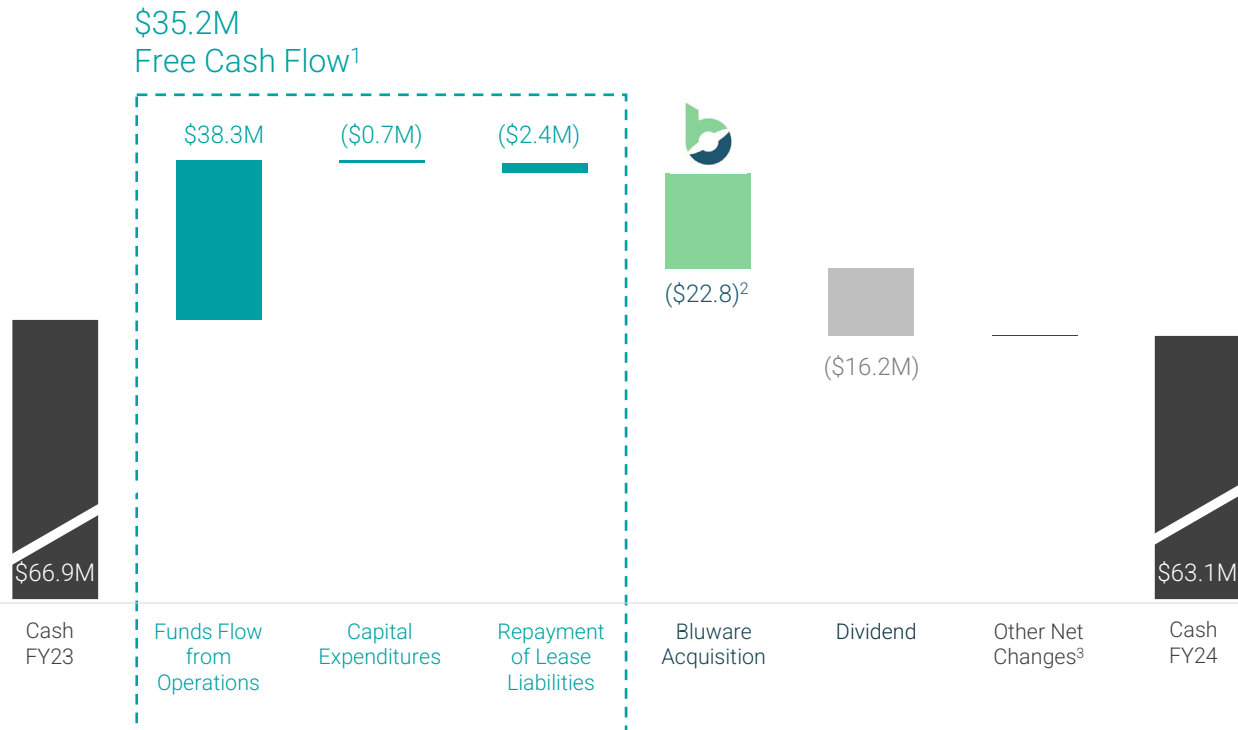
(\$Ms Trailing Twelve Months)



CMG 4.0 - A New Paradigm of Capital Allocation

FY24 Change in Cash

(\$Ms CAD)



Cash Generation

Existing Operations

FY 2024

1

CMG generates strong free cash flow with low capital intensity

94%
Replenishment of cash into FY25⁴

Capital Allocation

Organic Growth

2

Ongoing investment into R&D and sales to fuel future CMG operating segment revenue growth

+19% YoY
CMG Operating Segment Revenue Growth

Acquisitions

3

Disciplined capital deployment into business with strong growth potential and mission critical software

+47% (YoY)
FY24 increase in total revenue organic and inorganic growth

Dividend Policy

4

Currently \$0.05 per Common Share per quarter

~1.6%
Dividend Yield⁵



CMG 4.0 Strategy

CMG 4.0 Strategy – Announced late 2022

Preserve long-term, per share profitability while driving growth and Free Cash Flow¹ both organically and through acquisitions

Growth

CMG 4.0 Strategy, announced in 2022, is a multi-faceted transformation strategy to drive sustained organic growth in the reservoir simulation business, leveraging the momentum towards digitization in the energy industry and the growing need for complex energy transition solutions.

