



# **HALF YEAR RESULTS 2023**

## **Analyst & Investor Call**

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# AGENDA 1H23 Results

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# Global leader in offshore energy, dredging, marine infrastructure and environmental solutions



## OFFSHORE ENERGY



Unrivalled track record in the construction of offshore wind farms and other offshore energy-related infrastructure



## DREDGING & INFRA



145+ years of experience in dredging, land reclamation and marine infrastructure



## ENVIRONMENTAL



Innovative solutions for soil remediation, brownfield development, environmental dredging and sediment treatment



## CONCESSIONS



Developing, building and operating greenfield and brownfield projects in offshore wind, infra & dredging, green hydrogen and deep-sea harvesting



# Executive Summary on 1H23

**All time high orderbook** for each segment and for the Group (€ 7.7bn)

**Turnover increased 14% y-o-y** fueled by Offshore Energy & Environmental

**EBITDA grew along with turnover** for a y-o-y stable margin ; **Net Profit** down mainly due to negative exchange rate results

**Reiterating outlook for the year** calling for turnover higher than 2022 and EBITDA margin comparable to 2022

**Capital expenditure remains high** reflecting further expansion of DEME's fleet

Welcoming '**Viking Neptun**' and '**Green Jade**' to the fleet

**Progress on long term growth initiatives** such as Green Hydrogen (Hyport) & deep sea harvesting





# 01

## Group Financial Highlights

# 1H23 – Key Financial Highlights

(in million euro)	1H23	1H22	FY22
Orderbook <i>y-o-y growth</i>	7,654 +36%	5,620	6,190
Turnover <i>y-o-y growth</i>	1,475 +14%	1,292	2,655
EBITDA <i>Margin</i>	222 15.0%	191 14.8%	474 17.9%
EBIT <i>Margin</i>	57 3.9%	40 3.1%	155 5.8%
Net Profit	30	39	113
CapEx	216	226	484
Net Financial Debt (NFD)	-715	-574	-521

Record high orderbook & turnover

EBITDA and EBIT up with 16% and 43%  
EBITDA margin stable with 1H22

Higher depreciations vs 1H22  
as 'Orion' and 'Viking Neptun' recently joined the fleet

Net Profit lower vs 1H22  
mainly impacted by negative exchange rate results

CapEx remains high due to further expansion of the DEME fleet and includes maintenance, modification and conversion investments

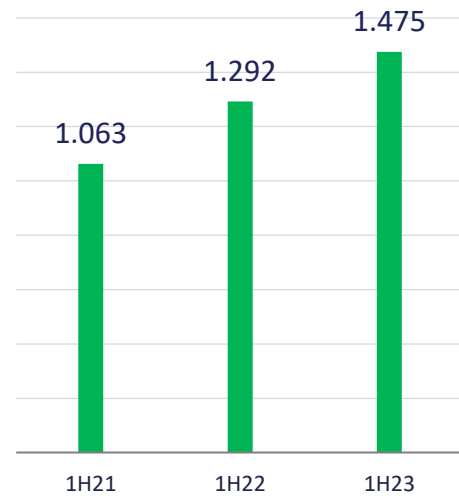
NFD / EBITDA = 1.4



# 1H23– Group Turnover

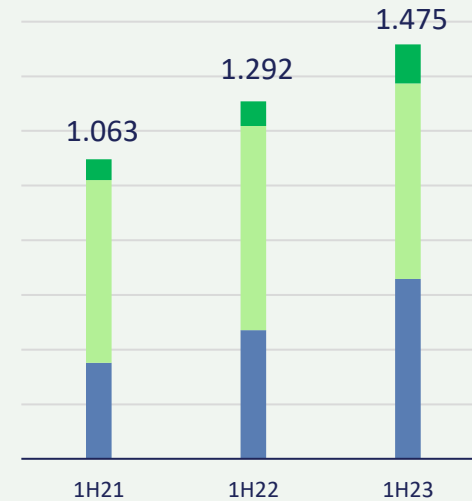
Y-o-y increase on significant step-ups in Offshore Energy and Environmental

## Turnover up 14% vs 1H22



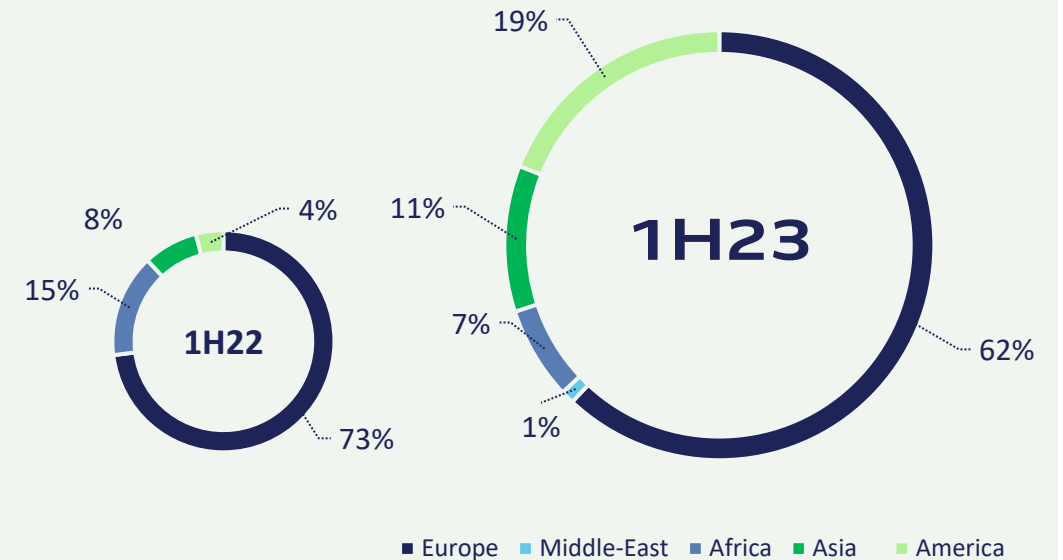
(in million euro)

