Subsea 7 S.A. Announces Second Quarter and Half Year 2025 Results

Luxembourg – 31 July 2025 – Subsea 7 S.A. (Oslo Børs: SUBC, ADR: SUBCY, ISIN: LU0075646355, the Company) announced today results of Subsea7 Group (the Group, Subsea7) for the second quarter and first half of 2025 which ended 30 June 2025.

Highlights

- Second quarter Adjusted EBITDA of $360 million, up 23% on the prior year period, equating to a margin of 21%
- Strong operational and financial performance from both Subsea and Conventional and Renewables, with Adjusted EBITDA margins of 21% and 17% respectively
- Guidance for full year 2025 re-affirmed
- A high-quality backlog of $11.8 billion gives over 90% visibility on 2025 revenue guidance
- Balance sheet remains strong with net debt including lease liabilities of $695 million, equating to 0.6 times the Adjusted EBITDA generated in the last four quarters
- On 23 July 2025 a definitive agreement with Saipem was signed for a merger of equals that will create a global leader in energy services

	Second Quarter		**Half Year**	
For the period (in $ millions, except Adjusted EBITDA margin and per share data)	**Q2 2025 Unaudited**	Q2 2024 Unaudited	**1H 2025 Unaudited**	1H 2024 Unaudited
Revenue	**1,756**	1,739	**3,285**	3,134
Adjusted EBITDA[(a)]	**360**	292	**596**	454
Adjusted EBITDA margin[(a)]	**21%**	17%	**18%**	15%
Net operating income	**186**	137	**263**	157
Net income	**131**	63	**148**	92
Earnings per share – in $ per share				
Basic	**0.45**	0.20	**0.52**	0.29
Diluted[(b)]	**0.45**	0.20	**0.51**	0.29

At (in $ millions)	**30 June 2025 Unaudited**	31 Mar 2025 Unaudited
Backlog[(a)]	**11,823**	10,819
Book-to-bill ratio[(a)]	**1.4x**	0.6x
Cash and cash equivalents	**413**	459
Borrowings	**(661)**	(691)
Net debt excluding lease liabilities[(a)]	**(247)**	(232)
Net debt including lease liabilities[(a)]	**(695)**	(632)

(a) For explanations and reconciliations of Adjusted EBITDA, Adjusted EBITDA margin, Backlog, Book-to-bill ratio and Net debt refer to the 'Alternative Performance Measures' section of the Condensed Consolidated Financial Statements.

(b) For the explanation and a reconciliation of diluted earnings per share refer to Note 7 'Earnings per share' to the Condensed Consolidated Financial Statements.

John Evans, Chief Executive Officer, said:

Subsea7 delivered strong growth in profitability in the second quarter of 2025 driven by the solid execution of our portfolio of projects in both Subsea and Conventional, and Renewables. The Group's Adjusted EBITDA margin increased 370 bps year-on-year to 20.5% in the quarter, putting us on track to achieve our full year guidance and deliver over 20% growth in EBITDA in 2025 compared with 2024.

During the quarter we replenished the backlog with high-quality orders of $2.5 billion, equivalent to 1.4 times book-to-bill, demonstrating the resilience of our strategy that is focused on long-cycle subsea markets with advantaged economics, alongside a selective approach to offshore wind. In subsea, tendering activity remains high, with a balance of greenfield and tie-back prospects for a diverse range of clients and geographies. In the renewables industry, near-term momentum is dependent on progress of the UK CFD allocation round, but offshore wind remains a long-term structural growth market and we are confident that our selective approach to bidding leaves us well-placed to deliver profitable growth.

Second quarter project review

In Subsea and Conventional, *Seven Arctic* and *Seven Borealis* installed flexibles, umbilicals and manifolds at Agogo in Angola. *Seven Pacific* underwent a class survey after which it transited to Angola where it is expected to work on Agogo until year end. *Seven Vega* was active at the CLOV development, also in Angola.

Seven Oceans and *Seven Seas* continued to work on a range of US projects including Sunspear, Salamanca and Shenandoah, while in Brazil, *Seven Cruzeiro* completed its work at Bacalhau and began its new three-year charter for Petrobras.

In Norway, *Seven Navica* continued reel lay activities for Yggdrasil as well as IRPA while *Seven Oceanic* began its transit north, following completion of its campaign at the Scarborough field in Australia.

In Renewables, *Seaway Strashnov* and *Seaway Alfa Lift* started work at Dogger Bank C in the UK where they will install 87 monopiles. *Seaway Ventus* began work at the East Anglia THREE project in the UK, where it will install 95 monopiles and *Seaway Aimery* and *Seaway Moxie* installed cables at He Dreiht in Germany.

Second quarter financial review

Revenue was $1.8 billion, marginally better when compared with the prior year period. Adjusted EBITDA of $360 million equated to a margin of 20.5%, up from 16.8% in Q2 2024.

After depreciation and amortisation of $175 million, other gains and losses of $32 million driven by non-cash foreign exchange gains, net finance costs of $16 million and taxation of $71 million, net income was $131 million.

Net cash generated from operating activities in the second quarter was $339 million, including a $59 million favourable movement in net working capital. Net cash used in investing activities was $81 million mainly related to purchases of property, plant and equipment. Net cash used in financing activities was $306 million including dividend payments of $184 million and lease payments of $77 million. During the quarter, cash and cash equivalents decreased by $46 million to $413 million and, at 30 June 2025, net debt was $695 million, including lease liabilities of $448 million.

Second quarter order intake was $2.5 billion comprising new awards of $2.0 billion and escalations of $0.5 billion resulting in a book-to-bill ratio of 1.4 times. Backlog at the end of June was $11.8 billion, of which $3.6 billion is expected to be executed in the remainder of 2025, $4.5 billion in 2026 and $3.7 billion in 2027 and beyond.

Guidance

We continue to anticipate that revenue in 2025 will be between $6.8 billion and $7.2 billion, while the Adjusted EBITDA margin is expected to be within a range from 18% to 20%. Based on our firm backlog of contracts and the prospects in our tendering pipeline, we expect margins to exceed 20% in 2026.

Conference Call Information

Date: 31 July 2025
Time: 11:00 UK Time, 12:00 CET
Access the webcast https://edge.media-server.com/mmc/p/yja3wdd3/
Register for the conference call https://register-conf.media-server.com/register/BI59310f2a739a44ab86529d2cda595e97

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Special Note Regarding Forward-Looking Statements

This document may contain 'forward-looking statements' (within the meaning of the safe harbour provisions of the U.S. Private Securities Litigation Reform Act of 1995). These statements relate to our current expectations, beliefs, intentions, assumptions or strategies regarding the future and are subject to known and unknown risks that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements may be identified by the use of words such as 'anticipate', 'believe', 'estimate', 'expect', 'future', 'goal', 'intend', 'likely', 'may', 'plan', 'project', 'seek', 'should', 'strategy', 'will', and similar expressions. The principal risks which could affect future operations of the Group are described in the 'Risk Management' section of the Group's Annual Report. Factors that may cause actual and future results and trends to differ materially from our forward-looking statements include (but are not limited to): (i) our ability to deliver fixed-price projects in accordance with client expectations and within the parameters of our bids, and to avoid cost overruns; (ii) our ability to collect receivables, negotiate variation orders and collect the related revenue; (iii) our ability to recover costs on significant projects; (iv) capital expenditure by oil and gas companies, which is affected by fluctuations in the price of, and demand for, crude oil and natural gas; (v) unanticipated delays or cancellation of projects included in our backlog; (vi) competition and price fluctuations in the markets and businesses in which we operate; (vii) the loss of, or deterioration in our relationship with, any significant clients; (viii) the outcome of legal proceedings or governmental inquiries; (ix) uncertainties inherent in operating internationally, including economic, political and social instability, boycotts or embargoes, labour unrest, changes in foreign governmental regulations, corruption and currency fluctuations; (x) the effects of a pandemic or epidemic or a natural disaster; (xi) liability to third parties for the failure of our joint venture partners to fulfil their obligations; (xii) changes in, or our failure to comply with, applicable laws and regulations (including regulatory measures addressing climate change); (xiii) operating hazards, including spills, environmental damage, personal or property damage and business interruptions caused by adverse weather; (xiv) equipment or mechanical failures, which could increase costs, impair revenue and result in penalties for failure to meet project completion requirements; (xv) the timely delivery of vessels on order and the timely completion of ship conversion programmes; (xvi) our ability to keep pace with technological changes and the impact of potential information technology, cyber security or data security breaches; (xvii) global availability at scale and commercial viability of suitable alternative vessel fuels; and, (xviii) the effectiveness of our disclosure controls and procedures and internal control over financial reporting. Many of these factors are beyond our ability to control or predict. Given these uncertainties, you should not place undue reliance on the forward-looking statements. Each forward-looking statement speaks only as of the date of this document. We undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to Section 5-12 of the Norwegian Securities Trading Act. This stock exchange release was published by Katherine Tonks, Investor Relations, Subsea7, on 31 July 2025 08:00 CET.

