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DEME Half Year 2025 Results

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Carl Vanden Bussche: Good morning, ladies and gentlemen. I am Carl Vanden Bussche, Head of Investor Relations at DEME. It is my pleasure to welcome you to DEME's Half-Year Analyst and Investor earnings call and our webcast.

Joining me today are DEME's Chief Executive, Mr Luc Vandenbulcke, and our CFO, Mr Stijn Gaytant. Both Luc and Stijn will take you through the presentation, which will be visible on screen during the webcast and also accessible on DEME's Investor Portal.

Slide two briefly outlines the agenda. Luc will kick off with the executive summary, after which both Stijn and Luc will further elaborate on the Group's financial results for the half-year; the performance of our four segments; DEME's progress in the ESG domain, and then Luc will wrap up with the outlook. After the presentation we will open up for the Q&A round, giving you the opportunity to ask questions directly to our management.

Without further delay, I'll hand over to Luc for the executive summary.

Luc Vandenbulcke: Thank you, Carl, and good morning, everyone. I am absolutely proud of our first half of the year performance. Once again, we have achieved record profitability and that despite the unpredictable and unstable market conditions.

These results clearly demonstrate the power of the One DEME team. Every day, our employees work tirelessly to deliver incredibly complex projects to our clients worldwide. I would wholeheartedly like to thank them for their continuous efforts. It is therefore with great pride, that I will now share the key first-half highlights with you.

The turnover grew by 10%, surpassing the €2 billion mark, in another milestone achievement. This growth was mainly driven by the Offshore Energy segment, where revenue rose 27% year-over-year as a result of strong demand, high fleet utilisation, and most of all, effective project execution.

EBITDA for the Group climbed to €464 million for an EBITDA margin of almost 22%, and that compared to €345 million, for an 18% margin, in the first half of 2024. The Group EBITDA margin was also fuelled by an outstanding profit-performance by the Offshore Energy segment.

Net Profit rose to €179 million, up from €141 million a year ago. The order book was at €7.5 billion, and that is in line with the €7.6 billion level of last year. This is made up from a combination of follow-on orders, maintenance work, smaller projects and also reflects the addition of Havfram's order book. Because as I assume most of you will know DEME acquired Havfram, a Norwegian offshore wind contractor, and that in April of this year.

This acquisition strengthens our offshore wind footprint, particularly when it comes to expanding our turbine and foundation installation capabilities. The company has two vessels under construction, the first of which is on schedule for delivery at the end of this year and the second one, early 2026. Both vessels are already contracted for projects as you know in 2026.

I believe, the Havfram acquisition to be a nice example of DEME's willingness to invest in its future and targeting the right strategic decisions at the right time, in turn allowing us to deliver sustainable, profitable results like the ones we are presenting today.

Based on this solid first-half, combined with a robust outlook for the remainder of '25, management expects full-year turnover to at least be in line with 2024 and we expect the full-year EBITDA margin now to slightly exceed 20%.

Now before handing over to Stijn, I'd like to share a preview of our new vessel, the Norse Wind. What you see here is the Havfram vessel during its full-height jacking test at the shipyard, and that is ahead of its delivery later this year. The vessel is jacked up to an impressive 90 meters above the seabed and we look forward to welcoming it into our fleet towards the end, as we said, of this year.

Stijn, now over to you to walk us through the financials of the first half.

Stijn Gaytant: Thank you, Luc. The table on the left visualises what DEME delivered in the first half of 2025 and compares it with the results from the previous two half-year periods. It clearly demonstrates a strong year-over-year improvement across all financial related metrics, backed up by a high quality orderbook.

Some items I'd like to highlight. The order book remains strong at €7.5 billion, slightly lower than where it stood this time last year, but it's important to keep in mind that DEME delivered €4.3 billion in turnover over the past four quarters.

Turnover for the Group for the first half year stands at €2.1 billion, up 10% from €1.9 billion at half year 2024. Profitability has continued to improve, outpacing the growth in turnover over the recent period. An EBITDA of €464 million, which is an increase of 35% year-on-year represents a margin of 21.9%, this compared to 18% year-over-year.

An EBIT of 223 million, which is an increase of 49% year-on-year, represents a margin of 10.6%, this compared to 7.8% year-on-year. The net profit for the first half year stands at €179 million euros, which is an increase of 27%. This compared to €141 million year-on-year.

The €241 million on depreciations and impairments for the first half year represents, compared to the €195 million year-on-year, an increase of €46 million. This increase can be attributed to mainly four elements, the Yellowstone, our most recent addition in the fall pipe vessels, was welcomed to the fleet in June last year and started contributing to the depreciation only in Q2 of 2024.

Secondly, a reassessment has been made to the useful lifetime of one specific auxiliary equipment for the offshore energy segment. The remaining useful lifetime has been adjusted to one remaining year, being till the end of 2025. This has an additional impact for the first half year of '25.

Thirdly, a higher impact of depreciation related to IFRS 16 leasing and the increase to taper off in assets and depreciation related to the Fehmarnbelt project, which is a large marine infrastructure project in Denmark.

The net financial result that is part of the bridge between EBIT and net profit of the Group amounts to €9 million, this compared to a positive €13 million in the same period last year. The Delta between both is related to exchange rate differences in the first six months of 2025.

Current taxes and deferred taxes account for minus €49 million euro, which reflects an effective tax rate of 23%, similar to the effective tax rate year-on-year and lower of the 26% tax rate we had at the end of 2024. The joint ventures and associates, as a last contributor to the result

of the Group, realised a profit of €17 million. That's a combination of, on the one hand positive amounts of the associates, mainly driven by DEME concessions. That said, offshore wind parks saw relatively low production in the first half of 2025, which had a softening effect. On the other hand, we notice continued positive results on most of our operational joint ventures, of which a considerable portion is related to our setup in Taiwan.

