



Half Year Report

2024



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PRELIMINARY REMARK

This Half Year Report includes the interim condensed consolidated financial statements for DEME Group NV and its subsidiaries (together the DEME Group) that are prepared in accordance with the International Financial Reporting Standards (IFRS) as of 30 June 2024 and for the six-month period then ended. These interim financial statements have been prepared in accordance with IAS 34 *interim financial reporting* and should be read in conjunction with the Group’s Annual Report as of 31 December 2023.

The Half Year Report includes the consolidated statement of financial position and (comprehensive) income, condensed consolidated statement of cash flows, consolidated statement of changes in equity, segment reporting and a selection of explanatory notes.

Both the Group’s Half Year Report 2024 and the Annual Report 2023 are available in English and in Dutch and can be downloaded from the website www.deme-group.com.

Highlights

Financial & non-financial key figures

Full Year (FY) and Half Year (1H) figures

	1H24	1H23	FY23
Financial key figures (in millions of euro)			
Turnover	1,916.4	1,475.4	3,285.4
EBITDA	344.9	221.9	596.5
Depreciation and impairment	-194.7	-164.8	-355.2
EBIT	150.2	57.1	241.3
Net result from joint ventures and associates	19.4	2.7	3.2
Net result share of the Group	141.1	30.2	162.8
Orderbook	7,622.5	7,654.0	7,581.8
Shareholders' equity (excl. non-controlling interests)	1,996.1	1,805.6	1,910.5
Free cash flow	277.8	-177.7	61.6
Net financial debt	-351.8	-715.2	-512.2
Total cash	508.7	309.4	389.1
Operating working capital	-575.0	-411.0	-471.3
Balance sheet total	5,302.6	4,614.0	4,760.1
Investments	167.1	216.0	398.9
Earnings per share (basic) (in euro)	5.58	1.19	6.43
Gross dividend for the year per share (in euro)	N/A	N/A	2.1
Non-financial key figures (in weeks)			
Fleet utilisation rate of Trailing Suction Hopper Dredgers	21.5	18.6	38.4
Fleet utilisation rate of Cutter Suction Dredgers	22.1	6.4	26.6
Fleet utilisation rate of Offshore equipment	23.6	17.1	40.8

All definitions for alternative performance measures or acronyms used in this report are available in the Glossary.

Financial key figures by segment

Full Year (FY) and Half Year (1H) figures
(in millions of euro)

	1H24	1H23	FY23
Turnover	1,916.4	1,475.4	3,285.4
Offshore Energy	898.3	657.8	1,501.5
Dredging & Infra	991.9	716.2	1,604.6
Environmental	175.4	143.3	304.3
Concessions	1.9	2.6	5.0
Reconciliation	-151.1	-44.5	-130.0
EBITDA	344.9	221.9	596.5
Offshore Energy	164.4	79.1	231.4
Dredging & Infra	189.2	102.1	298.3
Environmental	23.4	32.5	51.1
Concessions	-8.2	-6.8	-13.4
Reconciliation	-23.9	15.0	29.1
EBIT	150.2	57.1	241.3
Offshore Energy	80.5	20.0	101.6
Dredging & Infra	76.7	-1.2	73.1
Environmental	17.7	27.6	41.2
Concessions	-8.3	-6.8	-13.5
Reconciliation	-16.4	17.5	38.9
Net result from joint ventures and associates	19.4	2.7	3.2
Offshore Energy	-0.3	0.0	0.0
Dredging & Infra	0.2	0.2	0.0
Environmental	0.5	0.4	0.4
Concessions	10.5	18.3	37.4
Reconciliation	8.5	-16.2	-34.6
Orderbook	7,622.5	7,654.0	7,581.8
Offshore Energy	4,002.9	3,892.4	3,754.7
Dredging & Infra	3,290.1	3,436.0	3,472.4
Environmental	329.5	325.6	354.7
Concessions	-	-	-

Group performance

Executive summary

DEME delivered a strong performance for the first half of 2024. Turnover grew 30% to more than 1.9 billion euro and profitability grew compared to the first half of last year, reflecting continued effective project execution across all contracting segments. With a strong conversion of backlog into revenues and an equivalent fill rate of new orders, DEME's orderbook remained stable the last quarters.

Revenue for the Offshore Energy segment grew 37% year-over-year, driven by continued solid demand, expanded fleet capacity and robust project execution in the UK, France, Taiwan and the US. The Dredging & Infra segment performed well on a mix of projects including maintenance and capital dredging works across the globe and continued work on major infrastructural projects in Europe. The Environmental segment advanced its long-term projects in Belgium, the Netherlands, UK and Norway.

DEME generated an EBITDA of 345 million euro, or a 55% increase compared to the first half of 2023. The EBITDA margin was 18.0%, up from 15.0% for the first half of 2023, mainly due to strong gains at the Offshore Energy and Dredging & Infra segments. As a result of the increase in EBITDA, EBIT grew from 57 million euro for the first half in 2023, or 3.9% of turnover, to 150 million euro for the first half in 2024, equivalent to 7.8% in turnover.

The net profit for the Group was 141 million euro up from 30 million euro for the first half of 2023, mainly driven by the strong profit performance and favourable financial results.

In line with the capital expenditure budgeted for the year; investments for the first half amounted to 167 million euro compared to 216 million euro a year ago. Capital expenditure was mainly allocated to the expansion of DEME's fleet capabilities, mostly in its Offshore Energy segment, and to capitalised maintenance investments.

Free cash flow for the first half of the year was 278 million euro, compared to a negative 178 million euro in the same period last year. This 456 million euro improvement is due to the significant increase in DEME's profitability, positive impact of working capital and a lower investment level. Net financial debt amounted to -352 million euro, essentially half of the -715 million euro level a year ago. As a result, the net financial debt over EBITDA ratio is 0.5, compared to 1.4 a year ago¹. Total cash amounted to 509 million euro compared to 309 million euro at the end of the first semester last year.

Outlook

The following statements are forward looking, and actual results may differ materially.

Building on the strong results in the first half, management has raised its turnover outlook for the full year and now anticipates revenue growth of around 20% with an EBITDA margin comparable to 2023.

CapEx estimates for the year remain unchanged, between 300 and 350 million euro.

For the next few years, management expects the topline to be in line with 2024, taking into account the current project schedules in the backlog and pipeline for new projects along with vessel capacity, with the EBITDA margin to range between 16 and 20%.

¹Net financial debt over EBITDA ratio is computed as total net financial debt (without subordinated and other loans) divided by EBITDA on a rolling 12-month basis.

Financial figures

Orderbook²

Year-over-year comparison

<i>(in millions of euro)</i>	1H24	FY23	1H23	1H24 vs 1H23
Offshore Energy	4,002.9	3,754.7	3,892.4	+3%
Dredging & Infra	3,290.1	3,472.4	3,436.0	-4%
Environmental	329.5	354.7	325.6	+1%
Total Group	7,622.5	7,581.8	7,654.0	0%

DEME Group's order backlog was essentially unchanged compared to both a year ago and the end of last year. Year-over-year increases in the orderbook for the Offshore Energy and Environmental segments offset the decrease in the Dredging & Infra segment.

Noteworthy additions during the first half of the year included a major subsea cabling contract for the Princess Elisabeth Island in Belgium and a cable installation contract from Prysmian for the Ijmuiden Ver Alpha and Nederwiek 1 offshore grid system in the Netherlands, along with a variety of mid-sized and smaller new projects.

Orderbook run-off

The table represents future values, and actual results may differ materially.

<i>(in millions of euro)</i>	2H Year N	Year N+1	Year N+2	Year N+3 & beyond
Orderbook 1H23	1,494.0	2,942.0	2,162.0	1,056.0
Orderbook 1H24	2,042.9	2,887.3	1,394.8	1,297.5

The orderbook run-off supports our topline outlook for the year 2024. Additionally, the orderbook also provides mid-term visibility supporting our guidance for the next few years.

Turnover

Year-over-year comparison

<i>(in millions of euro)</i>	1H24	1H23	1H22	1H24 vs 1H23
Offshore Energy	898.3	657.8	471.5	+37%
Dredging & Infra	991.9	716.2	746.5	+39%
Environmental	175.4	143.3	90.7	+22%
Concessions	1.9	2.6	0.2	
Total turnover of segments	2,067.5	1,519.9	1,308.9	+36%
Reconciliation ³	-151.1	-44.5	-17.2	
Total turnover as per financial statements	1,916.4	1,475.4	1,291.7	+30%

The Group's turnover grew 30% year-over-year, fuelled by strong double-digit growth in all contracting segments. Each segment sustained its performance seen in the second half of last year, reflecting high activity levels and effective project execution.

The main projects for the Offshore Energy segment included Dogger Bank and Moray West in the UK, Coastal Virginia in the US, Île d'Yeu and Noirmoutier in France, and Zhong Neng and Hai Long

in Taiwan. The Dredging & Infra segment made good progress in maintenance and capital dredging projects across Europe, Africa, Asia, and the Middle East, and advanced its marine infrastructure works, including the installation of immersed tunnels in continental Europe. The Environmental segment continued its remediation and high water protection works in Belgium, the Netherlands, the UK, and Norway.

²Orderbook refers to the contract value of assignments acquired at the end of the respective reporting period, which have not yet been accounted for as turnover because of non-completion. This amount includes DEME's share in the orderbook of joint ventures, but excludes that of associates. Contracts are not included in the orderbook until the agreement with the client is signed.

³The reconciliation between the segment turnover and the turnover as per financial statements refers to the turnover of joint ventures. They are consolidated according to the proportionate consolidation method in the segment reporting but according to the equity consolidation method in the financial statements.

Geographical breakdown

<i>(in % of total)</i>	1H24	1H23	1H22	1H24 vs 1H23 (in nominal value)
Europe	66%	62%	73%	+36%
Africa	8%	7%	15%	+43%
Asia	9%	11%	8%	+11%
America	11%	19%	4%	-24%
Middle East	6%	1%	0%	+856%

The geographical breakdown reflects DEME's continued strong position in Europe, which accounts for two-thirds of turnover, with Africa, Asia, and America each contributing 8% to 11% of the Group's total. The Middle East region accounts for 6% of Group turnover and delivered very solid year-over-year growth driven by major recent contract wins. Europe, Africa and Asia regions

reported strong double-digit year-over-year growth contributing to the Group's topline growth. In contrast, the America region experienced a year-over-year decline relative to a very strong first half in 2023, when the Offshore Energy segment commenced its operational activities for the first East Coast projects.