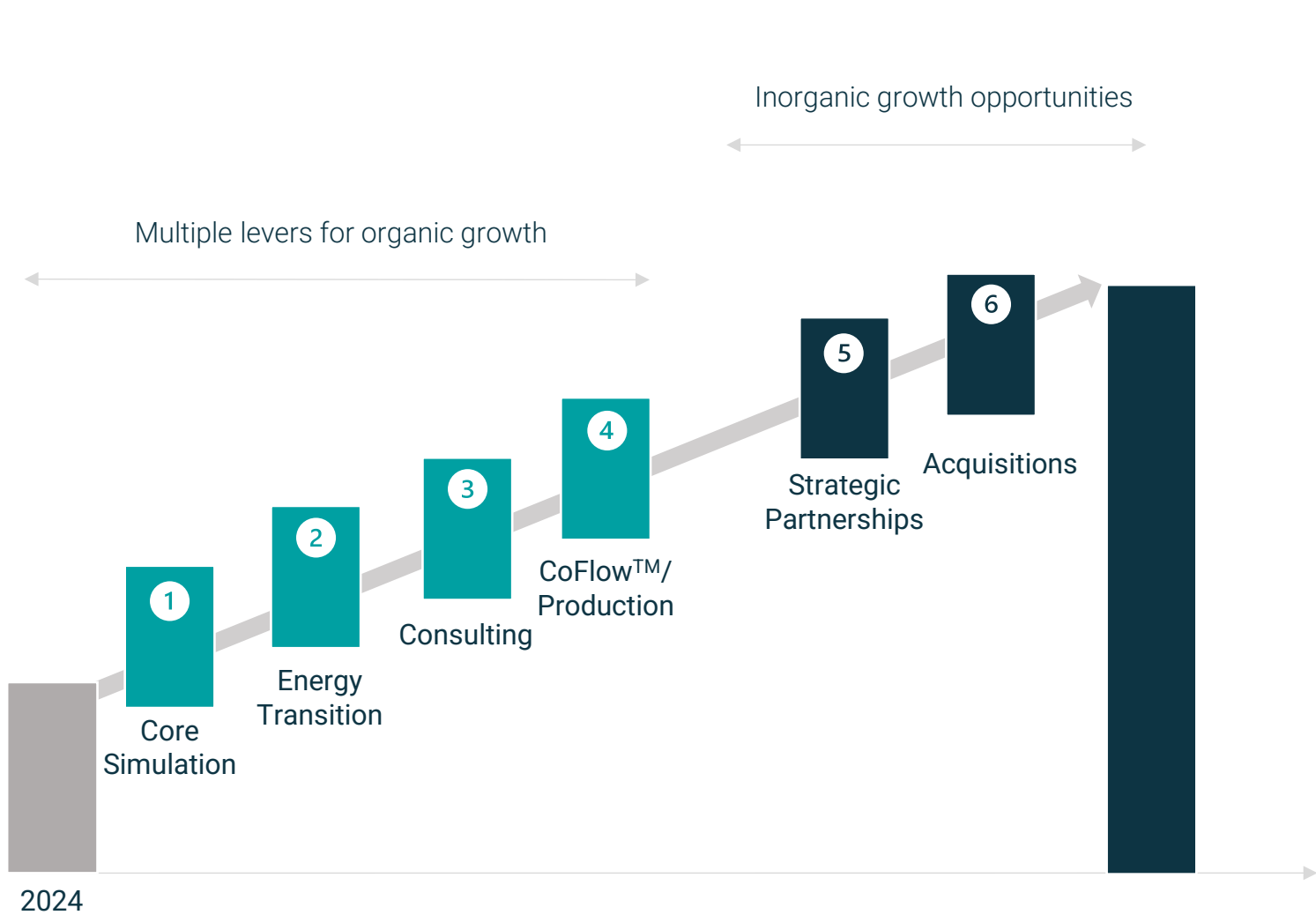
Profitability

With a durable recurring revenue model and a decades-long history of compelling operating margins and strong cash flows, CMG is committed to maintaining strong per-share profitability.

Acquisitions

Prudently invest excess capital, at attractive after-tax rates of return, to build durable, long-term software revenue growth and per-share profitability. Acquire businesses that enhance and diversify product offerings within the energy and adjacent industries.

CMG 4.0 Strategy – Growth Levers



- 1 Accelerate software revenue with leading sales organization**

 - Shift to customer segmentation and value-based pricing
 - Solution strategy and market-driven roadmap
 - Broaden geographical reach and market penetration
 - Enhanced marketing and sales training
- 2 Strengthen leadership in energy transition**

 - Growing demand to explore carbon capture and storage
- 3 Deep technical expertise in consulting supporting an industry facing a talent crunch**

 - CMG is an established trusted partner
 - Expanded consulting practice to support demand
 - Prioritizing strategic consulting to drive software sales
- 4 Commercialization of CoFlow™**

 - Multi-year development initiative in partnership with Shell
 - Enters CMG into estimated \$300M production simulation market
- 5 Strategic Partnerships**

 - Hatch/McDaniel
 - Wood LLP
 - ABB
- 6 M&A Opportunities**

 - Building strong M&A pipeline
 - Diversifying within upstream energy and adjacent industries

Sharp Reflections Acquired November 2024

The industry's first **HPC platform** for seismic visualization, processing, and interpretation



Sharp Reflection and Fraunhofer Institute developed new software solution built to handle massive seismic data sets



Brings an unprecedented level of access and interactivity to prestack and other massive data sets at exceptional speed



Modern software architecture built on HPC unlocks faster and better data quality and analysis



Real-time interactivity achieved by carrying out all computations in global shared memory, resulting in a highly scalable solution



Global customer base with several supermajors, many sponsoring advanced development efforts