Now how do these excellent P&L figures translate into the main balance sheet items? We present them in comparison to the half year and the end of 2024. The negative working capital of minus €817 million half year 2025 reconfirms that DEME's working capital, compared to its turnover remains in line with the historical averages. DEME consistently maintains negative working capital largely due to disciplined contract management.

The CAPEX investments in the first six months of 2025 amount to €141 million, this is excluding the Havfram acquisition and is a decline of €26 million in CAPEX compared to the €167 million year-on-year.

The current CAPEX mainly consists of project specific investments, lifetime extensions of vessels and capitalised maintenance costs. Of the approximately €900 million communicated for the Havfram transaction, €537 million were spent in quarter two 2025. Now, these expenditures in combination with the increased profitability, working capital, slightly lower CAPEX compared to the prior year and paid out dividend in quarter two of €96 million results in a negative free cash flow of minus €414 million.

Taken abstraction of the Havfram impact, the free cash flow amounts to a positive €123 million. The cash and cash equivalents as of June '25 stands at €709 million, compared to €509 million year-on-year and €853 million end of 2024.

Taken the earlier mentioned elements into account, the net financial debt currently stands at minus €418 million, compared to minus €352 million year-on-year and plus €91 million end of '24. As a result, our net financial debt on EBITDA ratio is now minus 0.42, compared to minus 0.49 year-on-year and plus 0.12 end of 2024.

Moving on to the orderbook, the comparison in the left graph the segment-breakdown demonstrates a continued balanced and diversified order book, for a Group orderbook of €7.5 billion, in line with last year's level of €7.6 billion. The orderbook additions in the first half consist of follow-on contracts, several smaller contracts across all contracting segments and the addition of the Havfram orderbook for €530 million.

We note that orderbook intake can be irregular in timing. On the graph in the middle, showing the geographical breakdown in first half of '24 and '25, we notice the following: Europe counts for 76% of the overall orderbook which is an expansion compared to the 62% year-on-year, reconfirming the importance of our home market. We see a decrease in Asia, Africa and the Middle East, all driven by a combination of effective project execution and currently less intake.

I highlight as well again the orderbook evolution in the Americas which reduced compared to first half of '24 from 16% to 10%, and reflecting high activity and progress on the projects in the US the last 12 months, resulting in orderbook conversion into turnover in combination with limited additions of new US-projects to the orderbook.

On the graph on the far right we provide the orderbook run-off for the coming years. The run-off supports our guidance for the year with volumes for the second half in line with the same

period a year ago. The orderbook volumes spread across 2026 and beyond amount to €5.6 billion, similar as compared year-on-year.

Next, we highlight the trends in DEME's turnover evolution. Two key take-ways I'd like to share. First of all, a 10% year-on-year growth in turnover as shown on the left graph and also DEME's half-year turnover doubled over the last five years. The segment breakdown in the middle reveals some more insights. An increase in turnover year-on-year for the Offshore Energy segment well surpassing a billion turnover, more specifically €1.1 billion or plus 27%. This was driven by strong demand, high fleet capacity and utilisation, and solid execution of projects in the US, Taiwan, and Europe.

The Dredging and Infra segment reaches €950 million turnover, a small decline year-on-year mainly due to a strong comparison base in the first half of '24 and some project phasing effects. The environmental business achieves a turnover of €142 million, also lower compared to last year, and also mainly due to project phasing.

When examining the geographical breakdown on a year-on-year basis on the right we observe that Africa remains stable in their relative contribution while contributions year-on-year from the Americas as well as Asia have been markedly strong driven by effective project execution in US and Asia. The turnover breakdown further reaffirms that Europe, with 53%, remains for DEME's a key market which aligns with our earlier conclusion from the orderbook.

Our profitability is outpacing our turnover growth, with EBITDA going up 35% year-on-year and reaching an EBITDA margin of 21.9%, up from 18% year-on-year and 15 % compared to half year 2023. EBIT increased by 49% to €223 million, so the higher depreciations have not impacted on the EBIT margins, reconfirming that recent additions are also driving profitability.

Net profit ends up at €179 million, compared to €141 million year-on-year. This results in earnings per share amounting to €7.08 for the first six months compared to €5.58 in June 2024.

Now, while Luc will provide more in-depth business and operational insights, I will share some financial details on the individual segments.

The Offshore Energy segment leads with an EBITDA margin of 31%, compared to 18% year-over-year. EBIT follows a similar trend with 20%, compared to 9% year-over-year. The Segments profitability has benefited from the high fleet capacity and utilisation and also the solid execution of projects. The main projects in US and Taiwan being in their second campaign in the first half of 2025 helped boost performance levels.

In addition, Offshore Energy also recorded a one-time cancellation fee payment in US and the profit on the sale of Sea Challenger. For Dredging & Infra, we notice a small reduction year-over-year in turnover which can be allocated to the temporarily lower current occupation of the cutterfleet.

The EBITDA for Dredging & Infra stands at 12%, compared to 19% year-over-year. Similar evolution for EBIT at 0%, compared to 8% year-over-year. The decrease in margins for the first six months is largely due to further adverse results on a large offshore marine infrastructure project in front of the Belgium Coast, the same project that was mentioned under IAS37 at year end.

While the impact of this project on the DEME Group results is absorbed by the other activities, it had a noticeable impact on Dredging and Infra segment figures for the first half.

The Environmental segment maintained solid execution, delivering another half year of strong results in '25 with EBITDA's of 15%, compared to 13% year-over-year and EBITs of 11%, compared to 10% year-over-year.

On the concessions segment, we see that the contracting revenue generated as well as the value of the projects mentioned indicate the overall contribution of the Concessions to DEME the last years and till date the own equity invested and loans granted now stands at €242 million.