## Segment breakdown



■ Offshore Energy ■ Dredging & Infra  
■ Environmental (in million euro)

## Geographic breakdown



■ Europe ■ Middle-East ■ Africa ■ Asia ■ America

Strong y-o-y growth, +14%

Environmental and Offshore Energy with strong first half of the year ; Dredging & Infra slightly lower vs 1H22

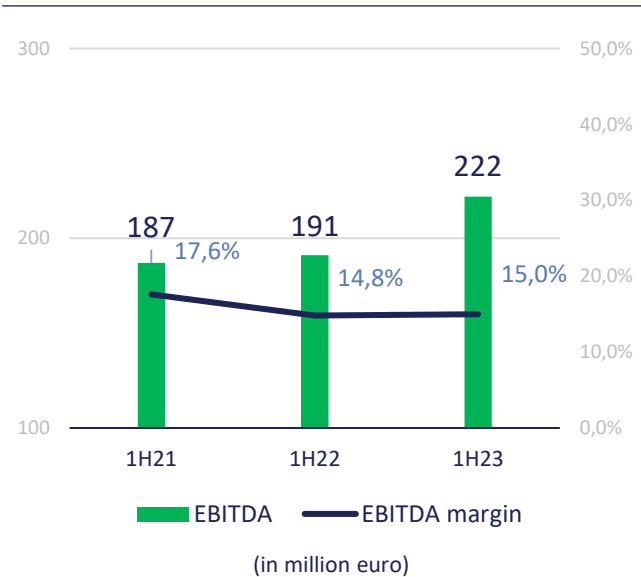
Turnover becoming more diversified with lower contribution from Europe and significant growth in America



# 1H23 – Group Profitability

EBITDA & EBIT trend upward ; Net profit down due to negative exchange rate results

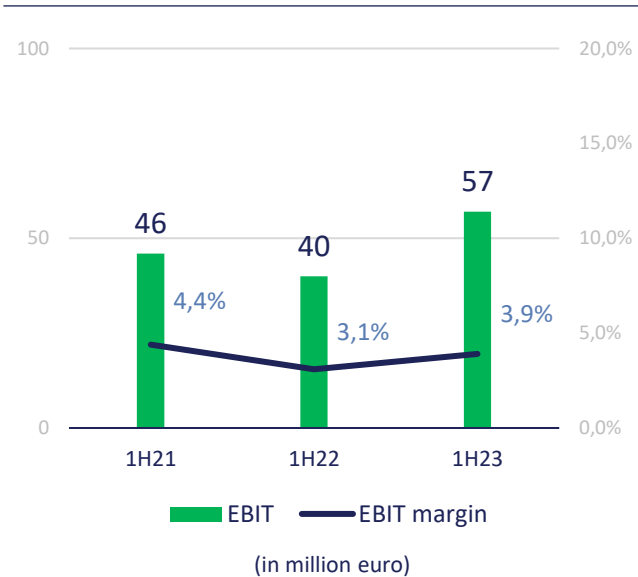
## EBITDA & EBITDA Margin



EBITDA grew along with turnover ; +16% in absolute value y-o-y & margin stable

Offshore Energy down due to project start-ups, recorded losses on 2 projects (pending client discussions) and absence of prior year settlement of liquidated damages ; Dredging & Infra increased as well as Environmental due to disciplined project execution and impact of settlements

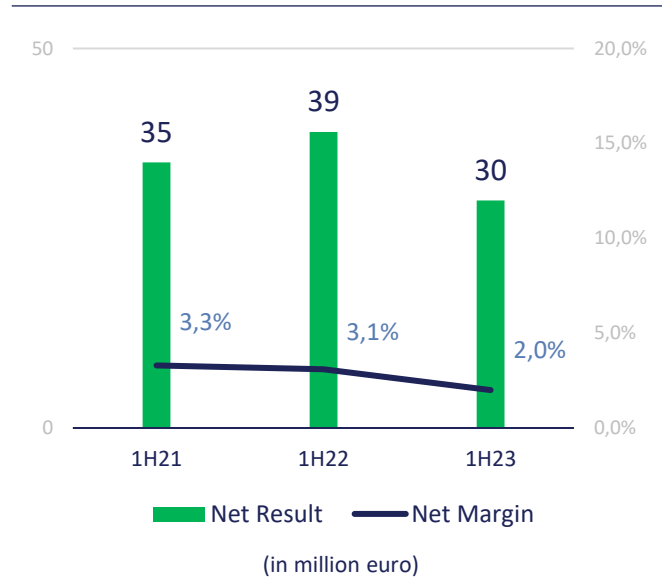
## EBIT & EBIT Margin



EBIT increased 43% vs 1H22; EBIT margin @ 3.9%, up from 3.1%

Higher depreciations resulting from 'Orion' and 'Viking Neptun' recently joining the fleet