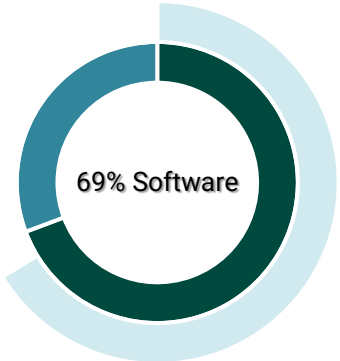
€10.0M

Revenue¹
LTM to July 2024

Low double digit

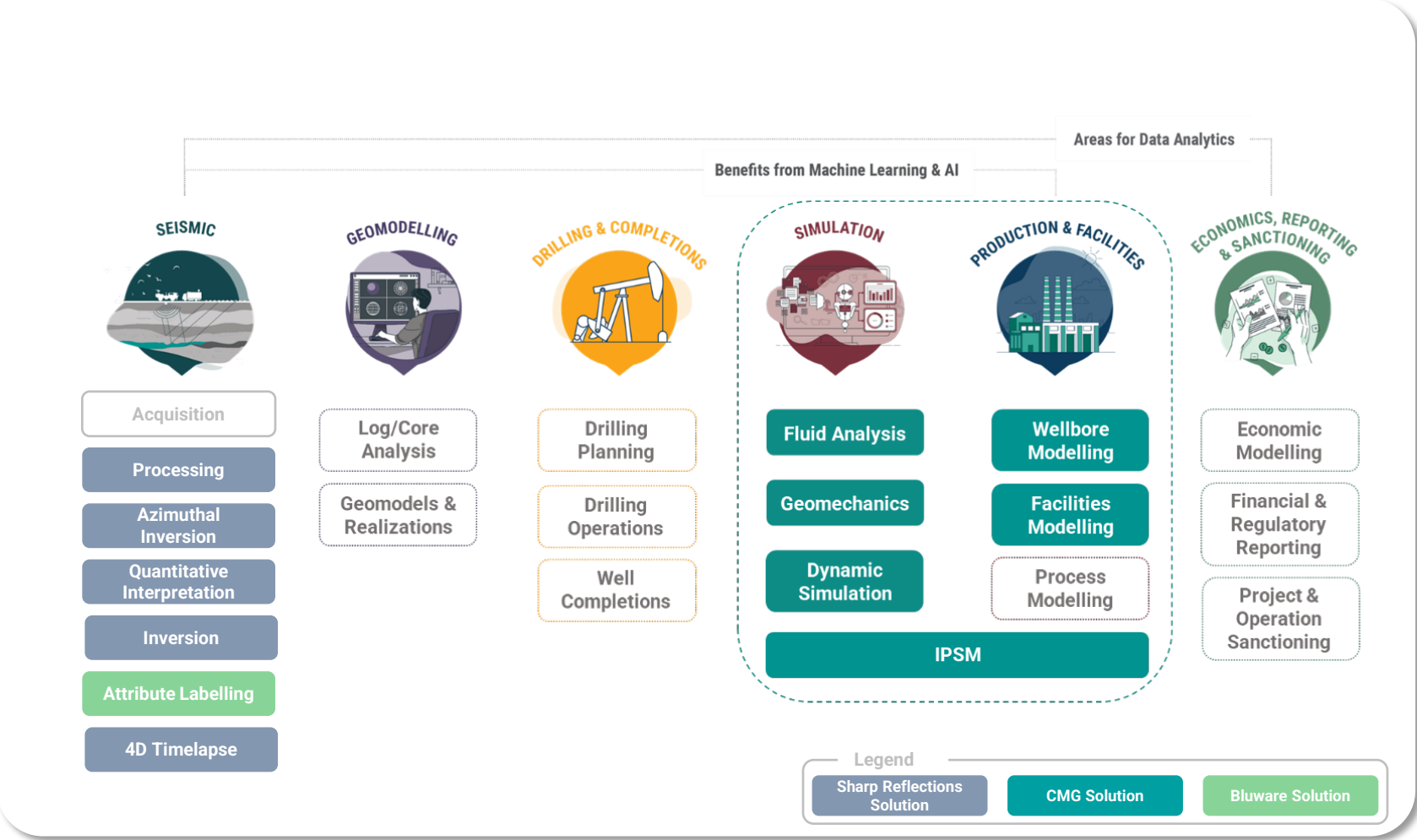
Adjusted EBITDA Margin^{1,2}
LTM to July 2024

Revenue Breakdown



■ Software ■ Services
■ Recurring Revenue 66%

CMG 4.0 Acquisition Strategy



The upstream workflow provides strategic acquisition opportunities to expand solution offering within the energy market

- Bluware (acquired September 2023)
- Sharp (acquired November 2024)

Expertise to Deliver

Senior Management



Pramod Jain, Chief Executive Officer
Joined 2022

15+ years international leadership experience focused on corporate growth & innovation. Proven track record of successful turnarounds/transformations & building global B2B product organizations.



Long Nghiem, VP Innovation Lab
Joined 1978

45+ years experience as a leading developer of dynamic reservoir technologies. Dr. Nghiem was awarded the international SPE Reservoir Description and Dynamics Award in 2015.



Anjani Kumar, VP CoFlow & Professional Services
Joined 2005

25+ years experience in reservoir engineering and simulation, author of several research papers and serves on various committees for the SPE.



Kristina Mysev, VP People & Culture
Joined 2022

16+ years experience in financial services, construction, and professional services, covering client groups ranging from 300 to 3,000 staff.



Sandra Balic, Chief Financial Officer
Joined 2009

15+ years experience in accounting and financial reporting, assuming the role of CMG CFO in 2013.



John Mortimer, Chief Technology Officer
Joined 2022

20+ years experience in software development, leading several software and technology companies through high growth periods including Benevity, Blackline Safety, and Pason Systems.



Rahul Jain, VP, Core
Joined 2022

14+ years of experience in Operations, Client Management, Product & Program Management, and SaaS implementation.



Dave Montana, VP Global Sales
Joined 2024

15+ years proven track record in global technology sales; including Canonical, Red Hat and Schlumberger.

Core Leadership and Operating Team



Mohammad Khalaf, Head of Corporate Development
Joined 2022

15+ years experience in business development. Executed over 80 transactions globally with a deal value of over C\$1.5 billion.



Daniel Edelshaim, Head of Legal
Joined 2022

15+ years experience leading national and international legal and legal operations teams, in technology and enterprise software.