Second Quarter 2025

Income Statement

Revenue
Revenue for the second quarter was $1.8 billion, an increase of $17 million compared to Q2 2024.

Adjusted EBITDA
Adjusted EBITDA was $360 million, an increase of $68 million or 23% compared to Q2 2024, resulting in an Adjusted EBITDA margin of 21% compared to 17% in the prior year period. The year-on-year increase was largely driven by higher Adjusted EBITDA in both the Subsea and Conventional and Renewables business units reflecting the execution of projects awarded at improved margins.

Net operating income
Net operating income was $186 million compared to $137 million in Q2 2024. The year-on-year increase was mainly due to high activity levels in both the Subsea and Conventional and Renewables business units.

Net income
Net income was $131 million compared to $63 million in Q2 2024. The year-on-year increase of $68 million was mainly driven by:

- an increase in net operating income of $49 million;
- net gain within other gains and losses of $32 million in the second quarter, driven by non-cash foreign exchange gains partly offset by losses on foreign exchange, compared to a net loss within other gains and losses of $9 million in the prior year period, driven by non-cash foreign exchange gains more than offset by losses on foreign exchange; and
- finance costs of $20 million, compared to finance costs of $30 million in Q2 2024

partly offset by:

- taxation of $71 million, representing an effective tax rate of 35%, compared to $41 million in Q2 2024.

Earnings per share
Diluted earnings per share was $0.45 compared to $0.20 in Q2 2024, calculated using a weighted average number of shares of 297 million and 300 million, respectively.

Business Unit Highlights

Subsea and Conventional
Revenue for the second quarter was $1.4 billion, a decrease of $16 million compared to Q2 2024.

During the quarter: Barossa (Australia); Ormen Lange Phase 3 (Norway); and Shenandoah and Sunspear (GOM) neared completion. Work progressed on Agogo and CLOV 3 (Angola); Scarborough (Australia); Salamanca (GOM); IRPA, Skarv Satellites, and Yggdrasil (Norway).

In Brazil, there were high levels of utilisation of the PLSVs and work progressed on Bacalhau, Mero 3&4, Búzios 8 and Búzios 9.

Net operating income was $165 million in Q2 2025, compared to $126 million in Q2 2024. The year-on-year increase reflected the execution of projects awarded at improved margins.

Renewables
Revenue for the second quarter was $307 million, an increase of $26 million or 9% compared to Q2 2024.

During the quarter work progressed on East Anglia THREE and Dogger Bank C (UK); Revolution (US); He Dreiht (Germany); and Hai Long (Taiwan).

Net operating income was $20 million in Q2 2025, compared to $8 million in Q2 2024. The year-on-year improvement reflected high activity levels, and the execution of projects awarded at improved margins.

Corporate
Revenue, which was mainly driven by the Group’s autonomous wholly-owned subsidiaries Xodus and 4Subsea, was $31 million, compared to $25 million in the prior year period. Net operating income was $1 million compared to $3 million in Q2 2024.

Vessel utilisation and fleet
Vessel utilisation for the second quarter was 86% compared with 87% in Q2 2024. At 30 June 2025, there were 41 vessels in the Group’s fleet, including 12 chartered vessels.

Cash flow

Cash flow statement
At 30 June 2025, cash and cash equivalents were $413 million, a decrease of $46 million in the quarter. The movement in cash and cash equivalents was mainly attributable to:

- net cash generated from operating activities of $339 million, which included a favourable movement of $59 million in net working capital

more than offset by:

- net cash used in investing activities of $81 million, mainly comprising $93 million related to purchases of property, plant and equipment and intangible assets; and
- net cash used in financing activities of $306 million, which included $184 million related to dividends paid to the shareholders of the parent company, payments related to lease liabilities of $77 million and net repayment of borrowings of $31 million.

Free cash flow
During the second quarter, the Group generated free cash flow of $246 million (Q2 2024: $132 million) which is defined as net cash generated from operating activities of $339 million (Q2 2024: $187 million) less purchases of property, plant and equipment and intangible assets of $93 million (Q2 2024: $55 million).

Half Year 2025

Income Statement

Revenue
Revenue for the first half of 2025 was $3.3 billion, an increase of $151 million or 5% compared to 1H 2024. The increase was due to higher activity levels in both the Subsea and Conventional and Renewables business units with strong demand for the Group's services within the offshore oil and gas sector.

Adjusted EBITDA
Adjusted EBITDA was $596 million, an increase of $142 million or 31% compared to 1H 2024, resulting in an Adjusted EBITDA margin of 18% compared to 15% in the prior year period. The year-on-year increase was driven by higher Adjusted EBITDA in both the Subsea and Conventional and Renewables business units reflecting high activity levels and the execution of projects awarded at improved margins.

Net operating income
Net operating income was $263 million compared to $157 million in 1H 2024.

Net operating income for the first half of 2025 was mainly driven by:

- net operating income of $264 million in the Subsea and Conventional business unit compared to $173 million in 1H 2024. The year-on-year increase in profitability was mainly driven by higher activity levels and the execution of projects awarded at improved margins; and
- net operating income of $16 million in the Renewables business unit compared to net operating loss of $16 million in 1H 2024

partly offset by:

- net operating loss of $16 million in the Corporate business unit.

Net income
Net income was $148 million compared to $92 million in 1H 2024. The year-on-year improvement of $56 million was mainly driven by:

- an increase in net operating income of $106 million; and
- finance costs of $41 million, compared with finance costs of $53 million in 1H 2024

partly offset by:

- net gains within other gains and losses of $4 million, driven by gains on foreign exchange partly offset by non-cash foreign exchange losses, compared to net gains within other gains and losses of $41 million in 1H 2024, driven by non-cash foreign exchange gains partly offset by losses on foreign exchange; and
- taxation of $87 million, equivalent to an effective tax rate of 37%, compared to taxation of $67 million in 1H 2024.

Earnings per share
Diluted earnings per share was $0.51 compared to diluted earnings per share of $0.29 in 1H 2024, calculated using a weighted average number of shares of 297 million and 301 million, respectively.

Business Unit Highlights

Subsea and Conventional
Revenue for the first half of 2025 was $2.7 billion, an increase of $56 million compared to 1H 2024.

During the period: Barossa (Australia); CRPO 80/81 and Marjan 2 (Saudi Arabia); Northern Lights Phase 1 and Ormen Lange Phase 3 (Norway); and Shenandoah and Sunspear (GOM) neared completion. Work progressed on Agogo and CLOV 3 (Angola); Scarborough (Australia); Cypre and Salamanca (GOM); IRPA, Skarv Satellites, and Yggdrasil (Norway); and Sakarya Phase 2a (Türkiye).

In Brazil, there were high levels of utilisation of the PLSVs and work progressed on Bacalhau, Mero 3&4, Búzios 8 and Búzios 9.

Net operating income was $264 million in the first half of 2025 compared to $173 million in 1H 2024. The year-on-year increase reflected the execution of projects awarded at improved margins and the Group's share of net income in its associate, OneSubsea, of $16 million.

Renewables
Revenue for the first half of 2025 was $552 million, an increase of $93 million or 20% compared to 1H 2024.

During the period: Yunlin and Zhong Neng (Taiwan) neared completion. Work progressed on East Anglia THREE and Dogger Bank C (UK); Revolution (US); He Dreiht (Germany); and Hai Long (Taiwan).

Net operating income was $16 million in the first half of 2025, compared to net operating loss of $16 million in the prior year period.