## Net Result & Margin



Net profit lower vs 1H22 mainly due to negative exchange rate results

Earnings per share € 1.19





# 1H23 – Group Profitability

## Group EBITDA, EBIT and Net Profit



### Key profit and loss items

(in million euro)	<b>1H23</b>	<b>1H22</b>	<b>1H21</b>
Turnover	1,475	1,292	1,063
EBITDA	222	191	187
Depreciation and impairment	-165	-151	-141
EBIT	57	40	46
Financial Result	-13	4	-5
Share of profit (loss) of joint ventures & associates	3	7	5
Net Profit	30	39	35

■ Depreciation charges increased due to new arrivals in the fleet

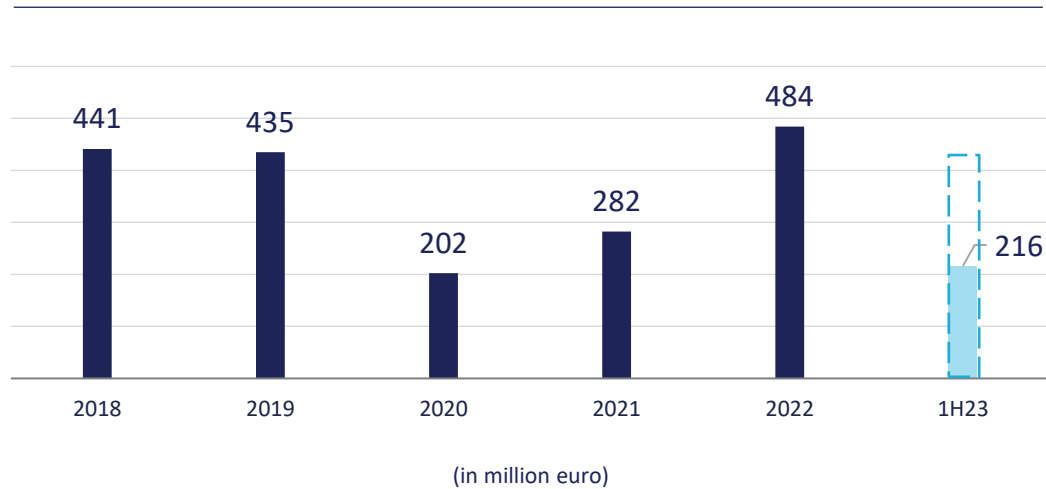
■ Financial Result includes negative exchange rate result



# CAPEX

Continued investments in technologically-advanced fleet

## Evolution of CapEx<sup>1</sup>



## CAPEX Highlights

Conversion investments for 'Sea Installer' and 'Yellowstone'

Conversion of 'Yellowstone', a former bulk carrier into a DP fallpipe vessel

Maintenance investments in entire DEME fleet as well as modification investments

'Green Jade'<sup>2</sup> inaugurated end of June and operational over summer

**€ 2,567m**  
**NET BOOK VALUE PROPERTY,  
PLANT & EQUIPMENT**

(up from € 2,422m a year ago)

1. Excluding investments in financial fixed assets  
2. 'Green Jade', inaugurated in June, was constructed in Taiwan by CDWE, joint-venture between CSBC and DEME, and the associated investments are excluded from the CAPEX amount



# 1H23 – Key balance sheet items

## Key balance sheet items

(in million euro)	1H23	1H22	FY22
Net Financial Debt	-715	-574	-521
Cash & cash equivalents	309	675	522
Operating Working Capital <sup>1</sup>	-411	-399	-506

Net Financial Debt/EBITDA  
@ 1.4

Increase in Net Financial Debt mainly driven by sustained high level of investments and cyclical effects on the cash flow generation/operating working capital during the first half