The combination of the above initiatives, so both on offshore wind farms and infrastructure, generated a recurring income in the first half of '25 of €5 million compared to the €11 million a year ago, mainly due to very soft wind production in the first half of '25.

That concludes for now the main financial highlights, which I believe we can be summarise as titled in the first half press release, strong with record profitability.

And I now kindly hand over to Luc again.

Luc Vandebulcke: Thank you very much for that, Stijn, and for this comprehensive overview of the financials. Now I would like to go together with you and outline some of the highlights of our four segments. I will start with Offshore Energy.

Before we jump into more details, we have here a beautiful view on our Green Jade vessel at work during the golden hour installing jackets on one of our projects in the Taiwanese region. I think the works in the picture are real work of art.

Without a doubt, Offshore Energy was really the star performer in the first six months of this year. The order book reached €4.1 billion, rising from €4.0 billion. This includes the addition of Havfram's order book of €530 million, it includes project add-ons and the addition of new contracts.

Revenue exceeded €1 billion for the second consecutive semester and profitability outpaced revenue, with EBITDA climbing to €358 million, representing 31.4% of turnover, and that up from 18.3% in the first half of 2024. In nominal EBITDA, it's even more incredible. It is a 118% increase.

A number of elements have led to this remarkable performance. First of all, effective execution of the projects, very efficient vessel utilisation, and strong project planning, as well as several ongoing projects now in the second installation season and some one-offs also as indicated by Stijn. Vessel occupancy reached 23 weeks in the first half year, and that is in line with last year.

And as I touched on in the executive summary, in the second quarter we completed the acquisition of Havfram. The integration is progressing smoothly, it's marked by strong team alignment, encouraging commercial contract developments, and the on-schedule construction of the two new next-generation wind turbine installation vessels.

Additionally, although on a smaller scale, we acquired a 50% stake in BAUER Offshore Technologies and that in the second quarter of this year. BAUER Offshore Technologies is a supplier of offshore drilling services. This investment is intended to further expand our drilling and installation expertise for offshore wind foundations.

I'll just mention a couple of our main projects in 2025. In the US, Offshore Energy made steady progress at the Coastal Virginia Offshore Wind project. This included the installation of the first offshore substation and the second monopile installation campaign. Meanwhile, we also began the export cable installations for the same project, and those will continue through 2026, and also we had our fallpipe vessels carrying out rock placement activities on the project.

The US team continued work on Vineyard Wind 1, including the turbine installation. And we also preparing to start cable installation works for the Empire Wind 1 project and that in the third quarter of this year.

In non-renewables, the segment carried out dredging activities for the West White Rose project in Newfoundland, and that leveraging DEME's dredging capabilities.

In Europe, we were mainly busy in France, the UK and Poland. We completed the installation of 61 monopile foundations and the transition pieces at the Île d'Yeu and Noirmoutier offshore wind project, demonstrating DEME's capability when it comes to successfully installing wind farms in very challenging locations. Additionally, we made solid progress on the Dieppe - Le Tréport project, installing there the offshore substation and the pin piles.

In the UK, we completed cabling works for the Nearth Na Gaoithe and Dogger Bank A and B projects, and the last one, the Dogger Bank C project is scheduled to begin in the second half of the year. The segment completed the four directional landfall drills for the Baltic Power project in Poland, with the inter-array and export cable works due to start in the second half again of this year.

The team also began preparations for cabling works for offshore wind farms in the Netherlands.

Then we come to Asia. In Asia, our Taiwan team installed the pin piles for the Hai Long project and began the second installation phase for the jacket foundation installations. The first turbines and the second offshore substation were successfully installed, and I can add, with our vessel Green Jade, we completed all 73 jacket foundations for this one gigawatt project already last week.

As well as this, preparatory works have now begun for the Greater Changhua project and the Fengmiao offshore wind farm in Taiwan. Elsewhere in the APAC region, the team successfully completed the Darwin Pipeline Duplication project and that is in Australia.

Now, we're on to our Dredging & Infra segment.

The financial results were already presented by Stijn, but my takeaways on this are that the turnover I would say is largely in line with last year. The order book shows a slight decrease but still at very healthy level of more than €3 billion, also noting that we continue to see strong tender activity and we are also tendering, as always I would say, some compelling opportunities.

Now, EBITDA is indeed lower, that's right, with the EBITDA margin at 12%, but that is largely due to these unfavourable results on a marine infrastructure project, as described by Stijn. The segment's hopper fleet had a lower utilisation rate, which was mainly due to a lot of scheduled dockings, and the cutter fleet's occupancy also dipped, but that's let's say largely due to temporary reduction in demand for specialised cutter work in the first half of the year.

Our Infra team achieved several important milestones. The Princess Elisabeth Island project in Belgium progressed, with now status of last week nine of the 23 caissons being placed at their final offshore location.

Additionally in Belgi the tunnel elements were completed, and by now three out eight tunnel elements have successfully been immersed for the Oosterweel Connection here nearby our office.

In Denmark, the Fehmarnbelt Fixed Link advanced, with the first tunnel elements successfully floated. At the same time in France, civil works for Port-La Nouvelle project continued, including construction of the quay walls and the jetties.

Our Dredging team also performed maintenance works for several multi-year contracts and started a number of new projects. In Germany, preparatory works began for the offshore terminal at the port of Cuxhaven, and that following completion of the widening of the Kiel Canal.

In Le Havre, the La Chatière project kicked off with the soil investigations and UXO detection campaign. In Italy, there was solid progress on several projects, including the modernisation and extension work amongst others at the port of Livorno.

In the UK, dredging and reclamation work progressed well at the Ardersier Energy Transition Facility, where we are deepening and widening the harbour and the access channel.