ProfitabilityYear-over-year comparison

<i>(in % of total)</i>	1H24	1H23	1H22	1H24 vs 1H23
EBITDA	344.9	221.9	191.3	+55%
<i>EBITDA margin</i>	<i>18.0%</i>	<i>15.0%</i>	<i>14.8%</i>	
Depreciation & impairment expenses	-194.7	-164.8	-151.2	
EBIT	150.2	57.1	40.1	+163%
<i>EBIT margin</i>	<i>7.8%</i>	<i>3.9%</i>	<i>3.1%</i>	
Net profit	141.1	30.2	39.5	+367%
<i>Net profit margin</i>	<i>7.4%</i>	<i>2.0%</i>	<i>3.1%</i>	
Earnings per share (basic) (in euro)	5.58	1.19	1.56	+368%

DEME realised an EBITDA of 345 million euro for the first half of 2024 (18.0% of turnover), a 55% increase from 222 million euro (or 15.0% of turnover) for the first half of 2023.

The EBITDA margin improved in both the Offshore Energy segment as well as in the Dredging & Infra segment driven by higher occupancy, successful project execution and a favourable comparison base with the first half of 2023 when the results in those segments were somewhat impacted by project phasing and a limited number of recorded losses. The Environmental segment reported a decrease in the EBITDA margin compared to the first half of 2023, which was favourably impacted by a settlement on a completed project.

Fuelled by a robust EBITDA performance, EBIT amounted to 150 million euro or 7.8% of turnover compared to 57 million euro, or 3.9% of turnover last year, an increase of 163%.

Depreciation and impairment expenses amounted to 195 million euro, compared to 165 million euro a year ago. The increase in depreciation costs during the first half of the year is primarily due to investments in upgrading 'Sea Installer' and converting 'Yellowstone', DEME's recently added fallpipe vessel.

The net profit for the first half 2024 amounted to 141 million euro, 111 million more than the first half of last year, driven by strong profitability and favourable net financial results.

As a result, earnings per share (basic) were 5.58 euro per share, compared to 1.19 euro for the first half of 2023.

Net financial debt and balance sheet

<i>(in millions of euro)</i>	1H24	FY23	1H23
Operating working capital	-575.0	-471.3	-411.0
Investments	167.1	398.9	216.0
Net financial debt	-351.8	-512.2	-715.2
Total cash	508.7	389.1	309.4
Free cash flow	277.8	61.6	-177.7

At the end of the first half of 2024, investments in intangible assets and property, plant, and equipment⁴ amounted to 167 million euro, compared to 216 million euro a year ago. This change aligns with the investment guidance for the year, which is expected to be between 300 and 350 million euro, positioning 2024 as a year of lower investment intensity compared to previous years.

In addition to capitalised maintenance and recurring investments, the investments included 'Yellowstone,' DEME's new fallpipe vessel, which had its official naming ceremony in June 2024, as well as 'Karina,' an offshore survey vessel that was added to the fleet and put into operation during the first half of the year.

Operating working capital stood at -575 million euro, up from -411 million euro a year ago and -471 million euro as of 31 December 2023. This increase, in both current assets and current liabilities, largely aligns amongst others with the growth in turnover.

Fuelled by the positive profitability performance, lower investment levels and a stable level of operating working capital, the free cash flow⁵ for the year was a positive 278 million euro up from -178 million euro a year ago and 62 million euro at the end of last year.

The net financial debt⁶ was -352 million euro, half the amount reported a year ago at -715 million euro and a decline from the -512 million euro at the end of last year. Net financial debt over EBITDA at the end of the first half was 0.49 compared to 0.86 at the end of 2023 and 1.41 at the mid-year point in 2023.

Total cash amounted to 509 million euro compared to 389 million euro at the end of last year and 309 million euro a year ago.

⁴Investments is the amount paid for the acquisition of 'intangible assets' and 'property, plant and equipment'. These investments exclude investments in 'financial fixed assets'.
⁵Free cash flow is computed as the sum of cash flow from operating activities and cash flow from investing activities decreased with the cash flow related to lease repayments that are reported in the cash flow from financial activities.

⁶Net financial debt (+ is cash, - is debt) is the sum of current and non-current interest-bearing debt (that includes lease liabilities) decreased with cash and cash equivalents.

Operating segments

Please find below a description of the performance of DEME's operating segments.

Offshore Energy

<i>(in millions of euro)</i>	1H24	1H23	1H22	1H24 vs 1H23
Orderbook	4,002.9	3,892.4	2,608.1	+3%
Turnover	898.3	657.8	471.5	+37%
EBITDA	164.4	79.1	100.3	+108%
<i>EBITDA margin</i>	<i>18.3%</i>	<i>12.0%</i>	<i>21.3%</i>	
Fleet utilisation rate (weeks) ⁷	23.6	17.1	18.1	

Offshore Energy maintained a high orderbook while revenue grew 37% year-over-year, driven by continued solid demand, expanded fleet capacity and robust project execution.

In the UK, Offshore Energy successfully completed the foundation works for the Moray West offshore wind farm and finalised inter-array cabling works for both the Dogger Bank A and the Nearth Na Gaoithe projects.

In France, DEME concluded the wind turbine installation for the Fécamp offshore wind farm and kicked off the Île d'Yeu and Noirmoutier project, deploying its unique drilling technology to install the monopiles. For the same project a jacket and a substation were installed during the first semester. Also in France, DEME initiated prepiling works for the jacket foundations for the Dieppe - Le Tréport project.

In Taiwan, DEME's JV completed the installation of jacket foundations for the Zhong Neng project, achieving first power on time. Following this, the JV launched the Hai Long project with 'Green Jade', successfully installing the first jacket and topside for the substation as well as all pinpiles for the first season, in line with the project plan.

In the US, Offshore Energy successfully commenced the multi-year Coastal Virginia Offshore Wind project for Dominion Energy on schedule, installing the first of 176 planned monopiles. For the Vineyard project, Offshore Energy continued installing turbines and is discussing the timeline and the installation schedule for the remaining foundations with the client.

In the non-renewables, Offshore Energy completed the pipeline preparation works for the Rosemari project in Malaysia for Shell and Allseas and is deploying specialised dredging capabilities for the Darwin pipeline duplication project in Australia.

Vessel occupancy for the Offshore Energy segment remained robust at 23.6 weeks for the first semester, consistent with the strong performance seen in the second half of last year, driven by continued high utilisation across the different projects. The Offshore Energy segment posted an EBITDA margin of 18.3% compared to 12.0% a year ago. EBITDA for the first half of 2023 was impacted by project start-ups and recorded losses on projects in the US and in Taiwan.

DEME welcomed 'Yellowstone' to its fleet as the world's largest fallpipe vessel and plans to commence operations in the third quarter of the year, starting in Europe and then moving to the US. Additional vessel enhancements included installing the second turntable on 'Viking Neptun'. The vessel will utilise its boosted cable laying capacity to install inter-array cables for the Dogger Bank B project in the UK throughout the remainder of the year.

Orderbook for Offshore Energy stood at 4,003 million euro, up from 3,892 million euro a year ago and 3,755 million euro at the end of last year. Offshore Energy won new contracts that call for project deployments over the next several years, including two large cable installation projects from Prysmian for the Ijmuiden Ver Alpha and Nederwiek 1 offshore grid systems in the Netherlands, as well as a large export cable project for the Belgian Princess Elisabeth Island in consortium with cable producer Hellenic Cables. DEME's JV in Taiwan also expanded its orderbook to include foundation works for the Fengmiao project.

⁷The fleet utilisation rate is the weighted average operational occupation in weeks of the DEME fleet expressed over a given reporting period.

Dredging & Infra

<i>(in millions of euro)</i>	1H24	1H23	1H22	1H24 vs 1H23
Orderbook	3,290.1	3,436.0	2,702.6	-4%
Turnover	991.9	716.2	746.5	+39%
EBITDA	189.2	102.1	94.6	+85%
<i>EBITDA margin</i>	<i>19.1%</i>	<i>14.3%</i>	<i>12.7%</i>	
Fleet utilisation rate - TSHD (weeks) ⁸	21.5	18.6	19.6	
Fleet utilisation rate - CSD (weeks) ⁹	22.1	6.4	16.5	

Dredging & Infra reported a turnover of almost one billion euro, 39% higher than a year ago.

In Europe, Dredging & Infra continued working on maintenance contracts in Belgium and Germany, securing access to some of the most important ports in Europe. In Germany, the segment is working on widening the Kiel Canal. In the UK, Dredging & Infra secured a new contract to maintain the access channel to London Gateway Port along the River Thames, following the successful completion of a berth construction. In Italy, Dredging & Infra is executing modernisation works in Ravenna, as well as in Augusta, Sicily, and is preparing extension works for the ports of Livorno, Naples and Cagliari, Sardinia. In France, Dredging & Infra completed rock dredging works at La Pallice, La Rochelle, and continued deepening works at the harbour of Port-La Nouvelle. At Port-La Nouvelle, civil works advanced to the next phase with the construction of a new jetty.

Meanwhile, in the Netherlands, in Leiden, the Rijnlandroute, including the bore 'Corbulotunnel', was officially opened in July. The New Lock Terneuzen as well as the Blankenburg Connection projects are nearing completion, marking important milestones given the size, complexity and duration of such projects and demonstrating DEME's ability to leverage synergies across various activities.

In Belgium, good progress was made in constructing tunnel elements for the Scheldt Tunnel, part of the Oosterweel Connection project in Antwerp, Belgium. For the Belgian Princess Elisabeth Island, the first caissons are being built and the first marine works have started, including seabed preparation and foundation layer installation. Related to the same project, DEME's Offshore Energy segment won a new large subsea cabling contract to connect the energy island with the Belgian onshore electricity grid.

In Denmark, the Fehmarnbelt tunnel project is progressing, with the first tunnel element inaugurated by the King of Denmark in June, and the delivery of project-specific designed marine equipment.

Overseas, Dredging & Infra made notable progress establishing its presence in Asia Pacific with port maintenance projects in both India and Malaysia as well as land reclamation works in the Maldives. The Dredging & Infra segment is also further executing seabed preparation dredging works for near- and offshore energy projects in Malaysia, Taiwan and Australia.