Corporate
Revenue, which was mainly driven by the Group's autonomous wholly-owned subsidiaries Xodus and 4Subsea, was $55 million, compared to $53 million in the prior year period. Net operating loss was $16 million compared to net operating income of $nil in 1H 2024 driven mainly by discontinuation costs of an asset related project and professional fees related to the proposed merger with Saipem.

Vessel utilisation and fleet
Vessel utilisation for the first half of 2025 was 81% compared with 81% in 1H 2024.

Cash flow

Cash flow statement
Cash and cash equivalents were $413 million at 30 June 2025, a decrease of $162 million compared to 31 December 2024. The movement in cash and cash equivalents was mainly attributable to:

- net cash generated from operating activities of $390 million, which included an unfavourable movement of $104 million in net working capital

more than offset by:

- net cash used in investing activities of $149 million, comprising $169 million related to purchases of property, plant and equipment and intangible assets partly offset by $14 million dividends received from the Group's associate, OneSubsea; and
- net cash used in financing activities of $412 million, which included $184 million related to dividends paid to the shareholders of the parent company, payments related to lease liabilities of $136 million and net repayment of borrowings of $62 million.

Free cash flow

During the half year ended 30 June 2025, the Group generated free cash flow of $221 million (1H 2024: $36 million) which is defined as net cash generated from operating activities of $390 million (1H 2024: $174 million) less purchases of property, plant and equipment and intangible assets of $169 million (1H 2024: $138 million).

Balance Sheet

Non-current assets

At 30 June 2025, non-current assets were $5.1 billion (31 December 2024: $5.2 billion). The decrease of $95 million was largely driven by a $92 million decrease in property, plant and equipment, of which $89 million was recognised within assets included in a disposal group classified as held for sale.

Non-current liabilities

At 30 June 2025, total non-current liabilities were $0.9 billion (31 December 2024: $1.0 billion). The decrease of $99 million was largely driven by $90 million reclassified to current borrowings in line with repayment schedules.

Net current assets

At 30 June 2025, current assets were $2.9 billion (31 December 2024: $2.5 billion) and current liabilities were $2.9 billion (31 December 2024: $2.4 billion). The net movement of $118 million in the period was largely driven by:

- increase in trade and other liabilities of $389 million; and
- decrease in cash and cash equivalents of $162 million

partly offset by:

- increase in trade and other receivables of $178 million;
- assets included as a disposal group classified as held for sale of $177 million, including $135 million reclassified from non-current assets; and
- increase in construction contract assets of $116 million.

Equity

At 30 June 2025, total equity was $4.2 billion (31 December 2024: $4.3 billion). The movement of $113 million was largely driven by dividends declared of $368 million, partially offset by net income of $148 million and net foreign currency translation gains of $103 million.

Borrowings, lease liabilities, net debt and liquidity

Borrowings

At 30 June 2025, total borrowings were $661 million (31 December 2024: $722 million). The decrease of $62 million was driven by scheduled repayments.

A summary of the borrowing facilities available to the Group at 30 June 2025 was as follows:

(in $ millions)	Total facility	Drawn[(a)]	Undrawn	Maturity Date
Multi-currency revolving credit and guarantee facility	600.0	–	600.0	June 2029[(b)]
2021 UK Export Finance (UKEF 2021) facility	275.0	(275.0)	–	February 2028
2023 UK Export Finance (UKEF 2023) facility	450.0	(292.4)	157.6	July 2030[(c)]
South Korean Export Credit Agency (ECA) facility	98.3	(98.3)	–	January 2027[(d)]
Total	**1,423.3**	**(665.7)**	**757.6**	

(a) Borrowings presented in the Condensed Consolidated Balance Sheet are shown net of capitalised fees of $5.2 million, which are amortised over the period of the respective facility.
(b) The Group's multi-currency revolving credit and guarantee facility will reduce to $500 million in June 2028 until maturity in June 2029.
(c) The UKEF 2023 facility has a five-year tenor which commenced on 11 July 2025.
(d) 90% of the facility is provided by an Export Credit Agency (ECA) and 10% by commercial banks. The maturity of the ECA tranche is January 2029 and the maturity of the commercial tranche is January 2027.

Lease liabilities

At 30 June 2025, lease liabilities were $448 million, inclusive of amounts recognised within the disposal group classified as held for sale, a decrease of $7 million compared to 31 December 2024. The decrease was largely driven by scheduled lease payments partially offset by increases associated with long-term vessel charters.

Net debt

At 30 June 2025:

- net debt (excluding lease liabilities) was $247 million compared to $147 million at 31 December 2024; and
- net debt (including lease liabilities) was $695 million, compared to $602 million at 31 December 2024.

Gearing

At 30 June 2025, gross gearing (borrowings divided by total equity) was 15.8% (31 December 2024: 16.8%).

Liquidity
At 30 June 2025, the Group's liquidity, represented by cash and cash equivalents and undrawn borrowing facilities was $1.2 billion (31 December 2024: $1.3 billion).

Shareholder distributions
Dividend
A dividend of NOK 13.00 per share, to be paid in two equal instalments, was approved by the shareholders of Subsea 7 S.A. at the Annual General Meeting on 8 May 2025. The first instalment, equivalent to $184 million, was paid on 22 May 2025 with the second instalment payable on 6 November 2025.

Backlog
At 30 June 2025, backlog was $11.8 billion compared to $10.8 billion at 31 March 2025. During the quarter, order intake was $2.5 billion representing a book-to-bill ratio of 1.4 times and included new awards of approximately $2.0 billion, escalations of approximately $500 million and a favourable foreign exchange impact of approximately $300 million.

$9.9 billion of backlog at 30 June 2025 related to the Subsea and Conventional business unit (which included $1.5 billion related to long-term day-rate contracts for PLSVs in Brazil) and $1.9 billion related to the Renewables business unit. $3.6 billion of the backlog is expected to be executed in 2025, $4.5 billion in 2026 and $3.7 billion in 2027 and thereafter. Backlog related to associates and joint ventures is excluded from these amounts.

Risks and uncertainties
The principal risks and uncertainties which could materially adversely impact the Group's reputation, operations and/or financial performance and position are noted on pages 24 to 41 of Subsea 7 S.A.'s 2024 Annual Report. Management has considered these principal risks and uncertainties and concluded that these have not changed significantly in the six month period ended 30 June 2025.

Responsibility statement
We confirm that, to the best of our knowledge, the financial statements for the period 1 January 2025 to 30 June 2025 have been prepared in accordance with current applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and the Group taken as a whole. We also confirm that, to the best of our knowledge, this report together with the Subsea 7 S.A. 2024 Annual Report include a fair review of the development and performance of the business and the position of the Group, including a description of the principal risks and uncertainties facing the Group.

Kristian Siem	**John Evans**
Chairman	Chief Executive Officer

Subsea 7 S.A.

Condensed Consolidated Income Statement

(in $ millions)	Second Quarter Q2 2025 Unaudited	Second Quarter Q2 2024 Unaudited	Half Year 1H 2025 Unaudited	Half Year 1H 2024 Unaudited
Revenue	**1,755.8**	1,738.9	**3,285.2**	3,134.3
Operating expenses	**(1,500.9)**	(1,542.0)	**(2,868.6)**	(2,856.1)
Gross profit	**254.9**	196.9	**416.6**	278.2
Administrative expenses	**(84.3)**	(68.3)	**(173.3)**	(139.2)
Share of net income of associates and joint ventures	**15.4**	8.1	**19.6**	17.6
Net operating income	**186.0**	136.7	**262.9**	156.6
Finance income	**4.0**	5.9	**8.4**	15.2
Other gains and losses	**31.9**	(8.6)	**3.9**	40.5
Finance costs	**(19.6)**	(29.9)	**(40.7)**	(53.2)
Income before taxes	**202.3**	104.1	**234.5**	159.1
Taxation	**(71.1)**	(41.2)	**(86.6)**	(67.1)
Net income	**131.2**	62.9	**147.9**	92.0
Net income attributable to:				
Shareholders of the parent company	**133.9**	59.1	**153.0**	86.1
Non-controlling interests	**(2.7)**	3.8	**(5.1)**	5.9
	131.2	62.9	**147.9**	92.0

Earnings per share	**$ per share**	$ per share	**$ per share**	$ per share
Basic	**0.45**	0.20	**0.52**	0.29
Diluted[(a)]	**0.45**	0.20	**0.51**	0.29

(a) For the explanation and a reconciliation of diluted earnings per share refer to Note 7 ‘Earnings per share’ to the Condensed Consolidated Financial Statements.