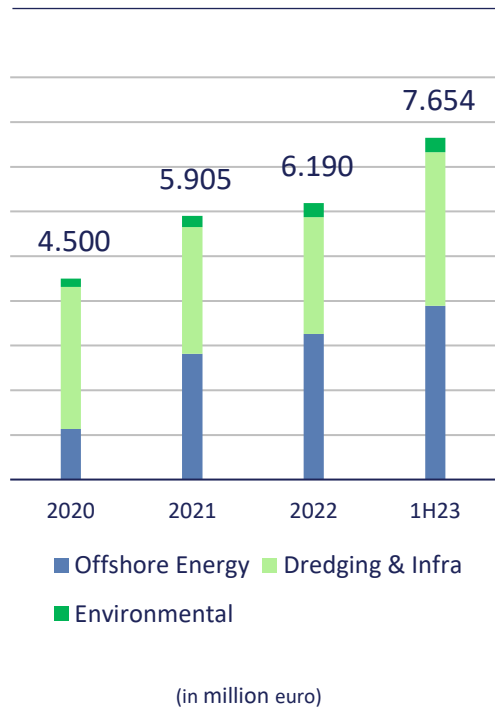
1. Operating working capital (+ is receivable, - is payable) is net working capital (current assets less current liabilities), excluding interest-bearing debt and cash & cash equivalents and financial derivatives related to interest rate swaps and including other non-current assets and non-current liabilities (if any) as well as non-current financial derivatives (assets and liabilities), except for those related to interest rate swaps.



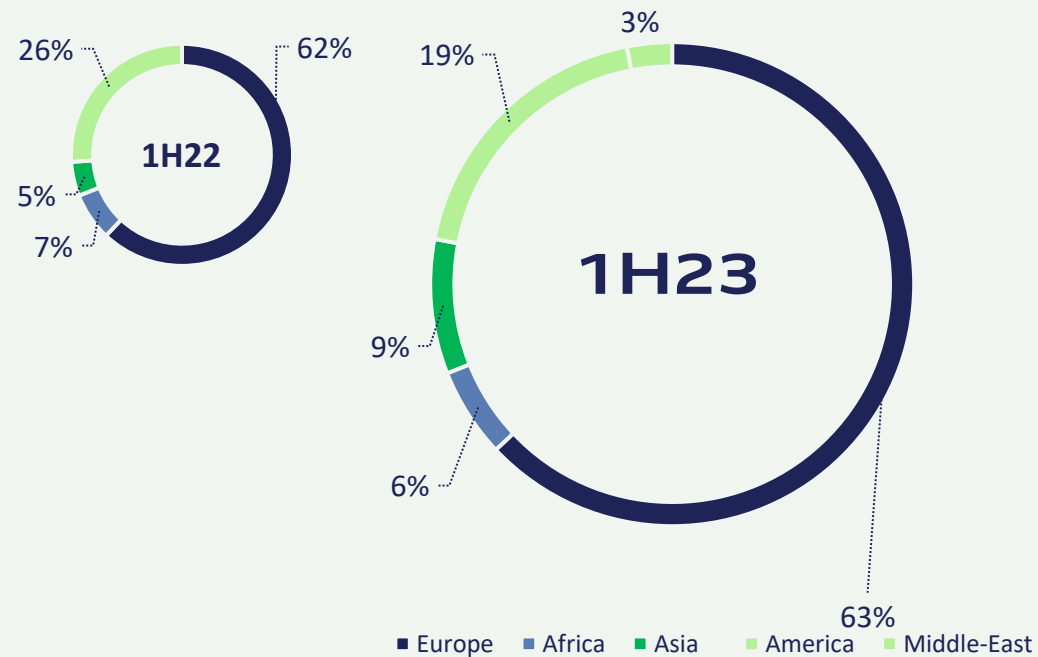
# 1H23 – Orderbook

Orderbook increase fueled by healthy market demand and strong positioning

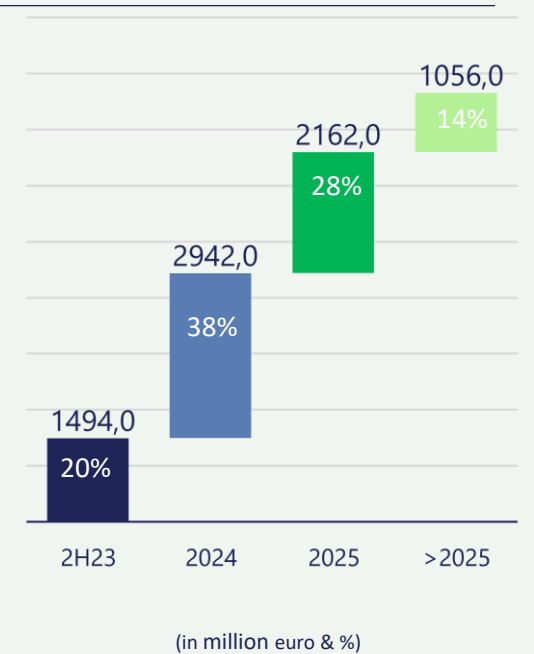
## Orderbook at all-time high



## Geographic breakdown 1H23 vs 1H22



## Orderbook run off indicates a promising future



Orderbook reached all-time high, increasing 24% compared to the end of last year

Strong demand in all contracting segments, each of which attained all-time high orderbooks: Offshore Energy: +49% y-o-y ; Dredging & Infra: +27% y-o-y ; Environmental: +5% y-o-y



# 1H23– Segments

Complementary segments result in diversified sources of income



## OFFSHORE ENERGY



## DREDGING & INFRA



## ENVIRONMENTAL



## CONCESSIONS

(in million euro)