In West Africa, Dredging & Infra is initiating a coastal protection project in the Ivory Coast, remains active with land reclamation works in Nigeria, and has maintenance dredging projects underway in Congo, Angola, Gabon and Guinea.

In the Middle East, the segment continued capital dredging and land reclamation works for the extension of the port of Abu Qir in Egypt. In Abu Dhabi multiple hopper and cutter suction dredgers remained in operation. For the port of Oxagon Phase 2 project in Saudi Arabia, a large multi-year project awarded in the last quarter of 2023, the dry earth excavation works are advancing well in anticipation of the upcoming cutter suction dredging works.

Vessel occupancy for the first half of the year for both the trailing suction hopper dredger fleet and the cutter fleet increased compared to the first and the second half of last year, driven by recent contract wins and strong backlog. The EBITDA margin in the Dredging & Infra segment increased to 19% for the first half 2024 from 14% for the first half of 2023, mainly driven by higher activity levels and strong project execution.

Orderbook amounted to 3,290 million euro, a decrease of 4% compared to a year ago and 5% compared to the end of last year, but remained at robust levels, with a healthy intake of diverse new projects nearly matching the conversion of the orderbook into turnover.

⁸TSHD: Trailing Section Hopper Dredger.

⁹CSD: Cutter Section Dredger.

Environmental

<i>(in millions of euro)</i>	1H24	1H23	1H22	1H24 vs 1H23
Orderbook	329.5	325.6	309.3	+1%
Turnover	175.4	143.3	90.7	+22%
EBITDA	23.4	32.5	12.2	-28%
<i>EBITDA margin</i>	<i>13.4%</i>	<i>22.6%</i>	<i>13.5%</i>	

The **Environmental** segment saw its orderbook increase to almost 330 million euro from 326 million euro a year ago and turnover grow 22% compared to last year. Orderbook at the end of last year stood at 355 million euro.

The topline growth was fuelled by ongoing work on long term and complex remediation and high-water protection projects in Belgium, the Netherlands, UK and Norway.

In Belgium the main ongoing projects are Blue Gate and Oosterweel in the Antwerp region, Feluy and Cokeries du Brabant. For the Blue gate project, which commenced in 2016, the remediation-phase 3 was completed in the first half of 2024 and is now moving into the next phase, a full-scale development of the site. In the Netherlands, the main projects are GoWA, Ijburg and the recently initiated project Marken. Works on a project in Schiphol to remediate a PFAS polluted site have been delayed due to permitting issues.

EBITDA for the first half of 2024 was 23 million euro, with an EBITDA margin of 13.4%, down from 22.6% a year ago. The EBITDA result in 2023 included a non-recurring settlement on a completed project in the Netherlands.

DEME Environmental signed a new long-term contract for the reconversion of a former ArcelorMittal site near Liège, Belgium, in collaboration with public and private partners. DEME Environmental is very well positioned to fully leverage its expertise to remediate this industrial and polluted site, making it ready for redevelopment. Environmental also continues to actively explore new, targeted opportunities in Italy and the UK, commencing initial environmental study efforts.

Concessions

<i>(in millions of euro)</i>	1H24	1H23	1H22	1H24 vs 1H23
Net result from associates	10.5	18.3	3.2	-43%

The associates of the **Concessions** segment delivered a net result of 11 million euro compared to 18 million euro a year ago. The first half of 2024 saw relatively high wind production, while the first half of 2023 benefited from a combination of high wind production, with higher electricity prices and new legislation in Belgium.

The Concessions segment remains involved in operational wind farms that are generating recurring income. In the offshore wind domain, the segment also continues working on the Scotwind concession project and is preparing for upcoming tenders in Belgium.

For dredging & infrastructure, DEME Concessions maintained its focus on projects both in portfolio and under construction including Blankenburg in the Netherlands, Port-La Nouvelle in France and port of Duqm in Oman and continued working on the preliminarily awarded project for the new deepwater terminal for the port of Swinoujscie in Poland.

With respect to the long-term growth initiatives in the concessions segment, DEME's Global Sea Mineral Resources (GSR) remains actively engaged in monitoring the legislative progress at the International Seabed Authority.

DEME's HYPOR Energy continues to advance, positioning itself to be amongst the first in the world to produce green molecules from renewable energy. During the first half of 2024, the HYPOR Duqm project in Oman has embarked on a certification pilot project in accordance with EU regulation. In July, DEME and OQ, Oman's leading integrated energy group, announced a strategic partnership with bp, one of the world's leading international energy companies. In this partnership bp becomes an equity partner and operator of the HYPOR Duqm project, acquiring a 49% stake while OQ and DEME each retain a 25.5% share. Furthermore, HYPOR Energy announced a new cooperation agreement with the Egyptian government to establish an industrial-scale green hydrogen project in and near the port of Gargoub.

ESG progress

With the Half Year results, DEME provides more qualitative information about the company's ESG performance while quantitative metrics such as EU taxonomy, GHG emissions, and worldwide LTIFR are reported annually with the full-year results.

Environmental

Transition to renewable energy and more efficient infrastructure solutions

DEME advanced its strategy to promote the transition to clean energy worldwide during the first semester by contributing to the realisation of more offshore wind farm projects in Europe, Asia and the US. In the first half of 2024, key projects in Europe included the Fécamp offshore wind farm, the Île d'Yeu and Noirmoutier project, and the Dieppe - Le Tréport project in France. In the UK, DEME contributed to the Moray West offshore wind farm, the Dogger Bank A project, and the Nearth Na Gaoithe project while in the US, Offshore Energy continued work on the Vineyard project and commenced the Coastal Virginia Offshore Wind project. In Asia, in Taiwan, DEME's joint venture completed the Zhong Neng project and initiated the installation of the Hai Long project.

In its Dredging & Infra segment, DEME is involved in the construction of the longest immersed road and rail tunnel in the world, the Fehmarnbelt Fixed Link project between Denmark and Germany. The tunnel will foster environmentally sustainable trade and tourism by reducing travel time and facilitating greener transport by the use of electric freight trains. Dredging & Infra is also working on the Princess Elisabeth Island in Belgium, the world's first artificial energy island and offshore energy hub and a key link in Europe's future North Sea energy grid. Construction of the first caisson kicked off in the first half 2024 and works will continue through 2026.

Social

Talent

DEME continued to invest in retaining and attracting talent in the first half of the year to support the Group's short- and long-term growth. Among several ongoing initiatives, the most prominent is DEME's 'Where Next' campaign—an international employer branding and recruitment program that includes targeted career days, participation in job fairs, and other events.

Finally, DEME remains actively engaged in renewable energy initiatives, including the production and storage of green hydrogen. The Group has further expanded its footprint in this sector by signing a new cooperation contract to establish a green hydrogen production plant in Gargoub, Egypt. In July, HYPOR Energy announced a strategic cooperation with bp for the ongoing green hydrogen project in Duqm, Oman.

Towards the most efficient fleet in the sector

As part of DEME's commitment to energy efficiency within its operations, the company has set an ambitious target to reduce GHG emissions per dredged m³ or installed MW by 40% by 2030, compared to 2008 levels. To achieve this, DEME is focusing on three strategic pillars: operational efficiency, technical efficiency, and a shift to more sustainable fuels.

The 'Yellowstone', the world's largest fallpipe vessel, which celebrated its naming ceremony in June 2024, embodies this forward-thinking approach as it adheres to all three pillars and fully complies with the latest emission standards. It is set to become the sector's pioneering dual-fuel fallpipe vessel, ready for (green) methanol. Additionally, the ship is equipped with a hybrid power plant with a 1 MWh Li-ion battery for enhanced fuel-savings, and a waste heat recovery system to further optimise energy efficiency.

Safety

As part of DEME's commitment to safety, the Group maintains its focus on essential Safety Key Performance Indicators (KPIs), consistently meeting or surpassing targets for toolbox meeting participation, prompt incident reporting, timely closure of action items, observations, inspections, and incident investigations. Reporting on these metrics will be provided with the full-year results.

In the first half of the year, several institutionalised initiatives were undertaken, including DEME's Safety Week; Safety Success Stories campaign and a dedicated Safety Moment Day will follow in the second half of the year. This year's initiatives centred around the theme "Gravity Doesn't Take a Break", focusing on working at height, lifting activities and dropped objects.

Additionally, safety topics such as DEME's HIPO's¹⁰, where the 'Stop Work' Authority was exercised, were shared across the entire DEME community to reinforce safety awareness among all team members.

¹⁰Dangerous situations, near misses or incidents with a high potential

Governance

Board structure

During the Annual General Meeting, held on 15 May 2024, the shareholders approved the appointment of Ms. Gaëlle Hotellier and Ms. Marieke Schöningh, as independent directors of the Board for a period of four years until the closing of the Annual General Meeting in 2028. Ms. Gaëlle Hotellier brings a strong management track record with over 25 years of experience in various industries. She is also an experienced board member with a technical background and has been appointed as member of DEME's Remuneration Committee. Ms. Marieke Schöningh has more than 30 years of experience in different roles, ranging from COO to business development and board membership, mostly in heavy-CapEx industries. She has been appointed to DEME's Audit Committee.

Ms. Kerstin Konradsson, who has served as an independent director on DEME's Board since June 2022, has decided to resign voluntarily from her position. This brings the total number of female directors to four out of eleven members for a female representation of 36%, elevating the gender diversity of DEME's Board of Directors.

Executive Committee

Effective May 2024, Mr. Stijn Gaytant succeeded Ms. Els Verbraecken as the new CFO of DEME Group NV and became a member of the Executive Committee. Mr. Stijn Gaytant has more than two decades of experience at DEME, having held various expert and leadership roles across multiple projects, segments, and regions, including extensive overseas assignments.

Other ESG accomplishments

In the field of ESG assessments, DEME Group maintained its 'A' score from MSCI¹¹ and achieved a Sustainalytics score of 30.6¹², an improvement compared to 31.8 in 2023. This reflects an above sub-industry average performance and strong overall management of material ESG issues.

The Ecovadis assessment in 2024 led to a silver score for both the Environmental and Offshore Energy activities.

The CDP scores for DEME Offshore will be available later this year.

¹¹Last report update 31 July 2024.

¹²Last report update 4 July 2024.