Subsea 7 S.A.
Condensed Consolidated Statement of Comprehensive Income

(in $ millions)	Second Quarter Q2 2025 Unaudited	Second Quarter Q2 2024 Unaudited	Half Year 1H 2025 Unaudited	Half Year 1H 2024 Unaudited
Net income	**131.2**	62.9	**147.9**	92.0
Items that may be reclassified to the income statement in subsequent periods:				
Net foreign currency translation gains/(losses)	**55.7**	12.2	**102.7**	(0.4)
Net commodity cash flow hedge (losses)/gains	**(0.5)**	(0.6)	**(0.9)**	1.2
Share of other comprehensive income of associates and joint ventures	**1.8**	–	**3.4**	–
Tax relating to components of other comprehensive income	**(0.3)**	(0.3)	**(2.0)**	0.6
Other comprehensive income	**56.7**	11.3	**103.2**	1.4
Total comprehensive income	**187.9**	74.2	**251.1**	93.4
Total comprehensive income attributable to:				
Shareholders of the parent company	**189.8**	70.6	**255.3**	87.8
Non-controlling interests	**(1.9)**	3.6	**(4.2)**	5.6
	187.9	74.2	**251.1**	93.4

Subsea 7 S.A.
Condensed Consolidated Balance Sheet

(in $ millions)	30 June 2025 Unaudited	31 Dec 2024 Audited
Assets		
Non-current assets		
Goodwill	**160.5**	183.7
Intangible assets	**104.9**	87.6
Property, plant and equipment	**3,869.1**	3,960.8
Right-of-use assets	**380.9**	400.3
Interest in associates and joint ventures	**377.7**	367.2
Advances and receivables	**57.5**	49.1
Derivative financial instruments	**57.2**	62.9
Other financial assets	**1.1**	1.1
Deferred tax assets	**102.8**	93.6
	5,111.7	5,206.3
Current assets		
Inventories	**54.4**	57.4
Trade and other receivables	**841.9**	663.8
Current tax assets	**163.6**	105.3
Derivative financial instruments	**85.9**	74.1
Assets included in disposal group classified as held for sale	**176.7**	–
Construction contracts – assets	**890.4**	774.1
Other accrued income and prepaid expenses	**219.4**	214.6
Restricted cash	**7.6**	9.5
Cash and cash equivalents	**413.3**	575.3
	2,853.2	2,474.1
Total assets	**7,964.9**	7,680.4
Equity		
Issued share capital	**599.2**	599.2
Treasury shares	**(69.1)**	(69.1)
Paid in surplus	**2,549.5**	2,545.9
Translation reserve	**(532.9)**	(632.7)
Other reserves	**(15.0)**	(17.5)
Retained earnings	**1,609.7**	1,824.6
Equity attributable to shareholders of the parent company	**4,141.4**	4,250.4
Non-controlling interests	**40.4**	44.6
Total equity	**4,181.8**	4,295.0
Liabilities		
Non-current liabilities		
Borrowings	**493.6**	583.8
Lease liabilities	**211.9**	231.1
Retirement benefit obligations	**9.4**	8.1
Deferred tax liabilities	**96.3**	87.3
Provisions	**23.0**	29.1
Contingent liabilities recognised	**0.5**	0.4
Derivative financial instruments	**16.5**	10.7
Other non-current liabilities	**1.0**	1.0
	852.2	951.5
Current liabilities		
Trade and other liabilities	**1,817.8**	1,429.2
Derivative financial instruments	**16.0**	35.3
Tax liabilities	**159.0**	125.0
Borrowings	**166.9**	138.2
Lease liabilities	**215.9**	223.8
Liabilities included in disposal group classified as held for sale	**46.4**	–
Provisions	**62.7**	63.0
Construction contracts – liabilities	**416.4**	392.3
Deferred revenue	**29.8**	27.1
	2,930.9	2,433.9
Total liabilities	**3,783.1**	3,385.4
Total equity and liabilities	**7,964.9**	7,680.4

Subsea 7 S.A.
Condensed Consolidated Statement of Changes in Equity
For the six months ended 30 June 2025

(in $ millions)	Issued share capital	Treasury shares	Paid in surplus	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2025	**599.2**	**(69.1)**	**2,545.9**	**(632.7)**	**(17.5)**	**1,824.6**	**4,250.4**	**44.6**	**4,295.0**
Comprehensive income									
Net income/(loss)	–	–	–	–	–	153.0	153.0	(5.1)	147.9
Net foreign currency translation gains	–	–	–	101.8	–	–	101.8	0.9	102.7
Commodity cash flow hedges	–	–	–	–	(0.9)	–	(0.9)	–	(0.9)
Share of other comprehensive income of associates and joint ventures	–	–	–	–	3.4	–	3.4	–	3.4
Tax relating to components of other comprehensive income	–	–	–	(2.0)	–	–	(2.0)	–	(2.0)
Total comprehensive income	**–**	**–**	**–**	**99.8**	**2.5**	**153.0**	**255.3**	**(4.2)**	**251.1**
Transactions with owners									
Share-based payments	–	–	3.6	–	–	–	3.6	–	3.6
Dividends declared	–	–	–	–	–	(367.9)	(367.9)	–	(367.9)
Total transactions with owners	**–**	**–**	**3.6**	**–**	**–**	**(367.9)**	**(364.3)**	**–**	**(364.3)**
Balance at 30 June 2025	**599.2**	**(69.1)**	**2,549.5**	**(532.9)**	**(15.0)**	**1,609.7**	**4,141.4**	**40.4**	**4,181.8**

Subsea 7 S.A.
Condensed Consolidated Statement of Changes in Equity
For the six months ended 30 June 2024

(in $ millions)	Issued share capital	Treasury shares	Paid in surplus	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2024	**608.6**	**(31.1)**	**2,579.7**	**(607.2)**	**(7.3)**	**1,780.3**	**4,323.0**	**34.1**	**4,357.1**
Comprehensive income									
Net income	–	–	–	–	–	86.1	86.1	5.9	92.0
Net foreign currency translation losses	–	–	–	(0.1)	–	–	(0.1)	(0.3)	(0.4)
Commodity cash flow hedges	–	–	–	–	1.2	–	1.2	–	1.2
Tax relating to components of other comprehensive income	–	–	–	0.6	–	–	0.6	–	0.6
Total comprehensive income	**–**	**–**	**–**	**0.5**	**1.2**	**86.1**	**87.8**	**5.6**	**93.4**
Transactions with owners									
Dividend declared	–	–	–	–	–	(163.7)	(163.7)	–	(163.7)
Share repurchased	–	(34.1)	–	–	–	–	(34.1)	–	(34.1)
Share cancellation	(4.2)	17.5	(13.3)	–	–	–	–	–	–
Share-based payments	–	–	2.6	–	–	–	2.6	–	2.6
Reclassification adjustment relating to ownership interests	–	–	–	(6.4)	–	5.3	(1.1)	(4.1)	(5.2)
Total transactions with owners	**(4.2)**	**(16.6)**	**(10.7)**	**(6.4)**	**–**	**(158.4)**	**(196.3)**	**(4.1)**	**(200.4)**
Balance at 30 June 2024	**604.4**	**(47.7)**	**2,569.0**	**(613.1)**	**(6.1)**	**1,708.0**	**4,214.5**	**35.6**	**4,250.1**

Subsea 7 S.A.