The segment also maintained a high level of activity in the Middle East. We continued works at Abu Qir 2 in Egypt, deploying several dredgers from our fleet and we are busy with the dry earth moving activities for the Oxagon Phase 2 project in Saudi Arabia, preparing for the cutter phase of the project and that will be later this year.

In Asia, Dredging & Infra strengthened its presence both through ongoing port maintenance projects and by securing new contracts, as well as additional scopes for existing projects, like in Taiwan, the project where the team completed dredging works in the Port of Taichung. It also deepened the access channel of Patimban and that is in Indonesia and won a new contract for maintenance dredging at ports along Australia's west coast.

In Africa, maintenance dredging and land reclamation projects were carried out at several locations mostly along the West African coast.

In Latin America, maintenance dredging works for the access channel and berth pockets of the Atlantic Terminal in the port of Moín in Costa Rica were successfully completed. Meanwhile in Uruguay, maintenance dredging for the Canal Martin Garcia was ongoing.

Now we go to the Environmental segment. We see here the performance dashboard. The order book of our Environmental segment remained stable, standing at €322 million, demonstrating the team's strength in the Benelux and their efforts to proactively target environmental opportunities in the UK and Italy, amongst others.

Solid progress on several long-term and complex remediation and high-water protection works in Belgium and the Netherlands, delivered a turnover of €142 million and an EBITDA of €22 million. The EBITDA margin increased to 15%, and that is up from 13% in the same period last year.

The Environmental team also made good progress in expanding and upgrading capacity at our treatment centres in Belgium and the Netherlands.

Meanwhile, Cargen, which is DEME Environmental joint venture specialising in activated carbon treatment and remediation solutions, and that was established last year. Well, Cargen is making steady progress and has begun deploying its innovative filter technologies at some selected projects.

I would also like to spotlight DEME Environnement, which is a cornerstone subsidiary of the Environmental segment and our pioneering soil remediation and brownfield redevelopment specialist in Wallonia and France, as they recently celebrated their 35th anniversary.

Here you can see the main projects our Environmental segment has been busy with in the first six months of this year. The team successfully completed a complex, three-year remediation project in Bergen and that is in Norway. In line with DEME's focus on creating a better, more livable world, this site is now fully prepared for new infrastructure.

In Belgi we have several longer-term projects underway including the Oosterweel in Antwerp, a remediation project for WDP in Willebroek, the complete transformation of Blue Gate site here in Antwerp, the Feluy project and the redevelopment of the former ArcelorMittal site near Liège, as well as maintenance dredging and restoring the ecosystem along the river Meuse.

In the Netherlands, the team continued work on two major projects which are part of the Netherlands' Flood Protection Programme, the Gorinchem-Waardenburg dike reinforcement project and Marken, where the dike is being strengthened to ensure long-term protection.

And then finally, we come to our fourth segment, Concessions, with here on the picture Port La-Nouvelle in the background, showcasing a successful infrastructure concession project.

The net result of our Concessions segment saw a bit of a decline to €5 million, but this was mainly due to much lower wind production when compared to the same period in 2024.

In offshore wind, we continue to operate wind farms in Belgi and we are making progress with the ScotWind concession, and preparing for some selected upcoming tenders. For Dredging & Infrastructure, Concessions focused on projects in its portfolio such as Port-La Nouvelle in France and the port of Duqm in Oman. Additionally, the team is working on the deepwater terminal at the port of Świnoujście in Poland.

Then, as part of DEME's long-term growth with regards to its concession activities, we continued laying the groundwork for green hydrogen projects. Currently, these efforts are primarily focused on the HYPOR DUQM in Oman, where, together with our strategic partners, we are working on a project roadmap targeted to develop a dedicated and suitable end-market.

In the deep-sea mining, the Global Sea Mineral Resources team continues to monitor developments around deep-sea mining.

Now, moving on from our segments' section, I would like to highlight some of our ESG achievements in the period.

Firstly, Environmental. In line with our strategy, we are playing a significant role in advancing and accelerating the clean energy transition, and that particularly by contributing to offshore wind farm projects worldwide.

Earlier on I already spoke about Offshore Energy's stellar performance, and with most of its activities focused on renewable offshore wind, it increased its contribution to the Group's turnover, and is now accounting for 51% of DEME's total turnover.

At the same time, in Dredging & Infra, we support the climate transition through major projects such as the Fehmarnbelt Fixed Link and the Princess Elisabeth Island. And as we continue apace with our mission to have the most efficient fleet in the sector, we have taken again several important steps.

I highlight the acquisition of Havfram here, as the addition of these two new offshore wind vessels will significantly boost our sustainable operations capacity. These not only directly support the energy transition in their operational purpose, they also have advanced energy management, shore power capabilities reducing fuel consumption, and they feature hybrid power system and they are also designed to be able to adopt future cleaner fuels such as methanol.

In addition, we are investing in shore power connections in Flushing, the Netherlands, to enable our vessels to switch off onboard generators while docked and that to further reduce our emissions.

And then for Social and Safety. We are continually investing in attracting and retaining top talent. This commitment was also externally recognised when the HR team received the prestigious HR Ambassador Award. You can see that on the picture here on the right.

And of course, we remain committed to achieving the very highest standards of safety, focusing on Key Safety Performance Indicators, incident reporting, inspections, and investigations. Our ongoing initiatives such as Safety Week, Safety Success Stories, and Safety Moment Day, they all to help support this, embedding safety awareness in our organisation.

As an example, the focus theme for this year being, think before you lift.

Now you see a beautiful picture here. And I can tell you that for the third year in a row, DEME is a proud and committed partner of the Innoptus Solar Team, and that is a solar car team initiative of the KU Leuven. These brilliant students are taking on the challenge of defending their world title at the Bridgestone World Solar Challenge that is in Australia with their brand-new solar car. We're proud to be a partner, as the team's commitment to promoting renewable energy, sparking interest in science and technology among young people, and encouraging entrepreneurship and advanced technologies aligns perfectly with DEME's DNA.