	OFFSHORE ENERGY		DREDGING & INFRA		ENVIRONMENTAL	
	1H23	1H22	1H23	1H22	1H23	1H22
Turnover <sup>1</sup>	658	471	716	747	143	91
Y-o-y growth	+40%		-4%		+58%	
EBITDA	79	100	102	95	32	12
Margin	12.0%	21.3%	14.3%	12.7%	22.6%	13.5%
EBIT <sup>2</sup>	20	53	-1	-8	28	8
Margin	3.0%	11.2%	-0.2%	-1.0%	19.2%	9.1%

	1H23	1H22
Financial result	-13	4
Net result share of the Group	30	39

	1H23	1H22
Net result from associates	18	3

1. Representation is according to the proportionate method in the segment reporting  
 2. EBIT before DEME's share in the result of joint ventures and associates





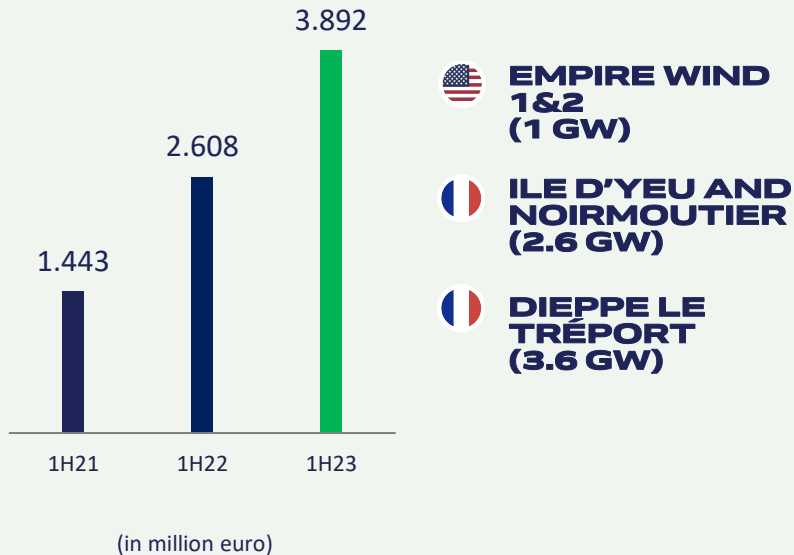
## 02 Segments Update



# Offshore Energy

## Performance Dashboard

### Orderbook



40% turnover growth, fueled by strong backlog and solid project execution

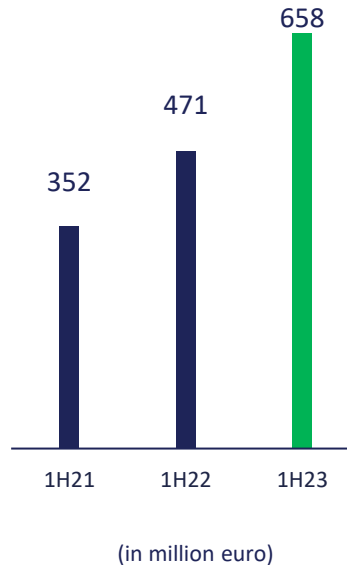
EBITDA and EBITDA margin down due to project start-ups, losses recorded on 2 projects (pending ongoing client discussions regarding supply chain and operational issues) and absence of prior year settlement of liquidated damages

Strong orderbook growth (+49%), reflecting new contract awards in Europe and US

Fleet utilisation lower due to technical adjustments for project execution in US and upgrade works across the fleet

Adding 'Viking Neptun' and 'Green Jade' to the fleet

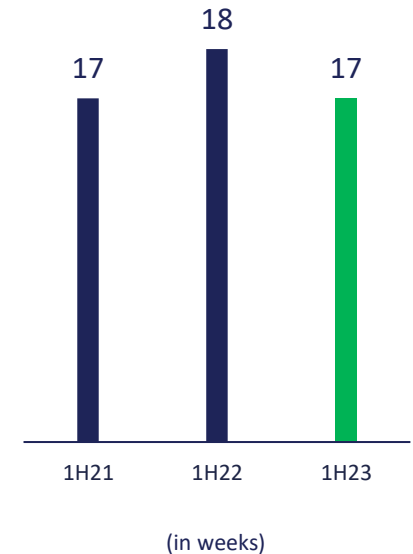
### Turnover



### EBITDA & Margin



### Fleet utilisation rate





# Offshore Energy

## Key Projects 1H23



**VESTERHAV OWF**  
41 XXL monopiles foundations



### INNOVATION

- DP2 jack-up vessel
- 1,500-ton lifting capacity



**FÉCAMP**  
Offshore substation jacket and topside



### ORION

- DP3 floating installation vessel
- 5,000-ton lifting capacity



**DOGGER BANK (3.6GW)**  
Inter-array cables



### LIVINGSTONE

- DP3 cable laying & multi-purpose vessel
- 2\*5,000-ton cable capacity



**ZHONG NENG (300MW)**  
31 jacket foundation, pin piles and wind turbines

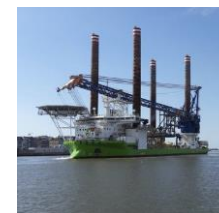


### APOLLO

- DP2 jack-up vessel
- 800-ton lifting capacity



**VINEYARD WIND (800MW)**  
62 monopile foundations & WTG installation  
First commercially scaled offshore wind farm in the US