Kim MacEachern, Director Investor Relations
Joined 2022

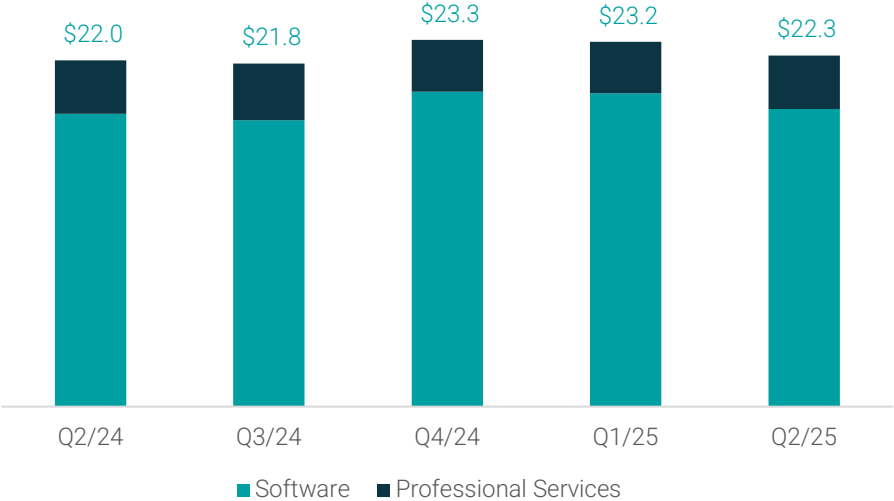
16+ years capital market experience and 6+ years investor relations experience with small-cap TSX and Nasdaq listed growth companies.



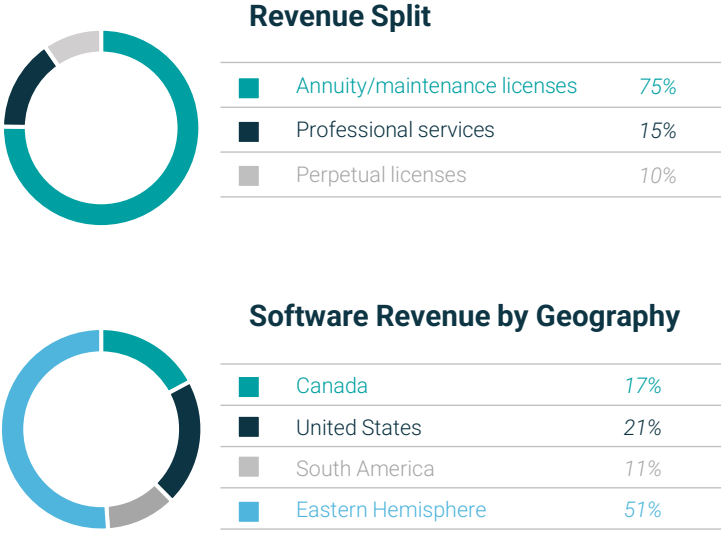
CMG Operating Segment

CMG Segment Second Quarter Financial Highlights

Total Revenue (\$Ms CAD)



Revenue Split Q2'2025 (Percent of Revenue)



Levers for Growth

- Accelerate software revenue with leading sales organization
- Strengthen leadership in energy transition
- M&A / Partnership Opportunities
- Commercialization of CoFlow™
- Deep technical expertise in consulting supporting an industry facing a talent crunch
- Geographic expansion – new markets



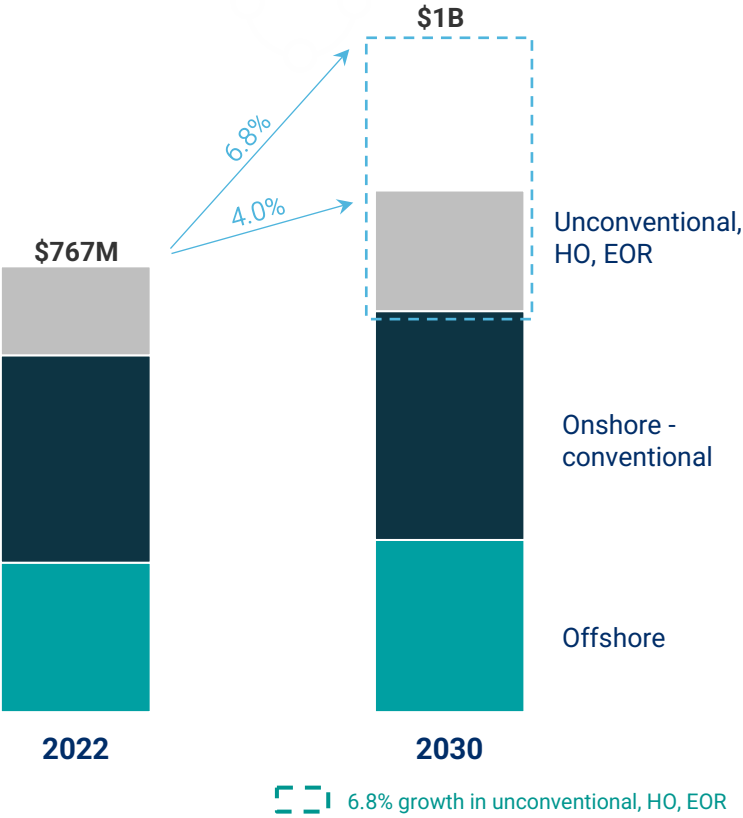
75%
Recurring Revenue

45%
Adj. Operating Profit Margin¹

45%
Adj. EBITDA Margin¹

CMG Operating Segment Addressable Market

Global Reservoir Simulation Market¹



The global simulation market is expanding, leaving a runway to growth in CMG's Core Business

Estimated \$1B Global Reservoir Simulation Market Through 2030

CMG FY 2024 Revenue \$87.9M

Reservoir Simulation expected to grow 2 - 3% annually

Unconventional, Heavy Oil and EOR expected to grow between 4 - 6.8%

Estimated \$300M Production Simulation Market

Potential to be addressed with CoFlow™ (IPSM) and production modules

Expands current market opportunity

Digital Transformation

Increasing volumes of data, rapid progress in computing power and advanced analytics are driving an acceleration towards digital solutions