The race has just kicked off as we speak in Darwin, and the team has embarked on an exciting chase to get back in contention for victory. All eyes on Australia and on the finish line in Adelaide this week. I wish them very good luck.

Now we come to the last part, important part, of course, the outlook. Despite the global macroeconomic turbulence and the current uncertainties regarding geopolitical issues, DEME's operations remain robust. We continue to deliver sustainable, profitable results, while at the same time taking timely investment decisions to support our business for the decades to come. Based on this solid first half year performance and taking into account the outlook for the second half, we expect full-year turnover to at least be in line with that of 2024.

Additionally, DEME's management now anticipates that the full-year EBITDA margin will slightly exceed 20%.

Full-year CAPEX remains forecasted at approximately €300 million, which excludes the Havfram acquisition and completion and delivery of the two Havfram vessels.

I think with that, that concludes my part of the presentation. I thank you and I will you over back to Carl so he can run through the financial calendar and start the Q&A session.

Questions and Answers

Carl Vanden Bussche: Thank you, Luc and Stijn. We will now begin the question and answer session. There are two ways to ask questions. For participants in the webcast, which is most of you, you can use the chat-forum to submit your questions or you can raise your hand after which we will assign when ready for your question. For participants on the conference call line, please dial pound key five or hash key five on your telephone keypad to enter the queue. If you wish to withdraw, pound key six.

From our side we will manage the flow and do our best to field questions from different angles. For all participants, please limit yourself to one or a maximum of two questions at a time. If you have additional questions, please queue again. This approach will enable us to cover questions from various participants effectively. We are now ready for the first question. Please go ahead.

And I see that people are already queueing up for questions. First in line is Mr David Kerstens from Jefferies. David, the floor is yours.

David Kerstens (Jefferies): Thank you, Carl. Good morning, gentlemen. Congrats on the strong results in an uncertain world. It seems that that uncertainty maybe is so far only limited to your order backlog and order intake. I was wondering if you can comment on the order intake and the pipeline that you see in relation to your previous medium term guidance for revenues to be broadly in line with 2024.

Then I have a second question, which is regarding your profitability. Great to see that. Now 20% is no longer the maximum EBITDA margin as reflected in your previous mid-term objectives. I was wondering if you could please quantify the one-offs in Offshore Energy and in Dredging in the first half of the year, and whether you see 20% now as sustainable? I think your guidance implies you will drop below 20% again in the second half of the year. Any more colour would be much appreciated. Thanks very much.

Carl Vanden Bussche: Okay, David, thanks. I think two very good questions. We'll kick it off on the order book, a bit of colour. Luc?

Luc Vandenbulcke: Yeah. I think the first question, as I interpreted David, was on the outlook versus 2024 and the order book. So the order book stands, as you have seen, at €7.5 billion, compared to €7.6 billion a year ago.

Now, I must say, we personally, as a management, don't see that as a point of concern. There's still a healthy order book. We have seen that for 2026, we have an order book, which corresponds to if you take last year's turnover for a comparison already two thirds. Of course, we acknowledge that that includes the Havfram order book, but still we don't see the order book too much of a point of concern.

If you look at it a bit more granular, you can also see that within Dredging and Infra. There, we see a healthy tendering activity ongoing. So there's a number of projects in tendering in the pipeline. And the same is happening within the Offshore Energy segment. So that is for me something which I see currently in everything that is ongoing as a point of attention. But we can continue to see the good tender activity, and we expect even some deals to close in the next weeks and months, I can say.

And I hand over maybe to Stijn for the second question.

Stijn Gaytant: David, on your question on the profitability and the one-offs. We've identified in the Offshore Energy segment, the surplus on the sale of the Sea Challenger. You will have noticed in the half year report that the net on the sale of assets is determined at €16 million, which the majority is related indeed to the Sea challenger.

On the second part on the cancellation fee on the reservation agreement, you will understand that on individuals contracts, we never disclose the exact amount, but it is sufficient enough to have mentioned it next to the surplus value on the Sea Challenger.

I presume you refer on your questions on the Dredging and Infra on the additional loss that we have mentioned on the large offshore infrastructure work in front of the Belgium coast. This is indeed the same project that we refer to end of 2024 under IAS37. The difference is that we are six months further down the line. We have a better insight, and we have deemed it necessary to adjust the loss to completion.

Also there, unfortunately, we cannot really disclose the amounts. What we can say it is sufficient enough to visualise it in the EBITDA figures of Dredging and Infra. But I think it's also important to mention that it is not visible actually in the entire results of the DEME seeing the excellent results that we have had in the first six months. So I hope that answers that.

Carl Vanden Bussche: Thank you, Stijn. David, if you have follow on questions, please get in the line again and we'll move on to Mr Thijs Berkelder from ABN AMRO-ODDO. Thijs, good morning. Floor is yours.

Thijs Berkelder (ABN AMRO-ODDO): Yeah. Good morning, all. Congratulations. A strong H1 performance. I want to start with two remarks. First, given the complexity of your segment reporting and the way you're exceeding or falling far below analyst expectations, can you please next time give these analysts call later in the day as we really can prepare for this?

Second, can you please next time better indicating one-off effects in the reporting as well. At this moment, all are only puzzling on what really happens in the line. So like David, I have to start with further fact-finding on what we now really read in this press release.

Let's say my first question is on a full-year '25 guidance. When you exclude all these one-offs you've talked about and you see, would you still see a lift in your margin guidance for the full year? And by how much?