Condensed Consolidated Cash Flow Statement

(in $ millions)	Half Year 30 June 2025 Unaudited	Half Year 30 June 2024 Unaudited
Operating activities		
Income before taxes	**234.5**	159.1
Adjustments for non-cash items:		
Depreciation and amortisation charges	**334.8**	297.5
Movement in foreign exchange embedded derivatives	**(1.6)**	(98.6)
Adjustments for investing and financing items:		
Share of net income of associates and joint ventures	**(19.6)**	(17.6)
Net gain on disposal of property, plant and equipment and maturity of lease liabilities	**(1.6)**	(0.3)
Remeasurement loss on business combination	**–**	0.9
Finance income	**(8.4)**	(15.2)
Finance costs	**40.7**	53.2
Adjustments for equity items:		
Share-based payments	**3.6**	2.6
	582.4	381.6
Changes in working capital:		
Increase in inventories	**(0.7)**	(4.6)
(Increase)/decrease in trade and other receivables	**(154.8)**	9.9
Decrease/(increase) in construction contract – assets	**65.8**	(213.1)
Increase in other working capital assets	**(3.9)**	(65.1)
Increase in trade and other liabilities	**115.9**	167.4
Decrease in construction contract – liabilities	**(108.2)**	(54.6)
Decrease in other working capital liabilities	**(18.5)**	(7.9)
Net movement in working capital	**(104.4)**	(168.0)
Income taxes paid	**(87.8)**	(39.5)
Net cash generated from operating activities	**390.2**	174.1
Cash flows used in investing activities		
Proceeds from disposal of property, plant and equipment	**–**	58.7
Purchases of property, plant and equipment and intangible assets	**(168.9)**	(138.1)
Investments in associates and joint ventures	**–**	(153.3)
Interest received	**8.4**	14.2
Acquisition of business (net of cash acquired)	**(2.8)**	–
Dividends received from associates and joint ventures	**14.4**	–
Net cash used in investing activities	**(148.9)**	(218.5)
Cash flows used in financing activities		
Interest paid	**(29.8)**	(41.8)
Proceeds from borrowings	**50.0**	–
Repayment of borrowings	**(112.4)**	(62.4)
Cost of share repurchases	**–**	(34.1)
Payments related to lease liabilities – principal	**(122.4)**	(86.7)
Payments related to lease liabilities – interest	**(13.7)**	(17.5)
Payments to non-controlling interests	**–**	(6.4)
Dividends paid to shareholders of the parent company	**(183.9)**	(82.0)
Net cash used in financing activities	**(412.2)**	(330.9)
Net decrease in cash and cash equivalents	**(170.9)**	(375.3)
Cash and cash equivalents at beginning of year	**575.3**	750.9
Decrease/(increase) in restricted cash	**1.9**	(80.5)
Effect of foreign exchange rate movements on cash and cash equivalents	**7.0**	(5.5)
Cash and cash equivalents at end of period	**413.3**	289.6

1. General information

Subsea 7 S.A. is a company registered in Luxembourg whose common shares trade on the Oslo Børs and over-the-counter as American Depositary Receipts (ADRs) in the US. The address of the registered office is 412F, route d'Esch, L-1471 Luxembourg. The Condensed Consolidated Financial Statements were authorised for issue by the Board of Directors on 30 July 2025.

2. Basis of preparation

The Condensed Consolidated Financial Statements for the period from 1 January 2025 to 30 June 2025 for Subsea 7 S.A. have been prepared on a going concern basis and in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU).

The Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements for the year ended 31 December 2024 which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The Condensed Consolidated Financial Statements are unaudited.

3. Accounting policies

Basis of accounting

The accounting policies adopted in the preparation of the Condensed Consolidated Financial Statements are consistent with the Consolidated Financial Statements for the year ended 31 December 2024.

No new International Financial Reporting Standards (IFRSs) were adopted by the Group for the financial year beginning 1 January 2025. Amendments to existing IFRSs, issued with an effective date of 1 January 2025 but not yet endorsed by the EU, will be adopted by the Group following their adoption by the EU.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies which are described in the Consolidated Financial Statements for the year ended 31 December 2024, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other assumptions that management believes to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised.

Management makes accounting judgements on the following aspects of the business as described in full in the Annual Report for the year ended 31 December 2024:

- Revenue recognition
- Goodwill carrying amount
- Property, plant and equipment
- Recognition of provisions and disclosure of contingent liabilities
- Taxation

5. Seasonality

A significant portion of the Group's revenue is generated from work performed offshore. During certain periods of the year, the Group may be affected by adverse weather conditions such as hurricanes, tropical storms and rough seas, which may cause delays. In the Northern Hemisphere seasonally adverse weather occurs typically during the period from October to March, whereas in the Southern Hemisphere it typically occurs during the period from May to September. Depending on project execution, each can affect the Group's offshore operations. Periods of adverse weather conditions usually result in low levels of activity.

6. Segment information

For management and reporting purposes, the Group is organised into three business units; Subsea and Conventional, Renewables and Corporate. These business units represent the Group's operating segments and are defined as follows:

Subsea and Conventional

The Subsea and Conventional business unit includes:

- subsea umbilicals, risers and flowlines (SURF) activities related to the engineering, procurement, installation and commissioning of highly complex subsea oil and gas systems in deep waters, including the long-term contracts for PLSVs in Brazil;
- conventional services including the fabrication, installation, extension and refurbishment of fixed and floating platforms and associated pipelines in shallow water environments;
- activities associated with the provision of inspection, repair and maintenance (IRM) services, integrity management of subsea infrastructure and remote intervention support;
- activities associated with heavy lifting operations and decommissioning of redundant offshore structures;
- activities associated with carbon capture, utilisation and storage (CCUS); and
- share of net income of the Group's associate, OneSubsea.

This segment includes costs, including depreciation, amortisation and impairment charges, related to owned and long-term leased vessels, equipment and offshore personnel deployed in Subsea and Conventional activities.

Renewables

The Renewables business unit comprises activities related to the delivery of fixed offshore wind farm projects and floating wind activities. Activities include the procurement and installation of offshore wind turbine foundations and inner-array cables as well as heavy lifting operations and heavy transportation services for renewables structures. This segment includes costs, including depreciation, amortisation and impairment charges, related to owned and long-term leased vessels, equipment and offshore personnel deployed in Renewables activities.

Corporate

The Corporate business unit includes group-wide activities, and associated costs, including captive insurance activities, operational support, corporate services and costs associated with discrete events such as restructuring. The Corporate business unit also includes the results of the Group's autonomous subsidiaries, Xodus and 4Subsea, and its activities in emerging energies such as hydrogen. A significant portion of the Corporate business unit's costs are allocated to the Subsea and Conventional and Renewables business units based on a percentage of external revenue.

Summarised financial information relating to each operating segment is as follows:

For the three months ended 30 June 2025

(in $ millions) Unaudited	Subsea and Conventional	Renewables	Corporate	Total
Revenue				
Fixed-price contracts	**1,201.7**	**305.9**	**4.4**	**1,512.0**
Day-rate contracts	**216.2**	**0.9**	**26.7**	**243.8**
	1,417.9	**306.8**	**31.1**	**1,755.8**
Net operating income	**165.0**	**20.4**	**0.6**	**186.0**
Finance income				**4.0**
Other gains and losses				**31.9**
Finance costs				**(19.6)**
Income before taxes				**202.3**
Adjusted EBITDA[(a)]	***301.2***	***53.4***	***5.1***	***359.7***
Adjusted EBITDA margin[(a)]	***21.2%***	***17.4%***	***16.4%***	***20.5%***

For the three months ended 30 June 2024

(in $ millions) Unaudited	Subsea and Conventional	Renewables	Corporate	Total
Revenue				
Fixed-price contracts	1,274.9	267.2	3.8	1,545.9
Day-rate contracts	158.6	13.4	21.0	193.0
	1,433.5	280.6	24.8	1,738.9
Net operating income	126.3	7.9	2.5	136.7
Finance income				5.9
Other gains and losses				(8.6)
Finance costs				(29.9)
Income before taxes				104.1
Adjusted EBITDA[(a)]	*246.7*	*38.1*	*6.8*	*291.6*
Adjusted EBITDA margin[(a)]	*17.2%*	*13.6%*	*27.4%*	*16.8%*

(a) Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. For explanations and reconciliations of Adjusted EBITDA and Adjusted EBITDA margin refer to the 'Alternative Performance Measures' section of the Condensed Consolidated Financial Statements.