Half Year condensed consolidated financial statements

Consolidated statement of income

Half Year (1H) figures
(in thousands of euro)

	Notes	1H24	1H23
REVENUES		1,942,673	1,489,041
Turnover	(1)	1,916,401	1,475,383
Other operating income	(2)	26,272	13,658
OPERATING EXPENSES		-1,792,465	-1,431,894
Raw materials, consumables, services and subcontracted work		-1,244,043	-951,287
Personnel expenses		-343,003	-296,419
Depreciation and amortisation expenses	(5)/(7)/(8)	-190,274	-164,759
Impairment of property, plant and equipment and right-of-use assets	(7)/(8)	-4,379	-
Impairment of goodwill and intangible assets	(5)/(6)	-	-
Other operating expenses	(2)	-10,766	-19,429
OPERATING RESULT		150,208	57,147
FINANCIAL RESULT	(3)	12,775	-12,668
Interest income		4,178	4,407
Interest expenses		-6,972	-10,126
Realised/unrealised foreign currency translation effects		19,395	-8,703
Other financial result		-3,826	1,754
RESULT BEFORE TAXES		162,983	44,479
Current taxes and deferred taxes	(4)	-37,486	-10,675
RESULT AFTER TAXES		125,497	33,804
Share of profit (loss) of joint ventures and associates		19,389	2,650
RESULT FOR THE PERIOD		144,886	36,454
Attributable to non-controlling interests		3,775	6,270
SHARE OF THE GROUP		141,111	30,184
Number of shares (in thousands)	(14)	25,314	25,314
Earnings per share (basic) (in euro)	(14)	5.58	1.19
Earnings per share (diluted) (in euro)	(14)	5.57	1.19

Consolidated statement of comprehensive income

Half Year (1H) figures
(in thousands of euro)

	1H24	1H23
Result attributable to non-controlling interests	3,775	6,270
Share of the Group	141,111	30,184
RESULT FOR THE PERIOD	144,886	36,454
Other comprehensive income that may be reclassified to profit or loss in subsequent periods		
Changes in fair value related to hedging instruments	-1,048	-2,474
Share of other comprehensive income of joint-ventures and associates (**)	4,055	-2,224
Changes in cumulative translation adjustment reserve	-2,785	-5,058
Other comprehensive income that cannot be reclassified to profit or loss in subsequent periods		
Remeasurement of net liabilities relating to defined benefit plans	(*)	(*)
Share of other comprehensive income of joint-ventures and associates	(*)	(*)
TOTAL OTHER COMPREHENSIVE INCOME	222	-9,756
TOTAL COMPREHENSIVE INCOME	145,108	26,698
Attributable to non-controlling interests	3,905	5,753
SHARE OF THE GROUP	141,203	20,945

(*) The remeasurement of net liabilities relating to defined benefit plans is only done once a year for year-end closing purposes. The change in the actuarial assumptions of inflation rate and discount rate at 30 June 2024 compared to 31 December 2023 is not significant and the impact of the change on the net liabilities relating to defined benefit plans as recorded in the books of 31 December 2023, is considered to be immaterial.

(**) Reference is made to the consolidated statement of changes in equity. The share of other comprehensive income of joint ventures and associates relates to changes in fair value of hedging instruments.

Consolidated statement of financial position

Full Year (FY) and Half Year (1H) figures
(in thousands of euro)

ASSETS	Notes	1H24	FY23
NON-CURRENT ASSETS		3,144,906	3,106,348
Intangible assets	(5)	21,887	22,840
Goodwill	(6)	13,028	13,028
Property, plant and equipment	(7)	2,533,206	2,582,220
Right-of-use assets	(8)	172,499	111,093
Investments in joint ventures and associates		183,954	170,295
Other non-current financial assets		54,762	48,324
Non-current financial derivatives	(16)	19,334	22,073
<i>Interest rate swaps</i>		<i>19,241</i>	<i>19,862</i>
<i>Forex/fuel hedges</i>		<i>93</i>	<i>2,211</i>
Other non-current assets		9,297	10,526
Deferred tax assets		136,939	125,949
CURRENT ASSETS		2,157,644	1,653,710
Inventories	(9)	33,417	32,015
Contract assets		710,933	633,027
Trade and other operating receivables	(10)	772,680	514,043
Current financial derivatives	(16)	11,680	13,503
<i>Interest rate swaps</i>		<i>11,068</i>	<i>10,938</i>
<i>Forex/fuel hedges</i>		<i>612</i>	<i>2,565</i>
Assets held for sale	(11)	33,536	1,630
Other current assets		86,713	70,408
Cash and cash equivalents	(15)	508,685	389,084
TOTAL ASSETS		5,302,550	4,760,058

GROUP EQUITY AND LIABILITIES	Notes	1H24	FY23
SHAREHOLDERS' EQUITY		1,996,074	1,910,473
Issued capital	(12)	33,194	33,194
Share premium		475,989	475,989
Retained earnings and other reserves	(12)	1,497,260	1,411,751
Hedging reserve		41,145	38,115
Remeasurement on retirement benefit obligations		-35,784	-35,784
Cumulative translation adjustment		-15,730	-12,792
NON-CONTROLLING INTERESTS		55,027	50,337
GROUP EQUITY		2,051,101	1,960,810
NON-CURRENT LIABILITIES		811,073	835,687
Retirement benefit obligations		54,917	54,810
Provisions		50,613	46,957
Interest-bearing debt	(15)	620,269	652,523
Non-current financial derivatives	(16)	22,143	22,953
<i>Interest rate swaps</i>		-	-
<i>Forex/fuel hedges</i>		22,143	22,953
Other non-current financial liabilities		1,474	332
Deferred tax liabilities		61,657	58,112
CURRENT LIABILITIES		2,440,376	1,963,561
Interest-bearing debt	(15)	240,209	248,743
Current financial derivatives	(16)	27,470	20,324
<i>Interest rate swaps</i>		-	-
<i>Forex/fuel hedges</i>		27,470	20,324
Provisions		9,716	14,045
Contract liabilities		680,007	447,363
Advances received		92,286	84,486
Trade payables		1,134,786	897,610
Remuneration and social debt		83,125	94,791
Current income taxes	(4)	78,790	64,024
Other current liabilities		93,987	92,175
TOTAL LIABILITIES		3,251,449	2,799,248
TOTAL GROUP EQUITY AND LIABILITIES		5,302,550	4,760,058

Condensed consolidated statement of cash flows

Half Year (1H) figures
(in thousands of euro)

	Notes	1H24	1H23
CASH AND CASH EQUIVALENTS, OPENING BALANCE		389,084	522,261
Operating result		150,208	57,147
Dividends from participations accounted for using the equity method		11,287	2,604
Reclassification of (income) loss from sales of property, plant and equipment and financial participations to cash flow from divestments		-7,430	-2,809
Interest received	(3)	4,243	4,407
Interest paid	(3)	-5,265	-10,113
Foreign currency translation effects and other financial income (costs) (*)	(3)	10,274	-6,949
Income taxes paid		-40,133	-41,976
NON-CASH ADJUSTMENTS		196,353	170,245
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL		319,537	172,556
CHANGES IN WORKING CAPITAL		144,656	-126,664
CASH FLOW FROM OPERATING ACTIVITIES		464,193	45,892
INVESTMENTS		-178,738	-230,848
Acquisition of intangible assets	(5)	-1,138	-1,196
Acquisition of property, plant and equipment	(7)	-165,926	-214,816
Cash (out) inflows on acquisition of subsidiaries		-	-
Cash (out) inflows on acquisition of associates and joint ventures	(segment reporting)	-2,531	-3,138
New borrowings given to joint ventures and associates	(19)	-8,367	-11,698
Cash outflows of other financial assets		-776	-
DIVESTMENTS		14,163	22,975
Sale of intangible assets		67	-
Sale of property, plant and equipment	(7)	9,116	9,699
Cash (out) inflows on disposal of subsidiaries	(scope changes)	-	9,377
Cash (out) inflows on disposal of associates and joint ventures		3,744	1,142
Repayment of borrowings given to joint ventures and associates	(19)	1,236	2,566
Cash inflows of other financial assets		-	191
CASH FLOW (USED IN) / FROM INVESTING ACTIVITIES (**)		-164,575	-207,873
New interest-bearing debt	(15)	26,935	90,000
Repayment of interest-bearing debt	(15)	-129,574	-122,121
Payment of lease liabilities	(15)	-22,066	-15,669
Purchase of treasury shares	(12)/(13)	-2,882	-
Gross dividend paid to the shareholders	(12)	-53,145	-
Gross dividend paid to non-controlling interests		0	-
CASH FLOW (USED IN) / FROM FINANCIAL ACTIVITIES		-180,732	-47,790
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		118,886	-209,771
Impact of exchange rate changes on cash and cash equivalents		715	-3,052
CASH AND CASH EQUIVALENTS, ENDING BALANCE		508,685	309,438
FREE CASHFLOW		277,552	-177,650

(*) This line relates to a.o. realised foreign currency translation effects whereas note (3) financial result presents both realised and unrealised foreign currency translation effects.

(**) The amounts of cash flow from investments and divestments can differ from the amounts invested or divested in the notes to which reference is made, due to non-cash corrections such as additions of the year that are not yet paid for as well as gain/losses realised on sale of property, plant and equipment.

Consolidated statement of changes in equity

1H24 (in thousands of euro)	Share capital and share premium	Hedging reserve	Remeasurement on retirement benefit obligations	Retained earnings and other reserves	Cumulative translation adjustment	Shareholders' equity	Non- controlling interests	Group equity
Ending, 31 December 2023	509,183	38,115	-35,784	1,411,751	-12,792	1,910,473	50,337	1,960,810
Impact IFRS amendments	-	-	-	-	-	-	-	-
Opening, 1 January 2024	509,183	38,115	-35,784	1,411,751	-12,792	1,910,473	50,337	1,960,810
Result for the period	-	-	-	141,111	-	141,111	3,775	144,886
Other comprehensive income	-	3,030	-	-	-2,938	92	130	222
Total comprehensive income	-	3,030	-	141,111	-2,938	141,203	3,905	145,108
Dividends paid	-	-	-	-53,145	-	-53,145	251	-52,894
Purchase of treasury shares	-	-	-	-2,882	-	-2,882	-	-2,882
Share-based payments	-	-	-	425	-	425	-	425
Other	-	-	-	-	-	-	534	534
Ending, 30 June 2024	509,183	41,145	-35,784	1,497,260	-15,730	1,996,074	55,027	2,051,101

Share capital amounts to 33,194 thousand euro and **share premium** amounts to 475,989 thousand euro. Reference is also made to note (12) share capital, dividends, retained earnings and other reserves.