Then the organic backlog is down 15% from year end. Can you maybe quantify how large contracts cancellations impacted the backlog? Also because I see also the Havfram backlog is €70 million lower than what you reported three months ago. So probably over there you expect to see a settlement fee?

Carl Vanden Bussche: Okay. Thank you, Thijs. We'll take your first comments on the timing of the conference call perhaps offline. But we'll switch to the questions. So first of all, on the on the full year guidance and the EBITDA margin full year guidance, Stijn, do you feel...

Stijn Gaytant: Well, I think, on the previous questions, we gave some further insight already on the one-off of the sale of the Sea Challenger. That being said, in the previous years we also had a minus off values as well.

Yeah, the guidance. First of all, we have increased the guidance for the EBITDA, where we say above 20%, taken into account, of course, the visibility we have for the second part of the year, where we still believe that that the drivers that have made sure that the first half had excellent results are still there, meaning we still have the strength of the team and the fleet. The resilience of the business model has really proven to work on the first half, and we still have a very strong financial balance sheet as a company. And our portfolio is also very diversified and has a set of activities also geographically.

So with that in mind, we feel confident that we are able to increase the guidance on the EBITDA. And as you know, we are a project-related business and we do that based on best estimates and what we see today. And that is why we can fully defend the guidance that we have given for the remaining of 2025.

Maybe briefly on your question on the drop of backlog of Havfram from €600 million to €530 million. You can actually share that there is actually no loss of contracts compared to when we identified the €600 million. Actually, it proves the very rigid rules internally we have to take elements into an order book of DEME. So the only difference of €70 million is that each contract has optional days where the vessels could be employed by the client, and we have chosen, as we have always done in the past, high quality order book. And for the time being we have omitted them. So that is certainly not loss of any contracts related to the Havfram works in the last three months.

Carl Vanden Bussche: Thank you, Stijn. We'll move on to the next in line, which is Mr Luuk Van Beek from Degroof Petercam. Luuk, floor is yours.

Luuk Van Beek (Degroof Petercam): Yes. Good morning. Thank you for taking my questions. First of all, a question about the US project, where I've seen that the Trump administration also sometimes holds projects in full execution. Can you comment if you see the risk for the projects they are executing and to what extent you're covered from a contract point of view, if the system has to pay any compensation in case you cannot execute the work?

And second, a question about the customer stance. In general, there are a lot of stories about companies being more uncertain and more hesitant to take big decisions. Do you see that in the conversion of your pipeline into actual orders as well?

Carl Vanden Bussche: Sorry, Luuk. The first question did not really come through.

Luc Vandenbulcke: I had the first question.

Carl Vanden Bussche: It was not super clear, but we take.

Luc Vandenbulcke: The second one. I will reply to the first question and then maybe Luuk can repeat the second one. I understood it as the risk on our projects currently ongoing in the US. Now, for the moment being indeed a revolution came as a bit of a surprise to many people.

We are not active on the revolution project. Today, we are in almost finalisation of the vineyard project. We are well advanced on the Virginia, what we call the [inaudible] project, and we are preparing for the cabling on the Empire Wind project.

We see at this moment, no indications, and neither do our clients that these projects could be hampered by any executive orders. That I think was the first part of your question.

The second part is if that would happen, of course, we have contractual arrangements in place to compensate and protect our contracts. That's sure. Yes.

Carl Vanden Bussche: So Luuk, if you wouldn't mind to perhaps rephrase the second question once again, please.

Luuk Van Beek: Yes, so the second question is basically with all the uncertainties that you hear around us, do you see any hesitance of customers to take a decision on the projects that are in the pipeline, so are they being delayed, or as they see the normal progress of those?

Luc Vandenbulcke: Okay. Well, of course, on the US, I think already the timing. I'm not 100% sure, but I think in one of the previous calls, we already indicated that we are not counting on, let's say new lease and subsidy runs in the short term. On the other hand, we have, of course, the two big bases are Europe and Asia Pacific.

In Europe, what we have seen together with us a couple of experiments of tenders, which was either too low CFDs, floors[?] or no CFDs. That is not the way to go. I think many people and also the governments agree they have been rearranging the tenders now, and we see currently a healthy pipeline of projects getting new CFD awards.

And the same in Asia Pacific. I think once the project have their awards under a healthy system, they are not so much hesitating or impacted by the transatlantic decisions.

Carl Vanden Bussche: Yeah. Thank you, Luuk. Thank you also, Luc Vandenbulcke. We'll move on to next in line. From KBC Securities, we have Guy Sips. Guy, floor is yours.

Guy Sips (KBC Securities): Thank you for taking my questions. I have two questions. First is on the Havfram projects. Can you give us some magnitude of the projects and the timing of these projects, when are they expected to be executed?

And the second one is on the Sea Challenger. What's the reasoning behind the shift of this vessel? Thank you.

Carl Vanden Bussche: Yeah. Very concrete questions. Thank you, Guy. Luc, perhaps on the new Havfram projects.

Luc Vandenbulcke: On the Havfram project, the first ship will be delivered end of this year. Second ship is being delivered early 2026, and both of them will start up being operational and contributing in '26. Then they have an order book running over '26-'27 till 2029. Until, even into '29, 2030. But the magnitude, I think we haven't given any specific details on that, sub part, but that's, let's say the timeline for contribution of the Havfram vessels.

Now on the Sea Challenger. Sea Challenger has been brought in into our Japanese joint venture. We think that, first of all, Japan is one of the upcoming markets where experienced vessels will be needed. And we also think, like we saw in our model in Taiwan, that having a common asset is, I would say, an asset is really a plus. You have a shared interest. You can

develop the business together. And that's why we have brought in the vessel into the joint venture.

Mind you also, that Japanese regulation is complex. The vessel has to be adapted to the Japanese rules and regulations. And that supports having the vessel in a permanent situation under the joint venture.