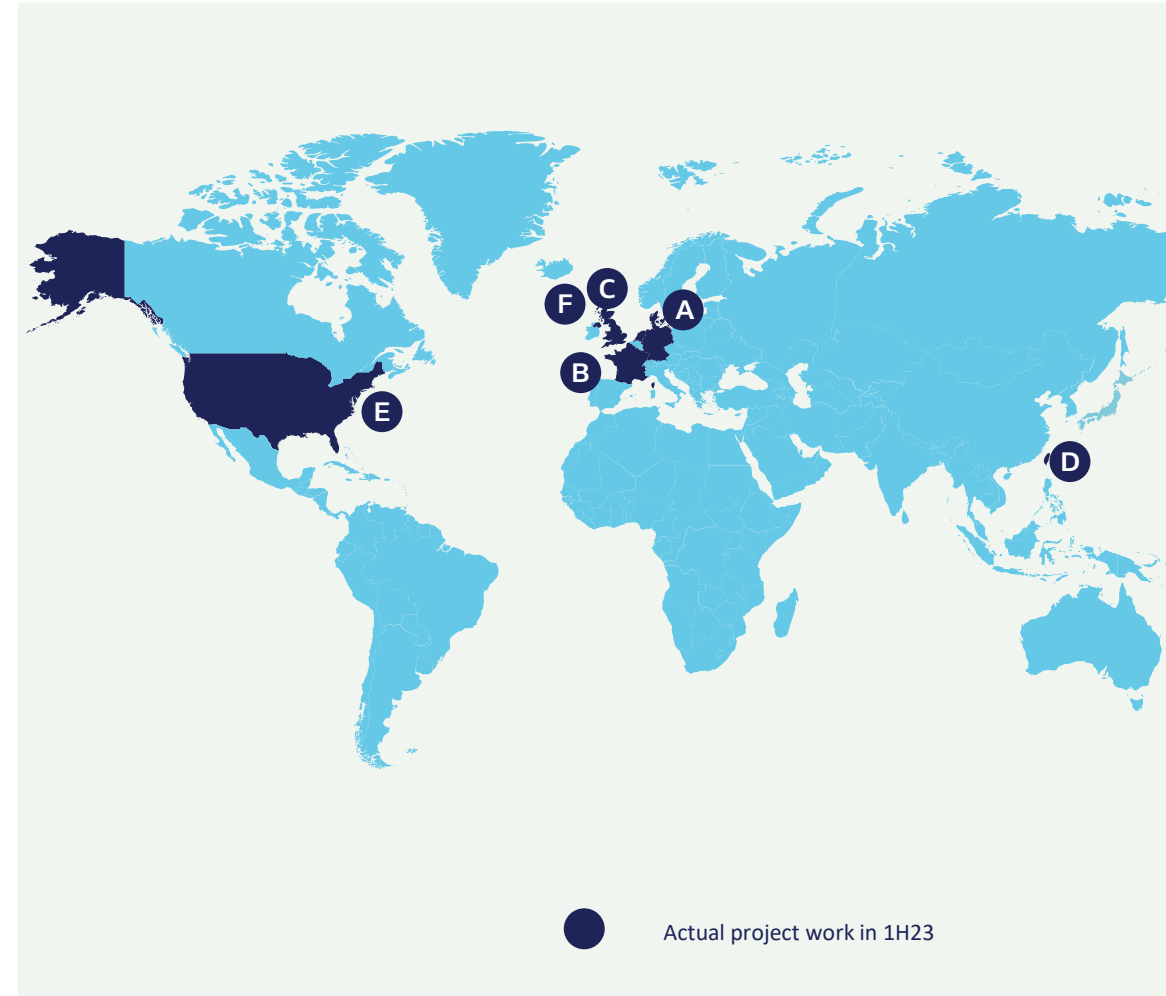


### SEA CHALLENGER

- DP2 jack-up vessel
- 900-ton lifting capacity



**HINKLEY NUCLEAR POWER STATION**  
Intake and outfall heads for nuclear power station;  
dual lifting in undeeep water

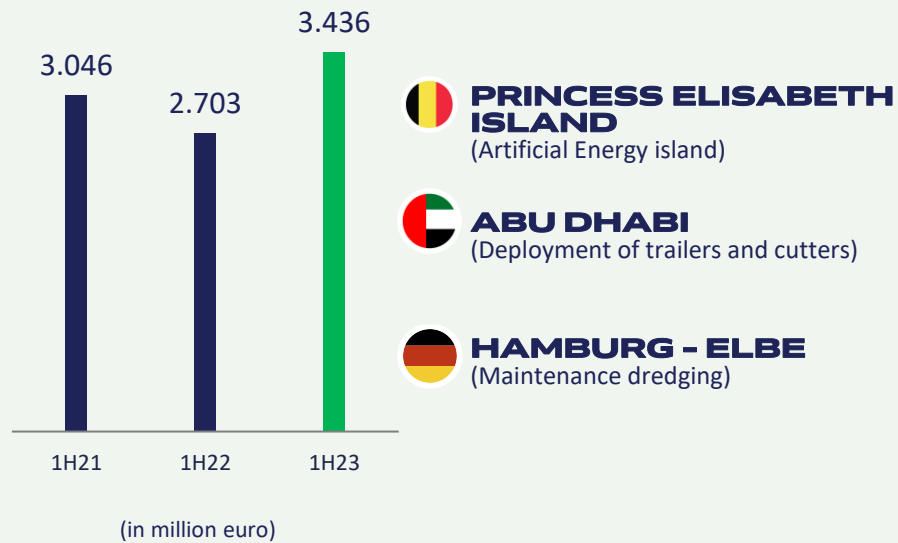




# Dredging & Infra

## Performance Dashboard

### Orderbook



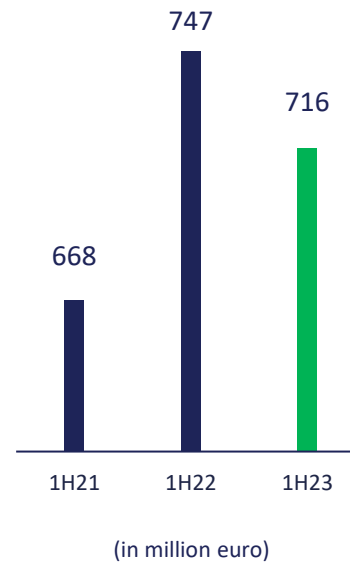
Turnover decreased 4% y-o-y compared to a strong 1H22

EBITDA increased y-o-y thanks to successful project execution and settlement of variation orders, partly offset by high level of repairs

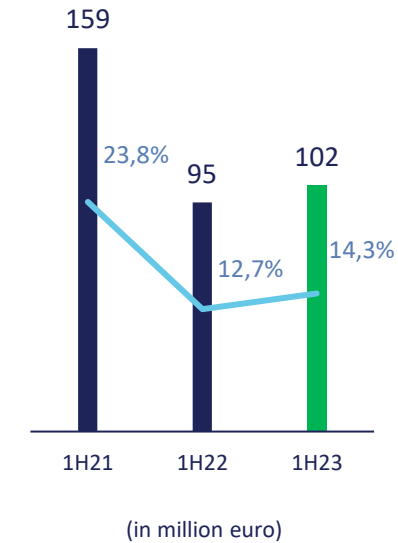
Orderbook increased 27% with contract wins in Europe (including Princess Elisabeth island) and Middle-East

Fleet utilisation, stable for the hopper-fleet (TSHD) and softer for cutters ; projected to strengthen during 2H23

### Turnover



### EBITDA & Margin



### Fleet utilisation rate



— EBITDA margin