The **hedging reserve** includes the fair value fluctuations of effective cash flow hedges, net from income taxes. Reference is made to note (16) financial risk management and financial derivatives. The movement of the year, 3.0 million euro, also includes the changes in the hedging reserve for joint ventures and associates (4.1 million euro). Some joint ventures and associates, mainly in the DEME Concessions segment, finance substantial assets such as infrastructure works, offshore wind farms or vessels and therefore hold interest rate swaps (IRS).

Remeasurement on retirement benefit obligations relates to the defined benefit plans (including the Belgian contribution-based plans which are considered to be defined benefit plans under IFRS) actuarial gains/losses (-) and asset limitation, after income taxes.

Retained earnings and other reserves include the revaluation surplus, legal reserve, available reserves, untaxed reserves and retained earnings of the parent company, before result appropriation of the year, as well as the consolidation reserves, treasury shares reserve and share-based payment reserve. Reference is made to note (13) share-based payments. The increase of 68.7 million euro in the line 'other' in 2023 was related to the step-in of a partner in the company Global Sea Mineral Resources NV (GSR) within segment Concessions that was accounted for as an equity transaction.

Non-controlling interests amounts to 55.0 million euro at 30 June 2024. The amount of 20.4 million euro in the line 'other' in 2023 was also related to the step-in of a partner in the company Global Sea Mineral Resources NV (GSR) within segment Concessions.

1H23 (in thousands of euro)	Share capital and share premium	Hedging reserve	Remeasurement on retirement benefit obligations	Retained earnings and other reserves	Cumulative translation adjustment	Shareholders' equity	Non- controlling interests	Group equity
Ending, 31 December 2022	509,183	70,020	-37,458	1,218,272	-6,070	1,753,947	22,318	1,776,265
Impact IFRS amendments	-	-	-	-	-	-	-	-
Opening, 1 January 2023	509,183	70,020	-37,458	1,218,272	-6,070	1,753,947	22,318	1,776,265
Result for the period	-	-	-	30,184	-	30,184	6,270	36,454
Other comprehensive income	-	-4,709	-	-	-4,530	-9,239	-517	-9,756
Total comprehensive income	-	-4,709	-	30,184	-4,530	20,945	5,753	26,698
Dividends paid	-	-	-	-37,972	-	-37,972	-	-37,972
Other	-	-	-	68,689	-	68,689	20,392	89,081
Ending, 30 June 2023	509,183	65,311	-37,458	1,279,173	-10,600	1,805,609	48,463	1,854,072

Segment reporting

Description of operating segments

For management purposes, the Group is organised into four business units based on its products and services. The four reportable segments are:

Offshore energy

This segment provides engineering and contracting services globally in the offshore renewables and oil & gas industry. Those activities are executed with specialised offshore vessels. In the offshore renewables, the Group is involved in the full Balance of Plant scope for offshore wind farms. This includes the engineering, procurement, construction and installation of foundations, turbines, inter-array cables, export cables and substations. The Group also offers operations and maintenance, logistics, repair and decommissioning as well as salvage services to the market. In the oil & gas industry, the Group performs landfalls and civil works, rock placement, heavy lift, umbilicals, as well as installation and decommissioning services. In addition to these main activities, the Group also provides specialised offshore services, including geoscience services and the installation of suction pile anchors and foundations.

Dredging & Infra

In this segment the Group performs a wide variety of dredging activities worldwide, including capital and maintenance dredging, land reclamation, soil improvement, port construction, coastal protection and beach nourishment works. These activities are executed with specialised dredging vessels and various types of auxiliary vessels and earth-moving equipment. The Group also provides contracting services for marine infrastructure projects. This includes the engineering, design and construction of complex marine structures such as jetties, port terminals, locks and weirs, infrastructural works such as bored and immersed tunnels, foundation and marine works for bridges or other constructions in a marine or fluvial environment, and civil works for harbour construction, dams and sea defences, canal construction, revetment, quay wall construction and shore protection. In addition, the Group is active in the marine aggregate business, which includes dredging, processing, storage and transport of aggregates. Finally, the Group provides maritime services for port terminals.

Environmental

The Environmental segment focuses on innovative environmental solutions for soil remediation and brownfield redevelopment, environmental dredging and sediment treatment and water treatment. It is mainly active in the Benelux, France, as well as in other European countries on a project-by-project basis. An external partner participates in the Environmental segment. The segment can be considered as a material partly owned aggregated level of subsidiaries with non-controlling interests of 25.1%.

Concessions

The Concessions segment, unlike the contracting segments, invests in and develops projects in wind, port infrastructure, green hydrogen and other special projects. It operates through participations in special purpose companies – greenfield and brownfield. Besides creating economic value on its projects and generating equity returns on its investments, it also aims to secure regular activities for the Group contracting activities in the EPC phases of its projects. Within its concessions activities, the Group also holds concessions of seabed areas which contain polymetallic nodules and develops a technology to collect and process these polymetallic nodules containing nickel, cobalt, manganese and copper from the deep ocean floor.

Each of the four abovementioned segments has its own market, asset base and revenue model and is managed separately requiring different strategies. Dredging & Infra activities are complementary as the marine infrastructure works that DEME Infra undertakes are often combined with a dredging or land reclamation scope. The Offshore Energy segment is involved in and serves the offshore energy industry, both renewables and oil & gas sectors. The Environmental segment focuses on environmental solutions. The Concessions segment, unlike the contracting segments, invests in and develops projects in wind, port infrastructure, green hydrogen and other special projects.

The segment reporting comprises financial information of these four segments that are separate operating segments. On a quarterly basis, separate operating results are prepared and reported to the Chief Operating decision maker, the DEME Executive Committee, as well as the Board of Directors.

For the segment reporting, some activity lines, that are the lowest level of reportable activities within DEME, are aggregated. As such the activities of Combined Marine Terminal Operations Worldwide NV (CTOW) in the maritime services for port terminals and Deme Building Materials NV (DBM) in the marine aggregate business are aggregated in the Dredging & Infra segment. The works performed by Scaldis Salvage & Marine Contractors NV (salvage works) are aggregated in the Offshore Energy segment.

The reporting of the management accounts (reporting on operating results) is an integral part of the financial reporting. At any time, the consolidated management report can be reconciled with the consolidated financial statements, both resulting in the same IFRS net result of the year (as such one version of the truth).

The Group's company structure is mostly, but not completely, built around the different segments. It is possible that a company of the Group is executing projects in both the Dredging & Infra and Offshore Energy segment and also one project can trigger cost and income in different companies of the Group worldwide. The list of Group companies associated with their main operational segment is available in the Annual Report 2023. The changes in the reporting period are listed in section changes in the consolidation scope. The DEME operational and management structure is aligned with the DEME operational segments as well as the management reporting that is based on a worldwide uniform analytical accounting system. The analytical result by company, that gives a breakdown by project and cost center, is the basis for the segment reporting that can always be reconciled with the income statement of the company.

For projects in which two segments are involved (for instance an offshore contract with a dredging scope), the segments only report their own share in revenue and result. When one segment is working for another segment as a subcontractor or when a segment hires equipment, to use on projects, that is dedicated to another segment, this is remunerated at arm's length basis. Inter-segment revenues are included in the revenues of the segment performing the work but are eliminated in the segment that is invoicing to the external customer. Intercompany sales for major projects are mainly within the same segment (dredging and infrastructure works; offshore and salvage works).

For each segment the turnover, EBITDA, depreciation and impairment cost and EBIT is reported. For the Concessions segment these measures of performance are only applicable to the subsidiaries (fully consolidated entities included in this segment). As the business of the Concessions segment is often resulting in a minority stake in participations, the operating result of these participations is reflected in the result from associates and joint ventures that is also segmented. The basis for the segment reporting is the management reporting system. Next to all activities done by our subsidiaries, the management report also

includes the projects executed by joint ventures, showing the DEME's share of revenues and expenses in the joint venture. This proportionate consolidation method whereby the Group accounts for the assets, liabilities, revenues and expenses according to its share in the joint venture, is not allowed under IFRS for joint ventures. Management however has to monitor the performance of the entire business, both executed in control as in a joint venture. In the segment reporting the joint ventures are consolidated according to the proportionate consolidation method and the intercompany transactions between the joint ventures and DEME subsidiaries are eliminated following the rules of proportionate consolidation. The total of the reported segment amounts is reconciled with the corresponding amounts in the DEME consolidated financial statements. The Share of the Group (IFRS net result) is not affected by the difference in consolidation method, only the presentation of the result of the year is different.

As for the net result from joint ventures and associates and the carrying amount of joint ventures and associates, the reconciliation column includes the net result and carrying amount of joint ventures that are consolidated according to the equity method in the financial statements but according to the proportionate consolidation method in the segment reporting.

DEME's management reporting focuses on both the current and future (financial) performance and on the current and future assets deployed for the execution of projects. The financing activities and monitoring of our working capital is performed centrally at DEME Group level, and therefore no segmented financial information is presented for those activities.

The segmentation of DEME's fleet is done based upon the nature of the equipment dedicated to a specific segment. An overview of the DEME fleet per nature is attached in the Annual Report 2023. A geographical segmentation of the fleet is not applicable for DEME as its vessels are continuously deployed on different projects around the world.