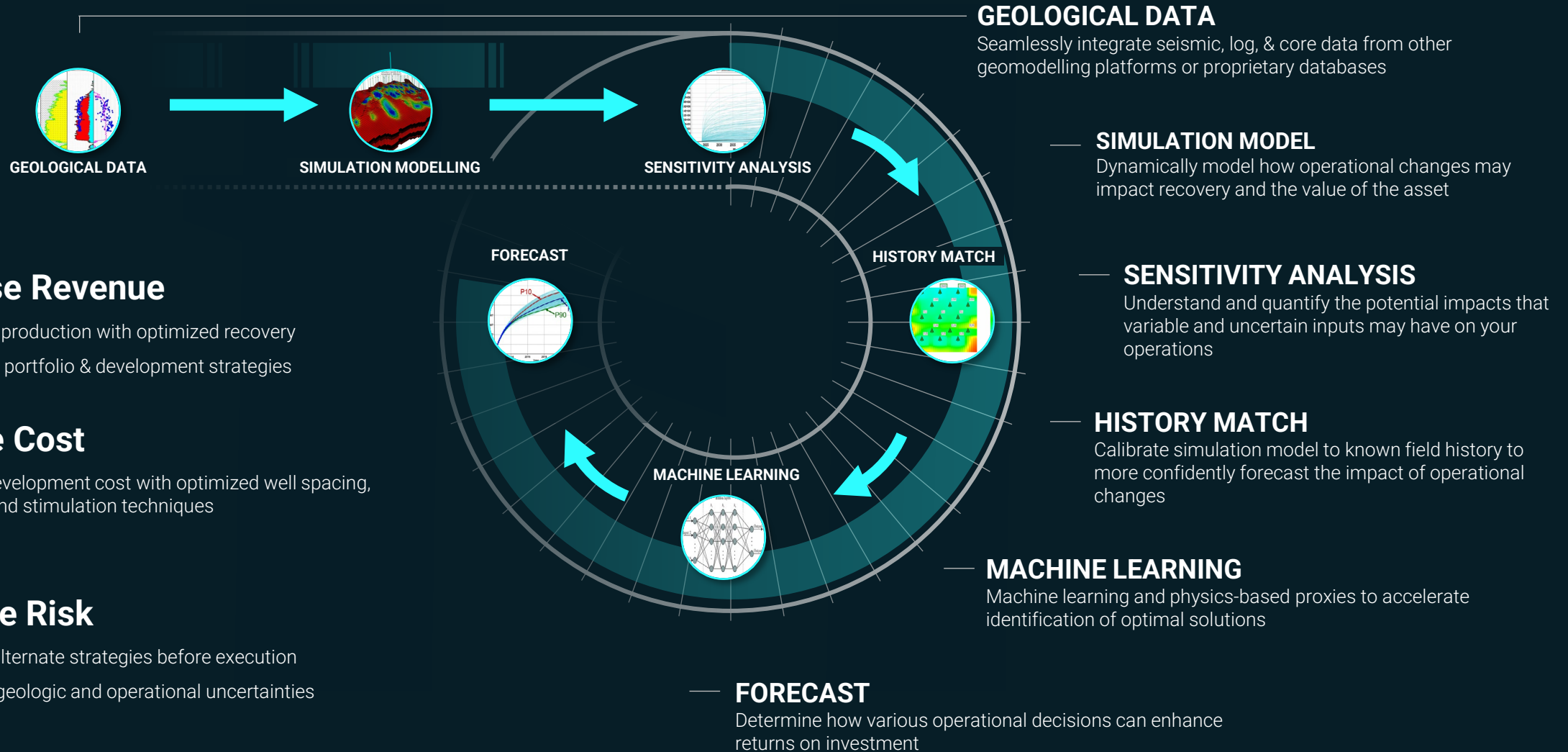
Scalable and Extensible Workflow Tailored to a Variety of Industrial Applications



Adaptable capabilities for a variety of industry applications

- Conventional
- Heavy Oil
- Unconventional
- EOR
- CCS
- Geothermal
- Hydrogen

Comprehensive Simulation Workflow for Every Stage of an Assets Lifecycle



CMG – Net Promoter Score (NPS) 68

(B2B Software Average 41%)


Long-running customer base with a focus on customer centricity



ONGC IRS ONGC

IRS ONGC has been using CMG software for reservoir simulation since 1992. We are highly satisfied with CMG software and the high level of support provided by CMG over the nearly 30 years of our relationship and looks forward to many more successful years of association in the future.


- K.P. Singh ONGC, India



EERC

CMG's visualization capabilities, commitment to research, and easy-to-use interface make it the reservoir simulation tool for all our energy transition projects. It enables our clients and partners to meet rigorous permission requirements and ensure regulatory guidelines are met and exceeded.


- Charles Gorecki CEO, EERC



PERTAMINA

We have observed a significant improvement over the time we have used CMG technology. Our model, being a giant model, initially took a considerable time to load, but now, we have observed greater than 10x speedup in load times due to the helpful collaboration from CMG's customer support and R&D departments.

- Zuhendra Zuhendra, Pertamina



INPEX

CMG GEM is the de-facto standard platform for CCS simulation. According to our extensive investigation through benchmarking, hearing, and several actual field and lab studies, GEM is the best commercial simulator that can accurately model the underlying physics in CCS.

- Dr. Shimamoto, INPEX, Japan

CMG Diversifying through Energy Transition



With a 20+ year history in Carbon Capture & Storage (CCS) CMG leads the market in carbon sequestration simulation

- CMG's existing software suite is currently the market leader for carbon sequestration simulation and has strong applications in geothermal and hydrogen projects.
- Regulatory bodies ensure operators are performing reoccurring simulations for CCS injection projects, ensuring safety and tracking CO₂ movement.
- Government incentives have accelerated activity in the planning of CO₂ capture projects.

In FY24, 23% of CMG operating segment software revenues were related to energy transition simulation projects



CMG's STARS™ and GEM™ simulators are equipped to support Energy Transition projects

CMG's technology has differentiating capabilities, built over decades, that can directly address the energy transition needs of our customers.