— TSHD<sup>1</sup> — CSD<sup>2</sup>

1. TSHD: Trailing Suction Hopper Dredger  
2. CSD: Cutter Suction Dredger



# Dredging & Infra

## Key Projects 1H23



### A FEHMARNBELT FIXED LINK

Longest immersed road and rail tunnel in the world, connecting Denmark with Germany



### B STADE

New terminal works in Germany



### C EKO ATLANTIC, NIGERIA

Starting up the next phase of land reclamation project



### D ABU QIR PORT EXPANSION

Capital dredging ; Expansion of Egyptian Abu-Qir port



### E GDANSK

New terminal works in Poland



### F PORT-LA- NOUVELLE

Port expansion via dredging and construction of terminals



### G ALTAMIRA, MEXICO

Deepening of the access channel to the port



### H SRI LANKA

Reclamation works for the West Container Terminal



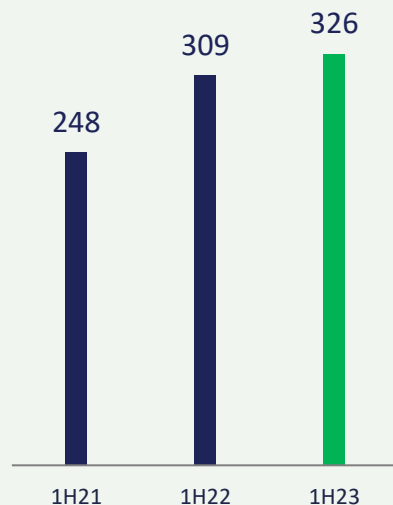
Actual project work in 1H23





# Environmental Performance Dashboard

## Orderbook



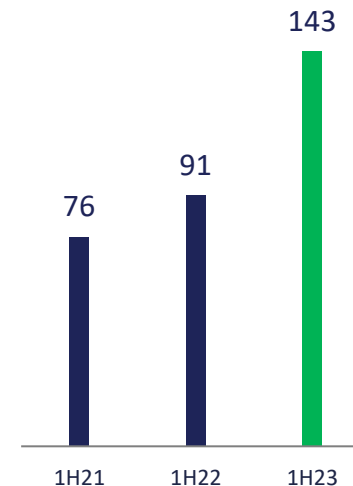
(in million euro)