Financial information of operating segments

Half Year (1H) figures
(in thousands of euro)

	Offshore Energy	Dredging & Infra	Environmental	Concessions	Total Segments	Reconciliation	Group Financial Statements
Turnover	898,283	991,938	175,403	1,932	2,067,556	-151,155	1,916,401
EBITDA	164,422	189,160	23,421	-8,187	368,816	-23,955	344,861
Depreciation and impairment	-83,943	-112,471	-5,696	-80	-202,190	7,537	-194,653
EBIT	80,479	76,689	17,725	-8,267	166,626	-16,418	150,208
Financial result					9,456	3,319	12,775
RESULT BEFORE TAXES					176,082	-13,099	162,983
Current taxes and deferred taxes					-41,918	4,432	-37,486
Net result from joint ventures and associates	-317	193	468	10,526	10,870	8,519	19,389
RESULT FOR THE PERIOD					145,034	-148	144,886
Attributable to non-controlling interests					3,923	-148	3,775
SHARE OF THE GROUP					141,111	-	141,111
Net book value intangible assets	11,687	5,319	-	4,886	21,892	-5	21,887
Net book value property, plant and equipment and right-of-use assets	1,497,858	1,241,594	68,536	81,308	2,889,296	-183,591	2,705,705
Carrying amount of joint ventures and associates	311	5,554	2,917	111,715	120,497	61,983	182,480
<i>Booked as non-current financial asset</i>	<i>311</i>	<i>5,554</i>	<i>2,938</i>	<i>112,440</i>	<i>121,243</i>	<i>62,711</i>	<i>183,954</i>
<i>Booked as non-current financial liability (- is credit)</i>	<i>-</i>	<i>-</i>	<i>-21</i>	<i>-725</i>	<i>-746</i>	<i>-728</i>	<i>-1,474</i>
Acquisition of property, plant and equipment and right-of-use assets (*)	134,583	106,292	9,859	169	250,903	-11,407	239,496
Capital investments in joint ventures and associates	600	-	-	-	600	2,531	3,131

(*) Acquisitions according to balance sheet (rollforward property, plant and equipment and right-of-use assets) and not according to cash flow statement.

The financial information disclosed in the segment reporting (using the proportionate consolidation method for joint ventures) is reconciled with the financial information as reported in the consolidated statement of financial position and the consolidated statement of income (using the equity consolidation method as required under IAS 28) above. The impact of the different consolidation method for joint ventures is included in the 'reconciliation' column. The proportionate (line-by-line) integrated amounts of joint ventures are deducted and replaced by the Group's share in the result of the joint ventures. In addition, turnover of fully consolidated entities towards joint ventures (that is proportionally eliminated in the segment reporting), is added

again to the turnover in the Group financial statements, as this turnover is not eliminated any longer when joint ventures are consolidated according to the equity method. Therefore, the ratio between EBITDA/EBIT and turnover of the 'reconciliation' column is not reflecting the ratio of the joint ventures itself. Associates are consolidated according to the equity method in both the segment reporting and the Group financial statements. The lines referring to 'net result of joint ventures and associates' or 'capital investments in joint ventures and associates' in the segment reporting only include associates, while the joint ventures are added in the reconciling items.

1H23

	Offshore Energy	Dredging & Infra	Environmental	Concessions	Total Segments	Reconciliation	Group Financial Statements
Turnover	657,765	716,165	143,299	2,571	1,519,800	-44,417	1,475,383
EBITDA	79,100	102,078	32,451	-6,805	206,824	15,082	221,906
Depreciation and impairment	-59,100	-103,297	-4,867	-44	-167,308	2,549	-164,759
EBIT	20,000	-1,219	27,584	-6,849	39,516	17,631	57,147
Financial result					-13,884	1,216	-12,668
RESULT BEFORE TAXES					25,632	18,847	44,479
Current taxes and deferred taxes					-8,050	-2,625	-10,675
Net result from joint ventures and associates	-	232	362	18,343	18,937	-16,287	2,650
RESULT FOR THE PERIOD					36,519	-65	36,454
Attributable to non-controlling interests					6,335	-65	6,270
SHARE OF THE GROUP					30,184	-	30,184

FY23

	Offshore Energy	Dredging & Infra	Environmental	Concessions	Total Segments	Reconciliation	Group Financial Statements
Net book value intangible assets	12,674	6,098	8	4,067	22,847	-7	22,840
Net book value property, plant and equipment and right-of-use assets	1,480,965	1,247,270	64,473	81,230	2,873,938	-180,625	2,693,313
Carrying amount of joint ventures and associates	28	5,347	2,505	112,989	120,869	49,094	169,963
<i>Booked as non-current financial asset</i>	28	5,347	2,521	113,046	120,942	49,353	170,295
<i>Booked as non-current financial liability (- is credit)</i>	-	-	-16	-57	-73	-259	-332
Acquisition of property, plant and equipment and right-of-use assets (*)	382,488	161,160	19,296	81,184	644,128	-112,186	531,942
Capital investments in joint ventures and associates	-	-	-	7,671	7,671	891	8,562

(*) Acquisitions according to balance sheet (rollforward property, plant and equipment and right-of-use assets) and not according to cash flow statement

Corporate information

DEME is specialised in offshore energy, dredging and marine infrastructure, environmental and concessions projects. DEME offers solutions for its clients at the interface of land, water and energy. For almost 150 years, DEME creates value for its shareholders and delivers projects in a safe, sustainable and efficient way with the best people, the right assets, technical leadership and effective resource allocation.

The company can as such build on a lot of experience and is a front runner in innovation and new technologies. DEME's vision is to work towards a sustainable future by offering solutions for global challenges: a rising sea level, a growing population and fast urbanisation, the reduction of emissions, polluted rivers and soils, the scarcity of mineral resources and the rising maritime trade activity that acquires constant marine infrastructure upgrades to ensure vessel access and suitable ports. Through its diversified portfolio of activities DEME is well positioned to tackle each of one of those challenges. DEME can rely on more than 5,600 highly skilled professionals and operates one of the largest and most technologically advanced fleets in the world.

While the company's roots are in Belgium, DEME has built a strong presence in all of the world's seas and continents.

The head office and registered address of the parent company, DEME Group NV, is Scheldedijk 30, Zwijndrecht, Belgium.

DEME Group NV is registered at the Chamber of Commerce (VAT number) in Antwerp, Belgium with number BE 0787829347 and the legal entity identifier (LEI) at the Crossroad Bank of Enterprises is 549300FPFPQPKI3PJV37.

DEME Group NV is listed since 30 June 2022, on Euronext Brussels under the symbol 'DEME.BR' and ISIN code BE 0974413453. For the purposes of the EU Directive 2004/109/EC in respect of the harmonisation of transparency requirements relating to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC, the Home Member State is Belgium. DEME Group NV shall notify the Belgian Financial Services and Market Authority (FSMA), as competent supervisory market authority of its Home Member State. DEME Group's securities are only admitted to trading in Belgium.

The website of the Group is www.deme-group.com.

This Half Year Report is presented to the Board of Directors and authorised for publication on 23 August 2024. For more information regarding the shareholder structure reference is made to note (12) share capital, dividends, retained earnings and other reserves.

General policies and changes in the current reporting period

Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2024, have been prepared in accordance with IAS 34 *interim financial reporting*.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's consolidated financial statements as of 31 December 2023.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Below amendments apply for the first time in 2024, but do not have an impact on the interim condensed consolidated financial statements of the Group:

- amendments to IAS 1 *presentation of financial statements*: non-current liabilities with covenants and classification of liabilities as current or non-current
- amendments to IFRS 16 *leases*: lease liability in a sale and leaseback
- amendments to IAS 7 *statement of cash flows* and IFRS 7 *financial instruments*: disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements

Seasonal nature of the business

The Group operates in the fields of dredging, marine infrastructure, solutions for the offshore energy market and environmental works. Our projects are executed on different continents, in onshore and offshore locations. Seasonal patterns and weather conditions can impact our operations, but it's more the timing of commencement and completion of our projects that can have an impact on the Group's results and financial position at closing date.

Share-based payments and treasury shares

In H1 2024 a stock option plan was launched by DEME Group NV as part of its senior management incentive plan after which a share buyback programme was started. Reference is made to note (13) share-based payments.

The stock option plan enables selected participants to acquire shares of DEME Group NV (equity-settled transaction). The exercise price of the options, that are granted free of charge, is equal to the lower of the average closing price of the share during the last 30 days preceding the date of the offering or the last closing price prior to the date of the offering. According to IFRS 2 *share-based payments* the cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in note (13) share-based payments. The cost is recognised in personnel expenses with a corresponding increase in equity (share-based payments reserve) on a straight-line basis over the vesting period.

To cover the company's obligations under the implemented stock option plan, the Company buys own shares (treasury shares) which can occur by means of several buybacks. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Group's own equity instruments. When stock options are exercised, treasury shares are derecognised but the difference between the option exercise price and the average price of the treasury shares remains in equity.

Significant judgements and estimates

While preparing the interim condensed consolidated financial statements, DEME management makes judgements, estimates and assumptions that affect the application of accounting principles and the recognised amounts under assets, liabilities, income and expense. Actual results may be different from these estimates and estimates may be revised if the circumstances on which they were based alter or if new information becomes available. However, the areas of policy judgement and the key sources for making estimates are consistent with those followed in the preparation of the Group's consolidated financial statements as at and for the year ended 31 December 2023, with the exception of income tax expense. The Half Year income tax expense is calculated using the tax rate that would be applicable to the expected total annual earnings. Reference is made to note (4) current taxes and deferred taxes.

Risks and uncertainties

This chapter should be read together with chapter '05. Corporate governance and risk management- Risk management' in the Group's Annual Report 2023.

Reference is made to note (17) contingent assets and liabilities of this Half Year Report.

Disclosures related to specific topics

Macroeconomic matters

The end of 2023 and the first semester of 2024 are marked by major disruptions to global maritime trade flows as a result of the current crisis in the Red Sea. Vessels entering the Gulf of Aden and transiting the Red Sea and Suez Canal continue to face attacks by the Yemen-based Houthis. These security threats have led to significant vessel diversions. Vessels travelling through the Asia-Europe trade lane have diverted from their original routes and begun to sail around Africa's Cape of Good Hope. This crisis has also affected African ports, causing congestion as the rerouting means that more vessels have to call at African ports, including for bunkering services. However, these ports are not always fully prepared to handle the additional calls and accommodate larger vessels. As a result of this Red Sea conflict, DEME's vessels are now also travelling longer distances (extending travel time) and incurring higher operating costs. All those costs are continuously being monitored within the Group and passed through to the client where possible. This new wave of disruption follows previous macroeconomic issues such as the COVID-19 pandemic and the war in Ukraine.

For other macroeconomic and also climate related matters reference is made to the Annual Report 2023.