6. Segment information continued

For the six months ended 30 June 2025

(in $ millions) Unaudited	Subsea and Conventional	Renewables	Corporate	Total
Revenue				
Fixed-price contracts	**2,321.4**	**551.0**	**8.5**	**2,880.9**
Day-rate contracts	**357.0**	**1.0**	**46.3**	**404.3**
	2,678.4	**552.0**	**54.8**	**3,285.2**
Net operating income/(loss)	**263.7**	**15.5**	**(16.3)**	**262.9**
Finance income				**8.4**
Other gains and losses				**3.9**
Finance costs				**(40.7)**
Income before taxes				**234.5**
Adjusted EBITDA[(a)]	***525.9***	***78.0***	***(7.8)***	***596.1***
Adjusted EBITDA margin[(a)]	***19.6%***	***14.1%***	***(14.2%)***	***18.1%***

For the six months ended 30 June 2024

(in $ millions) Unaudited	Subsea and Conventional	Renewables	Corporate	Total
Revenue				
Fixed-price contracts	2,316.1	438.7	7.5	2,762.3
Day-rate contracts	306.3	20.6	45.1	372.0
	2,622.4	459.3	52.6	3,134.3
Net operating income/(loss)	173.4	(16.4)	(0.4)	156.6
Finance income				15.2
Other gains and losses				40.5
Finance costs				(53.2)
Income before taxes				159.1
Adjusted EBITDA[(a)]	*406.3*	*39.3*	*8.2*	*453.8*
Adjusted EBITDA margin[(a)]	*15.5%*	*8.6%*	*15.6%*	*14.5%*

(a) Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. For explanations and reconciliations of Adjusted EBITDA and Adjusted EBITDA margin refer to the 'Alternative Performance Measures' section of the Condensed Consolidated Financial Statements.

7. Earnings per share

Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the net income attributable to shareholders of the parent company by the weighted average number of common shares in issue during the period, excluding common shares purchased by the Group and held as treasury shares.

Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all potentially dilutive common shares. The net income and share data used in the calculation of basic and diluted earnings per share were as follows:

	Second Quarter		Half Year	
For the period (in $ millions)	**Q2 2025 Unaudited**	Q2 2024 Unaudited	**1H 2025 Unaudited**	1H 2024 Unaudited
Net income attributable to shareholders of the parent company	**133.9**	59.1	**153.0**	86.1
Earnings used in the calculation of diluted earnings per share	**133.9**	59.1	**153.0**	86.1

	Second Quarter		Half Year	
For the period (number of shares)	**Q2 2025 Unaudited**	Q2 2024 Unaudited	**1H 2025 Unaudited**	1H 2024 Unaudited
Weighted average number of common shares used in the calculation of basic earnings per share	**295,613,936**	298,938,990	**295,613,936**	299,559,437
Performance shares	**1,607,179**	1,025,320	**1,606,619**	979,979
Weighted average number of common shares used in the calculation of diluted earnings per share	**297,221,115**	299,964,310	**297,220,555**	300,539,416

	Second Quarter		Half Year	
For the period (in $ per share)	**Q2 2025 Unaudited**	Q2 2024 Unaudited	**1H 2025 Unaudited**	1H 2024 Unaudited
Basic earnings per share	**0.45**	0.20	**0.52**	0.29
Diluted earnings per share	**0.45**	0.20	**0.51**	0.29

The following shares that could potentially dilute earnings per share were excluded from the calculation of diluted earnings per share due to being anti-dilutive:

	Second Quarter		Half Year	
For the period (number of shares)	**Q2 2025 Unaudited**	Q2 2024 Unaudited	**1H 2025 Unaudited**	1H 2024 Unaudited
Performance shares	**1,238,028**	836,248	**1,238,588**	881,588

8. Goodwill

The movement in goodwill during the period was as follows:

(in $ millions)	**1H 2025 Unaudited**	1H 2024 Unaudited
At year beginning	**183.7**	192.2
Additions	**1.8**	–
Assets included in disposal group classified as held for sale	**(30.2)**	–
Exchange differences	**5.2**	(0.4)
At period end	**160.5**	191.8

On 21 February 2025, an indirect subsidiary of Subsea 7 S.A. acquired the entire share capital of Daymark Energy Advisors Inc. The transaction resulted in the recognition of a provisional amount of goodwill of $1.8 million.

At 30 June 2025, goodwill of $30.2 million was recognised within a disposal group classified as held for sale, as disclosed in Note 9 'Disposal group classified as held for sale' to the Condensed Consolidated Financial Statements.

9. Disposal group classified as held for sale

At 30 June 2025, the Group recognised certain assets and liabilities as a disposal group classified as held for sale.

(in $ millions)	30 June 2025 Unaudited
Assets	
Goodwill	30.2
Property, plant and equipment	89.0
Right-of-use assets	16.0
Inventories	5.2
Trade, other receivables, and construction contract – assets	36.3
Assets included in disposal group classified as held for sale	**176.7**
Liabilities	
Non-current lease liabilities	10.4
Current lease liabilities	9.6
Trade, other liabilities, and construction contract – liabilities	26.4
Liabilities included in disposal group classified as held for sale	**46.4**

In connection with a planned business divestment, management expect to dispose of the assets and liabilities recognised in the disposal group classified as held for sale during the second half of 2025.

10. Treasury shares

At 30 June 2025, the Company directly held 3,986,064 shares (31 March 2025: 3,986,064) as treasury shares, representing 1.33% (31 March 2025: 1.33%) of the total number of issued shares. The movement in treasury shares during the period was as follows:

	30 June 2025 Number of shares Unaudited	30 June 2025 in $ millions Unaudited	30 June 2024 Number of shares Unaudited	30 June 2024 in $ millions Unaudited
At year beginning	**3,986,064**	**69.1**	3,839,804	31.1
Shares repurchased	**–**	**–**	2,106,000	34.1
Shares cancelled	**–**	**–**	(2,106,000)	(17.5)
At period end	**3,986,064**	**69.1**	3,839,804	47.7

11. Commitments and contingent liabilities

Commitments

At 30 June 2025, the Group had contractual capital commitments totalling $77.5 million (31 December 2024: $88.4 million).

Contingent liabilities not recognised in the Consolidated Balance Sheet

The Group is subject to tax audits and receives tax assessments in a number of jurisdictions where it has, or has had, operations. The estimation of the ultimate outcome of these audits and disputed tax assessments is complex and subjective. The likely outcome of the audits and associated cash outflow, if any, may be impacted by technical uncertainty and the availability of supporting documentation.

The Group's operations in Mexico are subject to tax audits across several years. At 30 June 2025, the amount assessed by the Mexican tax authorities in relation to 2014, including penalties and interest, was MXN 3,639.3 million, equivalent to $192.3 million (31 December 2024: MXN 3,639.3 million, equivalent to $179.2 million). At 30 June 2025, a provision of MXN 143.1 million, equivalent to $7.6 million was recognised within the Consolidated Balance Sheet (31 December 2024: MXN 143.1 million, equivalent to $7.0 million) as the IAS 37 'Provisions, contingent liabilities and contingent assets' recognition criteria were met. At 30 June 2025, a contingent liability of MXN 589.4 million, equivalent to $31.1 million (31 December 2024: MXN 589.4 million, equivalent to $29.0 million), has been disclosed related to the 2014 assessment as the disclosure criteria have been met however management and local advisors supporting in the audit believe that the likelihood of payment is not probable.

Between 2009 and 2025, the Group's Brazilian businesses were audited and formally assessed for ICMS and federal taxes (including import duty) by the Brazilian state and federal tax authorities. The amount assessed, including penalties and interest, at 30 June 2025 amounted to BRL 935.5 million, equivalent to $169.7 million (31 December 2024: BRL 897.0 million, equivalent to $142.5 million). The Group has challenged these assessments. A contingent liability has been disclosed for the total amounts assessed as the disclosure criteria have been met however management believes that the likelihood of payment is not probable.

Between 2018 and 2025, the Group's Brazilian business received several labour claims. The amount assessed at 30 June 2025 amounted to BRL 149.7 million, equivalent to $27.2 million (31 December 2024: BRL 166.3 million, equivalent to $26.5 million). The Group has challenged these claims. A contingent liability has been disclosed for BRL 104.6 million, equivalent to $19.0 million as the disclosure criteria have been met (31 December 2024: BRL 115.0 million, equivalent to $18.3 million), however, management believes that the likelihood of payment is not probable. At 30 June 2025, a provision of BRL 45.1 million, equivalent to $8.2 million was recognised within the Consolidated Balance Sheet (31 December 2024: BRL 51.3 million, equivalent to $8.2 million), as the IAS 37 'Provisions, contingent liabilities and contingent assets' recognition criteria were met.

Contingent liabilities recognised in the Consolidated Balance Sheet

As part of the accounting for the business combination of Pioneer Lining Technology Limited, IFRS 3 required the Group to recognise a provision in respect of contingent consideration payable to a third party following the acquisition of intangible assets in 2009. The value of the provision recognised within the Consolidated Balance Sheet at 30 June 2025 was $0.5 million (31 December 2024: $0.4 million). While complying with the requirements of IFRS 3, management continues to believe that payment relating to the remaining recognised contingent liabilities is not probable.