Strong turnover growth of 58%, fueled by projects in Belgium, the Netherlands, France, UK and Norway

Orderbook growth mainly driven by project wins in Belgium

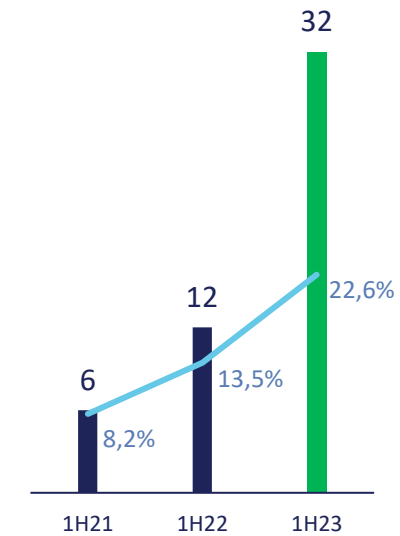
Strong increase in EBITDA reflecting impact of positive settlement and disciplined project management

## Turnover



(in million euro)

## EBITDA & Margin



(in million euro)

— EBITDA margin



# Environmental Key Projects 1H23

## Soil remediation and brownfield development



### BLUE GATE

Converting historically heavily polluted brownfield site into sustainable business park

Period: 2016-2036



### FORMER OIL TERMINAL

Turning oil-polluted former oil terminal into residential plot for houses. 150,000 tonnes of soil treated and >90% of soil reused

Period: 2020-2023

## High water protection



### CONDE-POMMEROEUL

Largest inland dredging project in France with re-opening of 6km of Canal

Period: 2017-2023



### GOWA

Dike reinforcement, part of the Netherlands Flood Protection Programme

Period: 2017-2026







# Concessions

## Net result

(in million euro)	1H23	1H22
Net result from associates	18	3

## Offshore Wind

Increase in net result mainly driven by stronger wind and part of the increase of electricity prices

Building pipeline with +2GW in Scotland and additional opportunities

## Global Sea Mineral Resources

- Strategic cooperation with Transocean whereby Transocean takes a non-controlling stake in GSR and contributes ultra-deepwater drilling vessel and makes a cash investment
- ISA council pushing out regulatory framework to 2025

## Dredging & Infra

Involved in marine infrastructure projects



## Green Hydrogen

- Advancing hydrogen development initiatives
- **HYPORT® Duqm** signs Project Development Agreement with Oman government





# 03

## ESG & Safety

# ESG 1H23

## Update on progress (1/2)

### Highlights in the **transition to clean energy**:

- **Advancing offshore wind farm projects**, including projects in **Europe** (France, the Netherlands, Denmark and the UK), **Asia** (Taiwan) and the **US**.
- Involved in the construction of the longest immersed road and rail tunnel in the world (Fehmarnbelt Fixed Link)
- Frontrunning on the production and storage of green hydrogen with **HYPOR<sup>®</sup> Duqm**
- Pioneering with SEAVOLT, offshore floating solar technology

**Environmental** grows its activity fueled by both DEME treatment centres and on-site treatment solutions in Belgium, The Netherlands, France, the UK and Norway

**Adding ‘Viking Neptun’ and ‘Green Jade’ to the fleet**, further enhancing sustainable operational capacity of DEME’s fleet, including solutions such as battery-pack, fuel saving measures and waste heat recovery system  
Conversion of ‘Yellowstone’ pioneers with dual fuel, also preparing for (green) methanol

**Safety KPI’s** such as incident reporting, observations, inspections, incident investigation criteria have consistently met or exceeded targets



# ESG 1H23

## Update on progress (2/2)

**DEME signs the industry declaration following the North sea summit in Ostend**, highlighting its ambition to fight climate change and to support to make the North Sea the new green energy hub of Europe

**DEMEx Innovation program** with focus on disruptive and transformational innovation delivered 3 winning initiatives to be further developed

**DEME remains committed to innovation and sustainability and has become proud partner of Innoptus Solar team**, aspiring to win the World Solar Challenge for the second time with their 10th solar car

**DEME continues to team up with Mercy ships in Africa**, as a token of our long-standing commitment to support the communities in which we operate





# 04 Outlook

# Outlook

*Building on the first half results, DEME reiterates its outlook for the year...*

**TURNOVER**  
higher than in 2022

**EBITDA MARGIN**  
comparable to 2022

**CAPEX** for the year now  
anticipated around € 425m





# Organizational Update

**Stijn Gaytant** to succeed **Els Verbraecken** as CFO DEME as of the General Assembly 2024.

Currently Head of Finance for DEME in Asia Pacific, Stijn has 20+ years of thriving experience across expert and leadership roles, encompassing diverse projects and regions, fostering deep business acumen.

# Financial Calendar

22/11/2023	Quarterly results Q3 2023
28/02/2024	Full Year 2023 results
28/03/2024	Annual Report 2023
14/05/2024	Quarterly results Q1 2024
15/05/2024	General Assembly
29/08/2024	Half Year 2024 results



# Q&A

For more information  
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**Thank you**