Energy Transition



CMG has Forged Strategic Partnerships with Global Leaders in Energy Transition Innovation



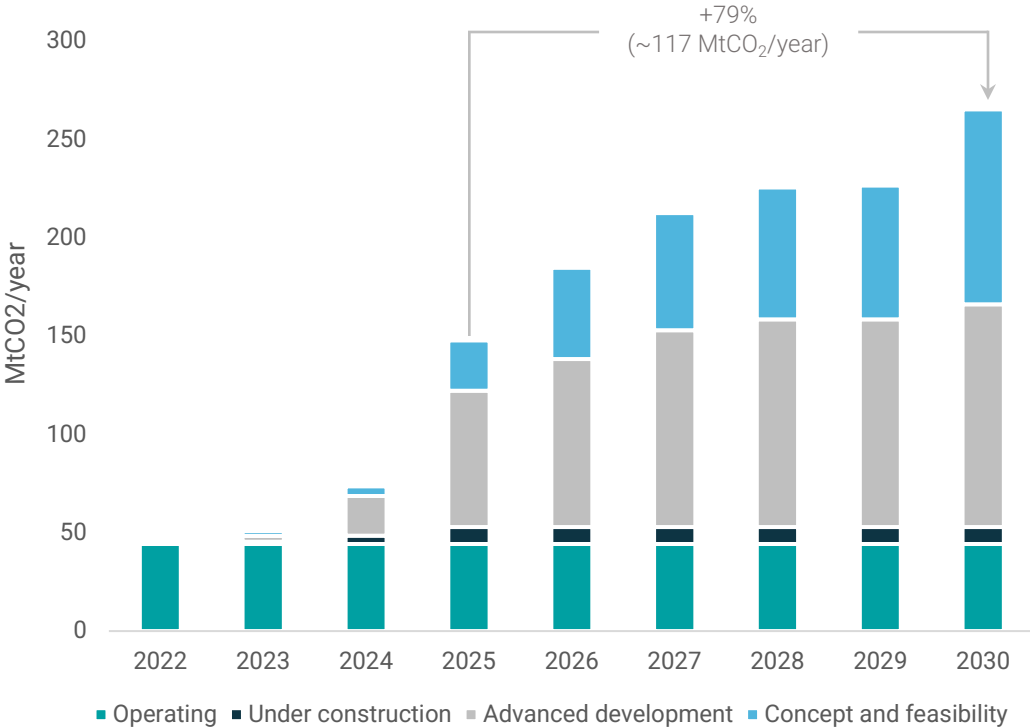
KONGSBERG



Anticipated Growth in CO₂ Storage Requires Subsurface Simulation

Strong Growth Anticipated in CO₂ Capture Projects

Capacity of large-scale CO₂ capture projects, current and planned 2020 - 2030



Source: [IEA](#)

Rate of geological storage resource development must accelerate rapidly to achieve net-zero targets

Greater than 100 Gt of CO₂
 Total cumulative mass of CO₂ required to be stored to meet climate targets by 2050

12 Gt of CO₂
 Maximum theoretical potential of current CCS project pipeline

In order to ensure that storage resources are available for utilisation when required, more must be done to incentivise and bring forward investment in storage resource identification and appraisal.

Global Status of CCS 2023, Global CCS Institute



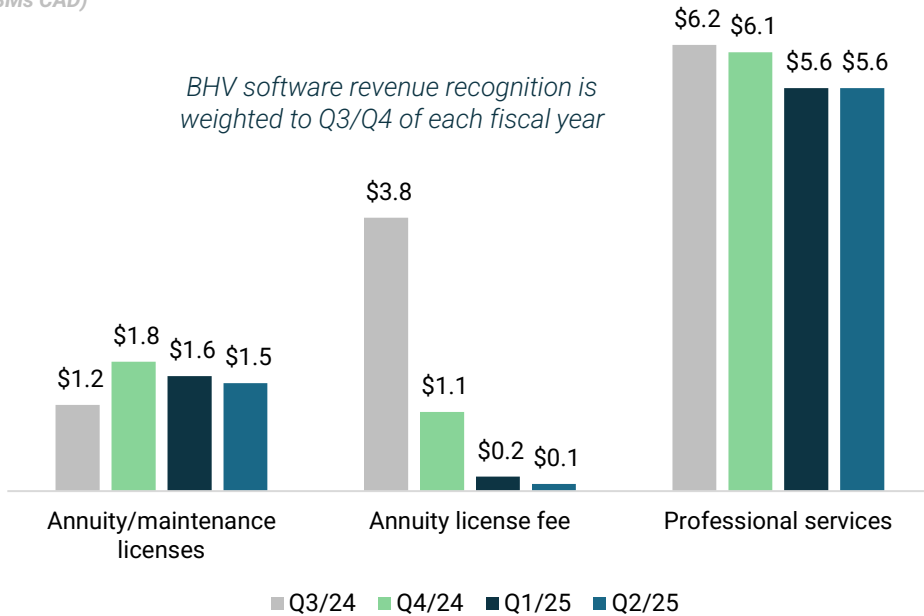
BHV Operating Segment

BHV Segment Quarterly Revenue Trends

Quarterly Financial Highlights

(\$Ms CAD)

BHV software revenue recognition is weighted to Q3/Q4 of each fiscal year



Revenue Split

Trailing Twelve Months ended September 30, 2024

BHV Revenue Mix

Annuity/Maintenance	18%
Annuity License Fee	15%
Professional Services	67%

Software Revenue by Geography

US	17%
Eastern Hemisphere	65%
South America	18%



Revenue Timing

- BHV's revenue contracts include combinations of software licenses, upgrades, maintenance and support creating separate performance obligations.
- 50% of the software license is recognized up-front with the remaining 50% maintenance revenue recognized on a straight-line basis over the software license term.
- Operating Profit and Adjusted EBITDA¹ will fluctuate with revenue; best viewed on full year basis