12. Fair value and financial instruments

The carrying values of the Group's financial assets and financial liabilities recorded at amortised cost in the Condensed Consolidated Financial Statements approximate their fair values.

Borrowings

Fair value is determined by matching the maturity profile of amounts utilised under each facility to market interest rates available to the Group for borrowings with similar security, maturity and repayment profiles. At 30 June 2025, interest charged under each facility is representative of market rates currently available to the Group and therefore the carrying amount approximates fair value.

Fair value measurements

Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Recurring and non-recurring fair value measurements

Recurring fair value measurements are those that IFRS require at the end of each reporting period and non-recurring fair value measurements are those that IFRS require or permit in particular circumstances.

Assets and liabilities which are measured at fair value in the Consolidated Balance Sheet and their level in the fair value hierarchy were as follows:

At (in $ millions)	**2025 30 Jun Level 1**	**2025 30 Jun Level 2**	**2025 30 Jun Level 3**	2024 31 Dec Level 1	2024 31 Dec Level 2	2024 31 Dec Level 3
Recurring fair value measurements						
Financial assets:						
Financial assets measured at fair value through profit and loss – embedded derivatives	**–**	**130.0**	**–**	–	136.6	–
Financial assets measured at fair value through profit and loss – forward foreign exchange contracts	**–**	**13.1**	**–**	–	0.4	–
Financial liabilities:						
Financial liabilities measured at fair value through profit and loss – embedded derivatives	**–**	**(28.3)**	**–**	–	(36.5)	–
Financial liabilities measured at fair value through profit and loss – forward foreign exchange contracts	**–**	**(1.1)**	**–**	–	(6.1)	–
Financial liabilities measured at fair value through profit and loss – commodity derivatives	**–**	**(0.7)**	**–**	–	(0.4)	–
Financial liabilities measured at fair value through other comprehensive income – commodity derivatives	**–**	**(2.4)**	**–**	–	(3.0)	–
Contingent consideration	**–**	**–**	**(0.6)**	–	–	(0.5)

During the period ended 30 June 2025 there were no transfers between levels of the fair value hierarchy. The Group accounts for transfers between levels of the fair value hierarchy from the date of the event or change in circumstance that caused the transfer.

Non-recurring fair value measurements

In accordance with IFRS 5 'Non-current assets held for sale and discontinued operations', no impairment charges were recognised on the carrying value of assets included in a disposal group classified as held for sale. These assets were measured within Level 3 of the fair value hierarchy. Further details are disclosed in Note 9 'Disposal group classified as held for sale' to the Condensed Consolidated Financial Statements.

12. Fair value and financial instruments continued

Fair value techniques and inputs

Financial assets and liabilities mandatorily measured at fair value through profit or loss

The Group's financial assets and liabilities measured at fair value through profit or loss comprised:

- Forward foreign exchange contracts and embedded derivatives
  The fair value of outstanding forward foreign exchange contracts and embedded derivatives were calculated using quoted foreign exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.
- Contingent consideration
  The fair value of contingent consideration is determined based on current expectations of the achievement of specific targets and milestones and calculated using the discounted cash flow method and unobservable inputs.

Financial assets and liabilities measured at fair value through other comprehensive income

The Group's financial assets and liabilities measured at fair value through other comprehensive income comprised:

- Commodity derivatives in designed hedge accounting relationships
  The fair value of outstanding commodity contracts were calculated using quoted commodity rates matching maturities of the contracts.

Financial assets measured at fair value through other comprehensive income and designated as such at initial recognition

The Group's financial assets measured at fair value through other comprehensive income and designated as such at initial recognition comprised:

- Other financial assets
  Strategic financial investments in unlisted companies are disclosed as other financial assets within non-current assets on the Consolidated Balance Sheet. Management concluded that due to the nature of these investments, there are a wide range of possible fair value measurements and in some cases, there may be insufficient recent information available to enable the Group to accurately measure fair value. Management review investments annually to ensure the carrying value can be supported by expected future cash flows and have concluded cost is considered to represent the best estimate of fair value of each investment within a range of possible outcomes.

13. Events after the reporting period

Proposed merger

On 24 July 2025, Subsea 7 S.A. and Saipem S.p.A. announced that they have entered into a binding merger agreement, confirming the terms of the combination of the two companies, following on from the signing of the memorandum of understanding on 23 February 2025. The combination of Saipem S.p.A. and Subsea 7 S.A. will create a global leader in energy services. Completion of the proposed combination is anticipated to occur in the second half of 2026.

Proposed dividends

At the Extraordinary General Meeting on 25 September 2025, the Board of Directors will propose that the shareholders of Subsea 7 S.A. approve an extraordinary cash dividend of €450 million, to be paid in NOK per share, in accordance with the terms of the merger with Saipem S.p.A., conditional on completion of the merger and expected to be paid immediately before the merger effective date.

Additionally, at the Extraordinary General Meeting on 25 September 2025, the Board of Directors will propose that the shareholders of Subsea 7 S.A. approve a special cash dividend of €105 million, connected with a business divestment, to be paid in NOK per share, to be paid at the earlier of closing the business divestment or immediately before the merger effective date.

Alternative Performance Measures (APMs) - definitions

The Group uses Alternative Performance Measures (APMs) when evaluating financial performance, financial position and cash flows which are not defined or specified under International Financial Reporting Standards (IFRS), as adopted by the EU. Management considers that these non-IFRS measures, which are not a substitute for nor superior to IFRS measures, provide stakeholders with additional information to further understand the Group's financial performance, financial position and cash flows.

APM	Description	Closest equivalent IFRS measure	Adjustments to reconcile to primary financial statements	Rationale for utilising APM
Income Statement APMs				
Adjusted EBITDA and Adjusted EBITDA margin	Adjusted earnings before interest, taxation, depreciation and amortisation represents net income/(loss) before additional specific items that are considered to impact the comparison of the Group's performance either period-on-period or with other businesses. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue, expressed as a percentage.	Net income/(loss)	Net income/(loss) adjusted to exclude depreciation and amortisation costs, including amortisation of prepaid mobilisation expenses and amortisation of intangible assets, impairment charges or impairment reversals, gains and losses on disposal of property, plant and equipment and maturity of lease liabilities, finance income, remeasurement gains and losses on business combinations, other gains and losses (including foreign exchange gains and losses, gains on disposal of subsidiaries, gains and losses resulting from remeasurement of contingent consideration, gains on distributions and bargain purchase gains on business combinations), finance costs and taxation.	Adjusted EBITDA and Adjusted EBITDA margin are important indicators of the operational strength and the performance of the Group and provide a meaningful comparative for its business units. The presentation of Adjusted EBITDA is also useful as it is similar to measures used by companies within Subsea7's peer group. Adjusted EBITDA margin may also be a useful ratio to compare performance to the Group's competitors and is widely used by shareholders and analysts. Notwithstanding the foregoing, Adjusted EBITDA and Adjusted EBITDA margin as presented by the Group may not be comparable to similarly titled measures reported by other companies.
Effective tax rate (ETR)	The effective tax rate is expressed as a percentage, calculated as the taxation expense/(credit) divided by the income/(loss) before taxes.	Taxation	n/a	Provides a useful and relevant measure of the effectiveness of the Group's tax strategy and tax planning.
Balance Sheet APM				
Net cash/(debt) excluding lease liabilities and net cash/(debt) including lease liabilities	Net cash/(debt) is defined as cash and cash equivalents less borrowings. The Group utilises both net cash/(debt) excluding lease liabilities and net cash/(debt) including lease liabilities as financial position measures.	No direct equivalent	Calculated as cash and cash equivalent less borrowings (current and non-current). The measure may exclude lease liabilities (current and non-current) or include them.	Net cash/(debt) provides a meaningful and reliable basis to evaluate financial strength and liquidity of the Group.