Changes in the consolidation scope

The following jointly controlled entities and associate have been **established** during H1 2024:

Jointly controlled entities:

- Cargen Group BV (Belgium) (37.45%), within Environmental
- Société de Reconversion de la Cokerie d'Ougrée (SORECO) SA (Belgium) (38.20%), within Environmental

Associate:

- Asyad Container Terminals LLC (Oman) (3%), within Concessions

In the second quarter of 2024, DEME Offshore Holding NV, within Offshore Energy, **acquired** 24.01% beneficial interest in the companies GBM Works Holding BV and its 100 % subsidiaries GBM Works BV and GBM Works IP BV, all in the Netherlands.

GBM Works is an innovative group developing and commercialising silent installation methods for offshore foundations that reduce the environmental impact on marine life. The acquisition in the above associates was realised by means of the conversion of a loan of 0.6 million euro that was included in other non-current assets as of 31 December 2023, into share capital.

On acquisition of an investment in an associate, any difference (whether positive or negative) between the cost of acquisition and the investor's share of the fair values of the net identifiable assets of the associate is accounted for like goodwill in accordance with IFRS 3 *business combinations* within the measurement period that cannot exceed one year from the acquisition date. As the initial accounting for the acquisition of the GBM Works group was not completed by the end of June 2024, the difference between the consideration transferred and the acquiree's equity was accounted for as goodwill for an amount of 0.9 million euro. According to IAS 28 *investments in associates and joint ventures*, this goodwill is included in the carrying amount of the investment.

The **name** of the following subsidiaries and associate **changed** in H1 2024:

Subsidiaries:

- DEME Environmental NL BV (former Aannemingsmaatschappij De Vries & van de Wiel BV), DEME Environmental Zandexploitatie BV (former Zandexploitatie maatschappij De Vries & van de Wiel BV), DEME Environmental Recycling Centra BV (former Milieutechniek De Vries & van de Wiel BV) and DEME Environmental Beheer BV (former De Vries & Van de Wiel Beheer BV), all in the Netherlands and within Environmental

Associate:

- Baltic West Terminal SA (Poland) (former Dratohill Investments SA), within Concessions

The following subsidiary, within Dredging & Infra, was **liquidated** during H1 2024:

- Dragmorstroy LLC (Russia) (100 %)

The **percentage of shareholding** in the following subsidiaries and associate **changed** during H1 2024:

Subsidiaries:

- Global Sea Mineral Resources NV (GSR) (Belgium) and its 100% affiliate Deeptech NV (Belgium), within Concessions, from 84.30% to 84.22%

Associate:

- C-Power NV from 6.46% to 6.33% as Deme Concessions Wind NV (100 % Deme share) sold its direct participation in C-Power NV to C-Power Holdco NV (10 % Deme share). Next to that C-Power Holdco NV also acquired 8.34% of the shares of C-Power NV from third parties. In the end the percentage in C-Power NV decreased for the DEME Group with a positive impact on the result of 0.08 million euro accounted for as other operating income. Reference is made to note (2) other operating income and expenses.

Foreign currencies

The Group's consolidated financial statements are presented in euro, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Financial statements of foreign entities with a functional currency not equal to the euro, are translated as follows:

- assets and liabilities are translated at closing period end rate
- income and expenses are translated at the average exchange rate for the six-month period ended
- shareholders' equity accounts are translated at historical exchange rates

Exchange differences arising from the translation of foreign subsidiaries, joint ventures or associates, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

Foreign currency transactions are accounted for at exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date rate. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owner of the Company are reclassified to profit or loss.

The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method. In case of a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss.

For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Currency rates from foreign currency to EUR

	30 June 2024		31 December 2023	
	Closing rate	Average rate	Closing rate	Average rate
AED	0.2541	0.2519	0.2467	0.2520
AOA	0.0011	0.0011	0.0011	0.0014
AUD	0.6223	0.6103	0.6171	0.6153
BRL	0.1669	0.1811	0.1867	0.1852
CAD	0.6825	0.6827	0.6841	0.6863
CNY	0.1284	0.1284	0.1277	0.1309
EGP	0.0195	0.0239	0.0293	0.0307
GBP	1.1801	1.1701	1.1534	1.1508
HKD	0.1196	0.1183	0.1160	0.1182
INR	0.0112	0.0111	0.0109	0.0112
JPY	0.0058	0.0061	0.0064	0.0066
MXN	0.0509	0.0539	0.0534	0.0522
MYR	0.1980	0.1964	0.1974	0.2036
NGN	0.0006	0.0007	0.0010	0.0016
OMR	2.4260	2.4041	2.3539	2.4053
PGK	0.2358	0.2372	0.2363	0.2499
PHP	0.0160	0.0162	0.0164	0.0166
PLN	0.2322	0.2321	0.2304	0.2208
QAR	0.2561	0.2539	0.2489	0.2539
RUB	0.0109	0.0102	0.0102	0.0111
SGD	0.6887	0.6871	0.6869	0.6898
TWD	0.0287	0.0290	0.0295	0.0298
UAH	0.0231	0.0237	0.0238	0.0251
USD	0.9334	0.9252	0.9061	0.9255
UYU	0.0237	0.0239	0.0232	0.0239
ZAR	0.0513	0.0495	0.0496	0.0505

Explanatory notes to the consolidated financial statements

Note 1 – Turnover and orderbook

Turnover

A break-down of the DEME turnover **by nature, segment and geographical market** can be found below.

Turnover by nature (in thousands of euro)	1H24	1H23
Revenue from contracts with customers	1,905,886	1,466,089
Revenue from ancillary activities	10,515	9,294
Total turnover as per financial statements	1,916,401	1,475,383

Revenue from contracts with customers mainly comprises the net revenue from the operational activities of the segments. For most contracting activities the contract is based on a fixed or lump sum price. The Group can act both as contractor and principal of an engagement.

Revenue from ancillary activities is revenue that can be very divers such as sale of equipment or fees. It is turnover that is not followed up as a separate project in the management reporting system.

The Group has determined that the disaggregation of revenue by product line is best reflected by the revenue information that is disclosed for each reportable segment under IFRS 8, as this information is regularly reviewed by the chief decision makers (see also separate chapter on segment reporting) and best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

Turnover of segments (in thousands of euro)	1H24	1H23
Offshore Energy	898,283	657,765
Dredging & Infra	991,938	716,165
Environmental	175,403	143,299
Concessions	1,932	2,571
Total turnover of segments	2,067,556	1,519,800
Reconciliation (*)	-151,155	-44,417
Total turnover as per financial statements	1,916,401	1,475,383

(*) The reconciliation between the segment turnover and the turnover in the consolidated statement of income refers to the turnover of joint ventures. They are consolidated according to the proportionate method in the segment reporting but according to the equity consolidation method (application of IAS 28) in the financial statements.

The Group's turnover grew 30% year-over-year, fueled by strong double-digit growth in all contracting segments. Each segment continued and further advanced the performance seen in the second half of last year, reflecting high activity levels and effective project execution.

Turnover by geographical market (*)

(in thousands of euro)

1H24 **1H23**

	1H24	1H23
Belgium	384,119	210,783
Europe - EU	609,776	530,436
Europe - non EU	264,205	180,583
Africa	146,812	102,569
Asia & Oceania	132,675	87,964
America	212,194	278,967
Indian subcontinent	44,807	71,342
Middle East	121,813	12,739
Total turnover as per financial statements	1,916,401	1,475,383

(*) A **geographical market** is determined as the area (location) where projects are realised and services are provided or the project location for offshore works.

The geographical breakdown reflects DEME's continued strong position in Europe, which accounts for two-thirds of revenues, with Africa, Asia (Asia & Oceania, together with Indian subcontinent) and America each contributing 8% to 11% of the Group's total. The Middle East region accounts for 6% of Group revenues but demonstrates very solid year-over-year growth driven by major recent contract wins. Europe, Africa and Asia regions reported strong double-digit year-over-year growth contributing to the Group's topline growth. In contrast, the America region experienced a year-over-year decline following a very strong growth in the first half of 2023.

Similar to last year, there are no clients contributing more than 10% in the Group's turnover. Moreover, as a result of the occasional nature and spread of the contracts, none of the DEME clients structurally will ever qualify as a material client in relation to the total turnover of the Group.

Orderbook

The Group's orderbook is the contract value of assignments acquired as of 30 June but that is not yet accounted for as turnover because of non-completion. The orderbook also includes the Group's share in the orderbook of joint ventures, but not of associates.

Contracts are not included in the orderbook until the agreement with the client is signed. A letter of award is not sufficient to include the contract in the orderbook according to the Group's policy. In addition, financial close must be reached when projects will be executed in 'uncertain' countries before including them in the orderbook. 'Uncertain countries' are identified at the discretion of the Executive Committee.

Furthermore, experience shows that, once an agreement has been reached, cancellations or significant reductions in the scope or size of contracts are relatively rare, but may occur, particularly when markets come under severe pressure. In the event of such cancellations, the Group is usually entitled to receive contractual cancellation fees.

Orderbook by segments

(in thousands of euro)

1H24 **1H23** **FY23**

	1H24	1H23	FY23
Offshore Energy	4,002,924	3,892,440	3,754,649
Dredging & Infra	3,290,079	3,436,020	3,472,387
Environmental	329,485	325,540	354,724
Concessions	-	-	-
Total orderbook	7,622,488	7,654,000	7,581,760

DEME's Group order backlog was essentially unchanged compared to both a year ago and the end of last year. Year-over-year increases in the orderbook for Offshore Energy and Environmental offset the decrease in Dredging & Infra. Noteworthy additions during the first half of the year included a major subsea cabling contract for Princess Elisabeth Island in Belgium and a cable installation contract for the Ijmuiden and Nederwiek 1 offshore grid system in the Netherlands, along with a variety of mid-sized and smaller new projects.

Orderbook by geographical market

(in thousands of euro)

	1H24	1H23	FY23
Europe - EU	4,226,116	3,921,780	3,708,502
Europe - non EU	517,465	876,145	683,050
Africa	377,413	508,014	394,161
Asia & Oceania	810,624	657,944	870,099
America	1,209,739	1,464,940	1,329,957
Indian subcontinent	36,388	8,987	48,877
Middle East	444,743	216,190	547,114
Total orderbook	7,622,488	7,654,000	7,581,760

Orderbook 1H24 split in time

(in thousands of euro)

	2H24	2025	2026	2027	Beyond	Total
Total orderbook	2,042,944	2,887,341	1,394,826	751,830	545,547	7,622,488

The execution of the orderbook depends on several factors, such as weather circumstances, soil and technical conditions, vessel availability and a lot of other factors.