\$35M

TTM Total Revenue


9%

TTM Adjusted EBITDA Margin¹

33%


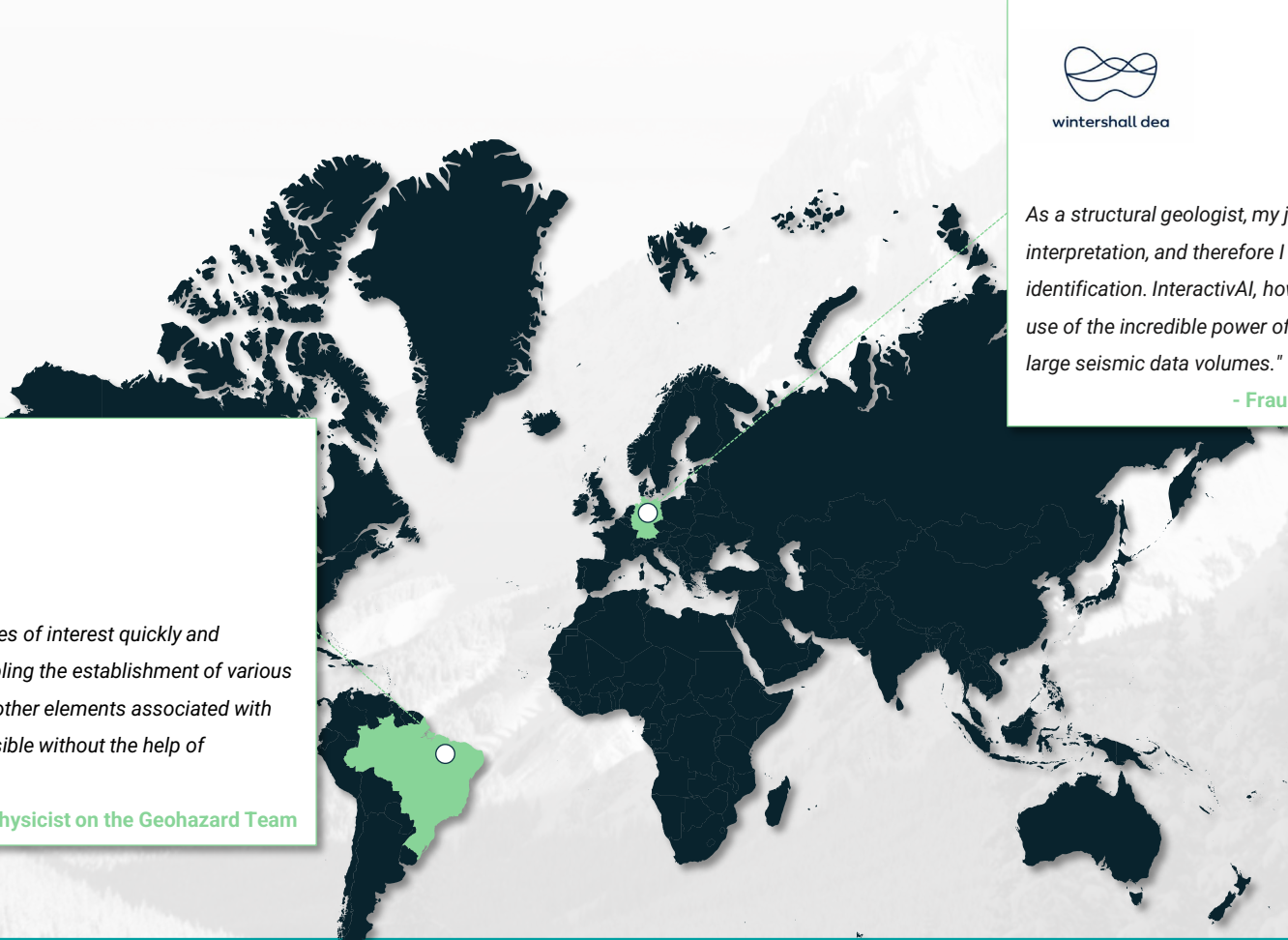
Recurring Software Revenue²

Bluware InteractivAI™ Improving Decision Making



The use of InteractivAI allowed me to map ALL features of interest quickly and accurately in the seismic data during my project, enabling the establishment of various relationships between them, their morphologies, and other elements associated with them. This task would be very difficult or even impossible without the help of InteractivAI.

- Manuel Parcerro, Petrobras Interpretation Geophysicist on the Geohazard Team

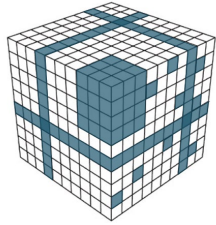


wintershall dea

As a structural geologist, my job is to be fussy about the tectonic viability of fault interpretation, and therefore I used to be rather critical about AI supported fault identification. InteractivAI, however, allows me to remain in the driver's seat, while making use of the incredible power of artificial intelligence for fast and efficient interpretation of large seismic data volumes."

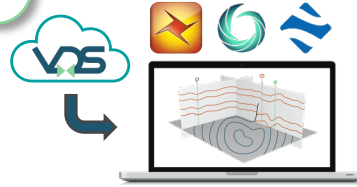
- Frauke Schaefer, Advisor Structural Geology at Wintershall Dea

Bluware is Transforming Seismic Interpretation Workflows in Cloud



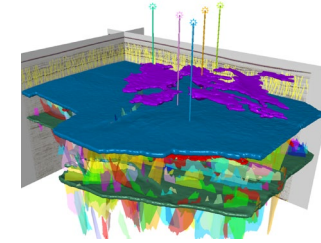
VDS™ Cloud-Native Data Format

- Compress seismic data that is adaptable and scalable for cloud; get cost-effective cloud storage.
- OpenVDS™ open-source API version is available on OSDU™ Data Platform as the preferred standard for seismic data.
- VDS can be leveraged to build custom tools for broad industry application.