Cash flow APMs				
Cash conversion	Cash conversion is defined as net cash generated from/(used in) operating activities, add back income taxes paid, divided by Adjusted EBITDA.	No direct equivalent	Calculated as net cash generated from/(used in) operating activities in the Group's Consolidated Cash Flow Statement, add back income taxes paid and divided by Adjusted EBITDA.	Cash conversion is a financial management tool to determine the efficiency of the Group's ability to generate cash from its operating activities.
Free cash flow	Free cash flow is defined as net cash generated from/(used in) operating activities less purchases of property, plant and equipment and intangible assets.	No direct equivalent	Calculated as net cash generated from/(used in) operating activities from the Group's Consolidated Cash Flow Statement less purchases of property, plant and equipment and intangible assets.	Free cash flow is a relevant metric for shareholders and analysts when determining cash available to the Group to invest or potentially distribute.
Other APMs				
Backlog	Backlog represents expected future revenue from projects. Awards to associates and joint ventures are excluded from backlog figures, unless otherwise stated. Despite being a non-IFRS term, the Group recognises backlog in accordance with the requirements of IFRS 15, 'Revenue from Contracts with Customers', which represents revenue expected to be recognised in the future related to performance obligations which are unsatisfied, or partially unsatisfied, at the reporting date.	Transaction price allocated to the remaining performance obligations	n/a	Utilising the term backlog is in accordance with expected industry-wide terminology. It is similarly used by companies within Subsea7's peer group and is a helpful term for those evaluating companies within Subsea7's industry. Backlog may also be useful to compare performance with competitors and is widely used by shareholders and analysts. Notwithstanding this, backlog presented by the Group may not be comparable to similarly titled measures reported by other companies.
Order intake	Order intake represents new project awards plus escalations on existing projects.	No direct equivalent	n/a	Order intake is in accordance with expected industry-wide terminology and primarily enables the book-to-bill APM to be calculated.
Book-to-bill ratio	Book-to-bill ratio represents total order intake divided by revenue for the reporting period.	No direct equivalent	n/a	The book-to-bill metric is widely used in the energy sector by shareholders and analysts and is a helpful term for those evaluating companies within Subsea7's industry. Notwithstanding this, the book-to-bill ratio presented by the Group may not be comparable to similarly titled measures reported by other companies.

Alternative Performance Measures - calculations

1a. Reconciliation of net operating income to Adjusted EBITDA and Adjusted EBITDA margin

	Second Quarter		Half Year	
For the period (in $ millions)	**Q2 2025 Unaudited**	Q2 2024 Unaudited	**1H 2025 Unaudited**	1H 2024 Unaudited
Net operating income	**186.0**	136.7	**262.9**	156.6
Depreciation, amortisation and mobilisation	**175.3**	155.5	**334.8**	297.5
Net gain on disposal of property, plant and equipment and maturity of lease liabilities	**(1.6)**	(0.6)	**(1.6)**	(0.3)
Adjusted EBITDA	**359.7**	291.6	**596.1**	453.8
Revenue	**1,755.8**	1,738.9	**3,285.2**	3,134.3
Adjusted EBITDA margin	**20.5%**	16.8%	**18.1%**	14.5%

1b. Reconciliation of net income to Adjusted EBITDA and Adjusted EBITDA margin

	Second Quarter		Half Year	
For the period (in $ millions)	**Q2 2025 Unaudited**	Q2 2024 Unaudited	**1H 2025 Unaudited**	1H 2024 Unaudited
Net income	**131.2**	62.9	**147.9**	92.0
Depreciation, amortisation and mobilisation	**175.3**	155.5	**334.8**	297.5
Net gain on disposal of property, plant and equipment and maturity of lease liabilities	**(1.6)**	(0.6)	**(1.6)**	(0.3)
Finance income	**(4.0)**	(5.9)	**(8.4)**	(15.2)
Other gains and losses	**(31.9)**	8.6	**(3.9)**	(40.5)
Finance costs	**19.6**	29.9	**40.7**	53.2
Taxation	**71.1**	41.2	**86.6**	67.1
Adjusted EBITDA	**359.7**	291.6	**596.1**	453.8
Revenue	**1,755.8**	1,738.9	**3,285.2**	3,134.3
Adjusted EBITDA margin	**20.5%**	16.8%	**18.1%**	14.5%

2. Effective tax rate

	Second Quarter		Half Year	
For the period (in $ millions)	**Q2 2025 Unaudited**	Q2 2024 Unaudited	**1H 2025 Unaudited**	1H 2024 Unaudited
Taxation	**(71.1)**	(41.2)	**(86.6)**	(67.1)
Income before taxation	**202.3**	104.1	**234.5**	159.1
Effective tax rate (percentage)	**35.1%**	39.6%	**36.9%**	42.2%

3. Net debt excluding lease liabilities and net debt including lease liabilities

At (in $ millions)	**30 June 2025 Unaudited**	30 June 2024 Unaudited
Cash and cash equivalents	**413.3**	289.6
Total borrowings	**(660.5)**	(783.4)
Net debt excluding lease liabilities	**(247.2)**	(493.8)
Total lease liabilities[(a)]	**(447.8)**	(533.3)
Net debt including lease liabilities	**(695.0)**	(1,027.1)

(a) Total lease liabilities at 30 June 2025 are inclusive of lease liabilities of $20 million recognised within the disposal group classified as held for sale.

4. Cash conversion

For the period (in $ millions)	Second Quarter Q2 2025 Unaudited	Q2 2024 Unaudited	Half Year 1H 2025 Unaudited	1H 2024 Unaudited
Net cash generated from operating activities	**339.1**	187.3	**390.2**	174.1
Income taxes paid	**54.8**	26.4	**87.8**	39.5
	393.9	213.7	**478.0**	213.6
Adjusted EBITDA	**359.7**	291.6	**596.1**	453.8
Cash conversion	**1.1x**	0.7x	**0.8x**	0.5x

5. Free cash flow

For the period (in $ millions)	Second Quarter Q2 2025 Unaudited	Q2 2024 Unaudited	Half Year 1H 2025 Unaudited	1H 2024 Unaudited
Net cash generated from operating activities	**339.1**	187.3	**390.2**	174.1
Purchases of property, plant and equipment and intangible assets	**(92.8)**	(55.2)	**(168.9)**	(138.1)
Free cash flow	**246.3**	132.1	**221.3**	36.0

6. Backlog

IFRS 15 'Revenue from Contracts with Customers' disclosure in relation to remaining performance obligations is contained in the 'Construction contracts' note, in the Group's 2024 Annual Report. Unless otherwise stated, backlog and remaining performance obligations, as required by IFRS 15, will be the same number. Backlog by year of execution is as follows:

At (in $ millions)	30 June 2025 Unaudited	30 June 2024 Unaudited
Total backlog	**11,823.3**	12,543.8
Expected year of execution:		
2024	**–**	3,339.3
2025	**3,571.4**	4,907.3
2026	**4,472.7**	2,319.7
2027	**2,308.4**	1,977.5
2028 and thereafter	**1,470.8**	–

6b. Backlog reconciliation

(in $ millions)	Second Quarter Q2 2025 Unaudited	Q2 2024 Unaudited	Half Year 1H 2025 Unaudited	1H 2024 Unaudited
At period beginning	**10,818.7**	10,428.6	**11,174.7**	10,586.8
Order intake	**2,493.5**	4,002.8	**3,372.9**	5,328.2
Revenue	**(1,755.8)**	(1,738.9)	**(3,285.2)**	(3,134.3)
Effect of foreign exchange rate movements	**266.9**	(148.7)	**560.9**	(236.9)
At period end	**11,823.3**	12,543.8	**11,823.3**	12,543.8

7. Order intake

For the period (in $ millions)	Second Quarter Q2 2025 Unaudited	Q2 2024 Unaudited	Half Year 1H 2025 Unaudited	1H 2024 Unaudited
New project awards	**2,029.5**	3,806.6	**2,425.7**	4,642.6
Escalations on existing projects	**464.0**	196.2	**947.2**	685.6
Order intake	**2,493.5**	4,002.8	**3,372.9**	5,328.2

8. Book-to-bill ratio

For the period (in $ millions)	Second Quarter Q2 2025 Unaudited	Q2 2024 Unaudited	Half Year 1H 2025 Unaudited	1H 2024 Unaudited
Order intake	**2,493.5**	4,002.8	**3,372.9**	5,328.2
Revenue	**1,755.8**	1,738.9	**3,285.2**	3,134.3
Book-to-bill ratio	**1.4x**	2.3x	**1.0x**	1.7x