Carl Vanden Bussche: Thank you, Luc. Thank you, Guy. Moving on to Mr Tijs Hollestelle from ING. Tijs, you have a question?

Tijs Hollestelle (ING): Yeah. Thanks, Carl. Morning, gentlemen. Yeah, if let's say I run the numbers on the Offshore Energy division, taking out the disclosed one-off and let's assume kind of an all-time high EBITDA margin. And I would say that the cancellation fee was above €55 million. And when exactly did you learn about the positive EBITDA contribution from this cancellation fee the date?

Carl Vanden Bussche: Well, perhaps I can take that myself. We already made reference as a subsequent event to the cancellation fee when we disclosed the full year results of '24, we did not disclose the amount of the cancellation fee, Tijs.

Tijs Hollestelle: Yeah, but you can indeed. I think you can run the numbers yourself. Okay. So then, let's say the Q1 outlook statements, that was basically repeating the outlook giving earlier and that had to relate with the uncertainty to the Belgium infrastructure project if that's a correct assumption.

Carl Vanden Bussche: So the question is whether our Q1 comments on uncertainties was referring to the marine infrastructure project in Belgium. Is that a question, Tijs?

Tijs Hollestelle: Yeah. When did you learn about the [inaudible] on that.

Carl Vanden Bussche: Okay.

Luc Vandenbulcke: Yeah. That is not an exact moment. That has progressively and of course, over the winter season, we had less marine activities. So in that, I'm talking about that particular project. So as you progress, you see what the results become. So you gradually know until you then finalise the figures for the second quarter.

Tijs Hollestelle: Yeah, but the loss provision is a specific amount.

Stijn Gaytant: Yes. So maybe to take a step back, the project you're referring to was already a project that end of '24 was under IAS37. So that means it was already a loss project. As Luc has mentioned, you have the phasing of these specific projects, which means that at certain moments in time, in those six months, you have other activities. This is a project that had a lot of activities in the second part of the year. And based on that information, unfortunately, we need to adjust our loss to completion, which means it's something that happens with the figures of end of June, if that is a bit what you are referring to.

Tijs Hollestelle: Yeah, okay. More or less. And one additional to that. Are the other large infra projects in the Dredging division which are currently in execution, do they have positive EBIT margins?

Stijn Gaytant: Then you're asking us to split up the Dredging and Infra segment figures. And you know, historically we don't do that because they are quite interlinked. A lot of these infrastructure marine works also have a component of dredging related to it. And we prefer

not to artificially break them up and we look at it as one whole. So there is a combination because on these projects also there's a lot of dredging activity as well.

Tijs Hollestelle: Okay. Thank you.

Carl Vanden Bussche: Thank you, Stijn. Thank you, Tijs, for the questions. We have one more person in the queue for questions. So if others have more questions, feel free to queue again. Christoph Greulich from Berenberg. Christoph, welcome and the floor is open for you.

Christoph Greulich (Berenberg): Good morning. Thank you for taking my questions. Firstly, a follow up on the loss making project in Belgium. I'm just wondering how you see the risk that you have to further adjust that loss to completion basically over the coming quarters and if you have anything implied any buffer in your full year guidance for it?

And then secondly, on the D&A line. I mean, the jump was somewhat unexpectedly high in H1. And you already mentioned some of the moving parts contributing factors for that. So I was just wondering that €25 million impact, that you mentioned from the accelerated depreciation. Will that be repeated in H2? And after that asset will be fully depreciated and we don't see the impact anymore next year. So if it just could provide a bit of guidance or we should expect for the D&A line in H2. And then also once the Havfram vessels have joined the fleet, what will be the impact of that for the Group's D&A line?

Carl Vanden Bussche: Yeah. Okay. Thank you, Christoph. So we'll start with your first question. So one other question on the project with losses in the books now. Luc?

Luc Vandenbulcke: Well, maybe referring to that, of course. We have now had already an indication of losses on the project in the full year results '24. We have a further deterioration, we can say, Stijn, now in June '25. You can imagine that we have very, very, very carefully studied the results.

I can tell you that from an operational point of view, the project has now experienced, I would say, all or almost all phases of the project. So we have gone through all cycles already a number of times now, which was not the case before. We hadn't been installing caissons, etc. So we do think that today's provisions are the correct ones. Yeah.

Christoph Greulich: And then the question on the accelerated depreciation.

Stijn Gaytant: Yes. Thanks for that question. It is not uncommon in our line of business that at regular times you do a reassessment of supporting tools. This has been done in this case as well amongst others, also a bit also triggered with the Havfram transactions because there are similar tools available over that.

We have come to a conclusion that useful life time should be shortened, which means specifically to answer your question, the depreciation will be taken fully and will stop end of '25. So you are right by saying we have now an impact in the first half year. You will have a similar impact in the second half of year, after which that item is fully depreciated and you will not see an impact anymore in '26 and '27 going forward.

Carl Vanden Bussche: Yeah. Thank you, Stijn. I see some additional. Okay, Christoph, go ahead.

Christoph Greulich: Yeah. It was just that also, I was wondering [inaudible] how this will impact the Group's D&A?

Carl Vanden Bussche: Sorry. Can you repeat? Because the line is not really clear.

Christoph Greulich: Okay. That's on vessels. Once they joined the fleet, how much will that increase the Group's D&A?

Carl Vanden Bussche: The impact on D&A.

Stijn Gaytant: Well, that's of course, part of finalising the PPA, which will be done by the end of 2025. So we'll be able to give you a more specific figure on that at that time.