FAST™ Seismic Data Streaming

- Stream VDS data from the cloud to existing interpretation applications .
- Avoid splicing or duplicating data in workflows.
- Access data fast; enable compute-intensive workflows.



InteractivAI™ Deep Learning Seismic Interpretation Tool

- Reduce overall interpretation cycle time.
- Interpret seismic data in hours instead of days or weeks; shift focus to critical evaluation to maximize prospect generation.
- Get full control of the seismic interpretation process, unlike other AI seismic interpretation tools.

Financials

Summary of Financial Performance

	CMG		BHV		Consolidated	
	2024	2023	2024	2023	2024	2023
Three months ended September 30, (\$ thousands, except per share data)						
Annuity/maintenance licenses	16,794	17,441	1,508	169	18,302	17,610
Annuity license fee	-	-	71	-	71	-
Perpetual licenses	2,149	1,176	-	-	2,149	1,176
Total software license revenue	18,943	18,617	1,579	169	20,522	18,786
Professional services	3,382	3,452	5,563	395	8,945	3,847
Total revenue	22,325	22,069	7,142	564	29,467	22,633
<i>Total revenue growth</i>	1%	22%	1166%		30%	25%
<i>Annuity/maintenance licenses growth</i>	(4%)	18%	792%		4%	19%
Cost of revenue	2,332	2,271	3,360	222	5,692	2,493
Operating expenses						
Sales & marketing	3,363	3,362	866	22	4,229	3,384
Research and development	4,463	4,651	1,965	116	6,428	4,767
General & administrative	3,389	4,214	1,299	49	4,688	4,263
Operating expenses	11,215	12,227	4,130	187	15,345	12,414
Operating profit	8,778	7,571	(348)	155	8,430	7,726
<i>Operating Margin</i>	39%	34%	(5%)	27%	29%	34%
Acquisition related expenses	395	573	181	-	576	573
Amortization of acquired intangible assets	575	124	89	5	664	129
Stock-based compensation	232	2,291	-	-	232	2,291
Adjusted operating profit ⁽¹⁾	9,980	10,559	(78)	160	9,902	10,719
<i>Adjusted Operating Margin ⁽¹⁾</i>	45%	48%	(1%)	28%	34%	47%
Net income (loss)	4,630	6,423	(867)	93	3,763	6,516
Adjusted EBITDA ⁽¹⁾	10,069	10,584	(132)	134	9,937	10,718
<i>Adjusted EBITDA Margin ⁽¹⁾</i>	45%	48%	(2%)	24%	34%	47%
Earnings per share – basic					0.05	0.08
Free Cash Flow per share – basic ⁽¹⁾					0.07	0.14

(1) See Non-IFRS Measures

Reconciliation of Non-IFRS to IFRS Financial Measures

Reconciliation of Adjusted EBITDA¹ to Net Income

Three months ended September 30, (\$ thousands)	CMG		BHV		Consolidated	
	2024	2023	2024	2023	2024	2023
Net income (loss)	4,630	6,423	(867)	93	3,763	6,516
Add (deduct):						
Depreciation and amortization	1,539	1,014	408	7	1,947	1,021
Stock-based compensation	232	2,291	-	-	232	2,291
Acquisition related expenses	395	573	181	-	576	573
Loss on contingent consideration	2,112	-	-	-	2,112	-
Income and other tax expense	1,802	2,239	442	38	2,244	2,277
Interest income	(680)	(692)	(81)	-	(761)	(692)
Foreign exchange loss (gain)	453	(856)	140	-	593	(856)
Repayment of lease liabilities	(414)	(408)	(355)	(4)	(769)	(412)
Adjusted EBITDA ⁽¹⁾	10,069	10,584	(132)	134	9,937	10,718
Adjusted EBITDA Margin ⁽¹⁾	45%	48%	(2%)	24%	34%	47%

Reconciliation of Non-IFRS to IFRS Financial Measures

Reconciliation of Free Cash Flow¹ to Funds Flow from Operations

(\$ thousands, unless otherwise stated)	Fiscal 2023		Fiscal 2024			Fiscal 2025		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Funds flow from operations	8,169	7,656	7,920	11,491	8,477	10,367	6,515	7,101
Capital expenditures*	(211)	(1,707)	(45)	(51)	(459)	(95)	(93)	(236)
Repayment of lease liabilities	(413)	(553)	(412)	(412)	(728)	(803)	(743)	(769)
Free Cash Flow	7,545	5,396	7,463	11,028	7,290	9,469	5,679	6,096
Weighted average shares – basic (thousands)	80,511	80,603	80,685	80,834	81,067	81,314	81,476	81,887
Free Cash Flow per share - basic	0.09	0.07	0.09	0.14	0.09	0.12	0.07	0.07

Reconciliation of Operating Profit to Adjusted Operating Profit¹

Three months ended September 30, (\$ thousands)	CMG		BHV		Consolidated	
	2024	2023	2024	2023	2024	2023
Operating profit	8,778	7,571	(348)	155	8,430	7,726
Add:						
Acquisition related expenses	395	573	181	-	576	573
Amortization of acquired intangible assets	575	124	89	5	664	129
Stock-based compensation	232	2,291	-	-	232	2,291
Adjusted operating profit ⁽¹⁾	9,980	10,559	(78)	160	9,902	10,719
Adjusted Operating Margin ⁽¹⁾	45%	48%	(1%)	28%	34%	47%

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