Carl Vanden Bussche: Okay. Thank you, Stijn. Thank you, Cristoph. I'll just take a couple of questions from the chat and then move back to the people in the queue. So in the chat, question on the order book and the run off of the order book. So order book '26 looks to be approximately 14% down year-over-year. However, it doesn't sound like you expect a revenue decline. Do you see significant ongoing tendering activities which you believe can fill the gap to get the revenue growth '26 versus '25? How has the sentiment amongst clients improved, and to what extent are you concerned about the '26 revenue outlook?

I think, Luc, you already gave a bit of colour, but.

Luc Vandenbulcke: Yeah, I think I concur with the first conclusion that you see that we don't see that very much as a point of concern for the moment being. So we have we have secured projects. You have seen that therefore around €5.5 billion and that is for 2026 and beyond.

For '26, I mentioned before, we have €2.5 billion turnover, so two thirds. We're further building of that. I also mentioned the strong tender activities. And of course, we have in both of them, Dredging and Infra is normally a bit shorter in lead time. But there's also opportunities in the offshore energy. We are today, as I mentioned already in one of the formal questions, discussing a number of tenders and contracts at various stages on which we hope to be able to come back in the coming weeks to conclude. I do think that that the earlier forecasts remain valid.

Carl Vanden Bussche: Yeah. And we have two topics or two questions on a topic which we haven't touched upon. It's on the occupancy of both the cutters and the hoppers. So I'll just read the questions.

The cutters utilisation saw a significant drop in the first half and follows a relatively weak H2 '24. Do you have visibility around an improvement in cutter utilisation in H2 back to the H2 '24 levels, and I'll combine it with the follow on question on hoppers. Although impacted by scheduled docking, those dockings at least partially scheduled of that time owing to lower activity levels. Do you expect the hopper utilisation in the second half of the year to rebound to last year's levels.

I think, Luc, you already gave a bit of colour during the presentation.

Luc Vandenbulcke: I think it's very clear that the lower utilisation during the first half of '25 is a correct observation. And especially for the cutters, we saw – because it depends also a little bit in the regions that you are a temporarily softer demand for the cutters. I see that coming back towards rather the end of the year.

We have also used the periods to do some heavy maintenance on some of the very large cutters which usually contribute more.

And then the same on the hoppers. On the hopper, of course, you saw from memory 19 weeks versus 20 to 22 weeks. I see an ongoing, quite typical second half or I expect a quite typical second half of the year there. Yes.

Carl Vanden Bussche: Thank you, Luc. Thank you also for the questions. And we move on back to a question online from Thijs Berkelder. Thijs, welcome again and the floor is yours.

Thijs Berkelder: Yeah. I want to come back on the initial question by David from your 2026 expectations. As David indeed mentioned, you briefly expected 2026 turnover and margins to be roughly equal to 2024. Of course, that was still before or Havfram. But on margins, is it logical or normal to expect margins in '26 to be at '24 levels, or the other option, is the 20% for now the more logical direction?

Then related to that, how should we account for Havfram in '26 your PPA accounting. How will it roughly look like? Because I don't think many have, let's say, models already in a PPA accounting style.

And finally, a small question. I'm reading in the half year report now that you're about to sell your stake in the Blankenburg tunnel. What kind of book profits could that give? And is that already included in your guidance?

Carl Vanden Bussche: Okay, so that's a couple of questions. Let's take them one by one. So the first question was about the EBITDA margins going forward, EBITDA margin bracket. I don't know, Stijn or Luc. Yeah, Luc?

Luc Vandenbulcke: I think, with your question, Thijs, you're asking me for specific guidance on 2026. I think, what I can say is that, first of all, mentioned a couple of times, I do not see a big concern in the order book. I see a healthy tendering activity for the period and beyond. That's my first take on it.

Secondly, the order book that we have, including for '26, that we have been securing that over the past period, which has, to my opinion, healthy margins. So I think based on that, I think we can only reiterate our guidance for this year and point you again to my general remarks for next year. And of course, the Havfram integration will slightly in general change a little bit the margin profile.

But we have a preference, as I say, because of the general situation, not to have a more concrete outlook on 2026 at this stage.

Carl Vanden Bussche: Yeah. Thank you, Luc. I think I perhaps missed the second question, the last one.

Stijn Gaytant: How should we look at the PPA?

Thijs Berkelder: The Havfram accounting.

Carl Vanden Bussche: Yeah. Indeed.

Stijn Gaytant: Well, we've made, of course, a significant progress already on finalising the PPA, Thijs, that is looking at the value of the order book, looking at the vessels and potential, if any, goodwill. Of course, the vessels are still being finalised and completed, and as we always do within DEME, we still keep looking if we can still find some benefits or maybe additions to be done. And that's the reason why we have not yet finalised that exercise.

So as mentioned, it's a bit difficult to give you already specific ideas on the values of the vessels, but for sure, by end of the year, also with the wrapping up, then of the building of the vessels, we will be in a good position to give a very clear and decisive indication on that.

On your last questions on the sale of Blankenburg. Indeed, it has been mentioned as assets held for sale, which we need to do if that is foreseen within a period of 12 months.

Yeah. Not really able to give you a specific figure, but it's not going to be a figure that will give a substantial impact on the overall figures of DEME, certainly not. I hope that gives a bit of an answer to your question.

Carl Vanden Bussche: So Thijs, I think with that we answered your questions.

Thijs Berkelder: Yeah.

Carl Vanden Bussche: Yeah. Okay. Thank you. And I don't see any more questions in the queue. So I think we have reached the conclusion of our earnings call. If you happen to have further questions or wish to provide feedback, you know where to find me. And against the backdrop of our financial calendar, I'm going to display this one on slide. Just a minute, on one of the last slides of the presentation.

I'd like to thank you all for your participation, and Stijn and Luc also for your insightful presentation and for addressing all these questions. We look forward to meeting many of you during our roadshows and conferences in the coming weeks. For now, thanks again.

[END OF TRANSCRIPT]