Note 2 – Other operating income and expenses**Other operating income**

(in thousands of euro/ (-) is expense)

	1H24	1H23
Gain on sale of property, plant and equipment	7,375	2,868
Gain on disposal of financial fixed assets	85	-
Other operating income	18,812	10,790
Total other operating income	26,272	13,658

Total other operating income in H1 2024 mainly relates to the sale of the workshop in Zeebrugge (see note (11) assets held for sale) and miscellaneous equipment within the Dredging & Infra segment, whereas in H1 2023 the amount mainly related to the sale of smaller miscellaneous equipment with both the Dredging & Infra and Offshore Energy segment. In addition, the total other operating income includes various insurance claims related to equipment for both H1 2024 and H1 2023.

The **net of gain and loss on sale of property, plant and equipment** amounts to 7.3 million euro in H1 2024. This amount is included in the cash flow from divestments.

Other operating expenses

(in thousands of euro/ (-) is income)

	1H24	1H23
Loss on sale of property, plant and equipment	29	59
Loss on disposal of financial fixed assets	-	-
Movement in amounts written off inventories and trade receivables	26	-196
Movement in retirement benefit obligations	107	166
Movement in provisions	-672	2,839
Other operating expenses	11,276	16,561
Total other operating expenses	10,766	19,429

Movement in provisions mainly relates to the movement in warranty provisions.

Other operating expenses mainly include various taxes, import and stamp duties.

Note 3 – Financial result

(in thousands of euro / (-) is cost)	1H24	1H23
Interest income from other non-current financial assets	1,178	889
Time value of financial derivatives	-66	14
Other interest income	3,066	3,504
Total interest income	4,178	4,407
Interest expenses related to borrowings	-7,835	-9,162
Capitalised borrowing cost	2,244	411
Time value of financial derivatives	156	-346
Interest expenses related to lease liabilities	-1,537	-1,029
Total interest expenses	-6,972	-10,126
Realised/unrealised foreign currency translation effects	19,395	-8,703
Total realised/unrealised foreign currency translation effects	19,395	-8,703
Other financial income	204	4,040
Other financial expenses	-4,030	-2,286
Total other financial result	-3,826	1,754
Total financial result	12,775	-12,668

The **total financial result** of 12.8 million euro is influenced by positive **foreign currency translation effects** of 19 million euro. The net exchange gain is mainly the result of the Group's operational activities in USA (USD), while the financial result of -12.7 million euro as at 30 June 2023 was negatively impacted by -8.7 million euro foreign currency translation effects (a.o. as a result of the devaluation of EGP).

The decrease in **total interest expenses** is the result of a lower interest-bearing debt at 30 June 2024 as compared to 31 December 2023 and a higher amount of capitalised borrowing costs. From the total interest expenses of 7 million euro, an amount of 5.3 million euro is **interest paid**. Reference is also made to the consolidated statement of cash flows.

Total **other financial result** decreased with 5.5 million euro compared to last year, that was positively impacted by the recognition of delay interests from the settlement on a completed project within the Environmental segment.

Note 4 – Current taxes and deferred taxes

Current taxes and deferred taxes recognised in comprehensive income

(in thousands of euro)	1H24	1H23
Current tax expense	40,642	21,030
Adjustments in respect of current income tax of previous years	3,849	7,353
Total current tax expense / (income)	44,491	28,383
Deferred taxes relating to origination and reversal of temporary differences	-16,851	10,475
Movement of recognised tax losses carried forward	9,846	-28,183
Total deferred tax expense / (income)	-7,005	-17,708
Current and deferred taxes recognised in the income statement	37,486	10,675
Taxes on remeasurement of retirement benefit obligations	-	-
Taxes on changes in fair value related to hedging instruments	-269	-862
Current and deferred taxes recognised in other elements of the comprehensive income (+ is liability)	-269	-862
Current and deferred taxes recognised in comprehensive income	37,217	9,813

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the tax amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. For the Half Year figures the Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings.

Current income tax relating to items recognised directly in other comprehensive income is recognised in OCI and not in the statement of income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Current income tax receivables and payables

(in thousands of euro)	1H24	FY23
Current income tax receivables (+ is debit)	36,344	25,937
Current income tax payables (+ is credit)	78,790	64,024

Current income tax receivables are included in trade and other operating receivables in the consolidated statement of financial position (note (10) trade and other operating receivables).

Pillar Two

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which DEME operates (ao. Belgium). Ackermans en van Haaren NV (AvH NV) is the Ultimate Parent Entity ('UPE') for Pillar Two purposes of DEME Group's constituent entities. These constituent entities will therefore be in scope of the Pillar Two consequences applicable to the AvH Group.

The Pillar Two legislation is effective for the AvH Group's current financial year beginning 1 January 2024.

As a consequence of the fact that DEME Group is part of the AvH Group, the outcome of Pillar Two impact can only be assessed at the level of the AvH Group. It is impossible for DEME to reasonably estimate the impact of the (expected) Pillar Two legislation.

Based on an assessment made by the AvH Group, the AvH Group has identified potential exposure to Pillar Two top-up taxes in certain jurisdictions. The exact exposure can currently not reasonably be estimated, a.o. since the outcome of the assessment will still be influenced by the expected OECD Administrative Guidance to be published in the course of 2024. However, based on historical data, the Group's expected interpretation of further OECD Administrative Guidance and a risk assessment performed, the AvH Group currently does not expect a material exposure.

DEME Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Note 5 – Intangible assets

1H24

(in thousands of euro)

	Development costs	Concessions, patents, licenses, etc.	Other intangible assets	Total	
Acquisition cost at 1 January 2024	8,392	34,405	13,630	56,427	
Movements during the year	Additions, including fixed assets, own production	818	-	320	1,138
	Sales and disposals	-	-215	-	-215
	Transfers from one heading to another	-	-	-	-
	Translation differences	-	-2	-	-2
	Additions through business combinations	-	-	-	-
	Changes in consolidation scope or method	-	-	-	-
At 30 June 2024	9,210	34,188	13,950	57,348	
Cumulative amortisation and impairment at 1 January 2024	4,325	18,330	10,932	33,587	
Movements during the year	Amortisation of the year	-	1,534	490	2,024
	Written down after sales and disposals	-	-148	-	-148
	Transfers from one heading to another	-	-	-	-
	Translation differences	-	-2	-	-2
	Additions through business combinations	-	-	-	-
	Changes in consolidation scope or method	-	-	-	-
At 30 June 2024	4,325	19,714	11,422	35,461	
Net book value at the end of prior year	4,067	16,075	2,698	22,840	
Net book value at 1H24	4,885	14,474	2,528	21,887	

Concessions, patents and licenses do not include indefinite useful lives intangible assets.

The 'additions of the year' mainly relate to the capitalisation of development costs in the Concessions segment.

'Amortisation of the year' is recognised under depreciation and amortisation expenses in the consolidated statement of income for an amount of 2.0 million euro. Amortisation of development costs starts at the earliest on the date when financial close of the related project is reached.

The total **net book value** of 21.9 million euro at 30 June 2024, includes the intangible assets of the SPT Offshore Group (11.7 million euro) which are amortised over the economic lifetime of 10 years. SPT Offshore Holding BV and affiliates within the Offshore Energy segment was acquired by the Group at the end of 2020.

Note 6 – Goodwill

(in thousands of euro)

	1H24	FY23
Balance at 1 January	13,028	13,028
Movements during the year	Acquisitions through business combinations	-
	Disposals	-
	Impairment losses	-
Balance at 30 June (1H) / 31 December (FY)	13,028	13,028

Impairment testing of goodwill

In accordance with IAS 36 *impairment of assets*, goodwill was tested for impairment at 31 December 2023.

Within the DEME Group, goodwill is tested for impairment annually. The impairment tests are based on figures and insights of the third quarter of the reporting year. If there is an indication that the cash generating unit to which the goodwill is allocated could have suffered a loss of value, impairment testing is done more frequently than once a year.

During H1 2024, there were no such indicators and no additional impairment tests have been prepared. Reference is made to note (6) goodwill of the Annual Report 2023.

Note 7 – Property, plant and equipment

1H24

(in thousands of euro)

	Land and buildings	Floating and other construction equipment	Furniture and vehicles	Other tangible assets	Assets under construction	Total property, plant and equipment
Acquisition cost at 1 January 2024	131,798	5,019,071	23,316	7,183	306,333	5,487,701
Movements during the year						
Additions, including fixed assets, own production	2,660	79,843	1,152	107	72,326	156,088
Sales and disposals	-229	-41,500	-419	-	-7	-42,155
Transfer to assets held for sale	-	-143,757	-	-	-	-143,757
Transfers from one heading to another	18	209,131	50	-	-209,199	-
Translation differences	-133	1,464	-352	-	2	981
Acquisitions through business combinations	-	-	-	-	-	-
Changes in consolidation scope or method	-	-	-	-	-	-
At 30 June 2024	134,114	5,124,252	23,747	7,290	169,455	5,458,858
Cumulative depreciation and impairment at 1 January 2024	55,063	2,830,268	16,558	3,592	-	2,905,481
Movements during the year						
Depreciation charge of the year	2,547	163,207	1,336	191	-	167,281
Impairment cost of the year	-	4,379	-	-	-	4,379
Written down after sales and disposals	-211	-41,384	-416	-	-	-42,011
Transfer to assets held for sale	-	-110,221	-	-	-	-110,221
Transfers from one heading to another	-	-	-	-	-	-
Translation differences	-97	975	-135	-	-	743
Acquisitions through business combinations	-	-	-	-	-	-
Changes in consolidation scope or method	-	-	-	-	-	-
At 30 June 2024	57,302	2,847,224	17,343	3,783	-	2,925,652
Net book value at the end of prior year	76,735	2,188,803	6,758	3,591	306,333	2,582,220
Net book value at 1H24	76,812	2,277,028	6,404	3,507	169,455	2,533,206

At 30 June 2024, the net book value of floating equipment as part of **floating and other construction equipment** contributes 97% to the total of this category. Other construction equipment within floating and other construction equipment consists amongst other of dry earth moving equipment, pipelines and equipment of DEME Infra.

The 'additions' within floating and other construction equipment mainly include recurring investments and the capitalisation of major repair costs of the main production equipment.

An 'impairment cost' of 4.4 million euro for the crane of the '**Sea Challenger**' was booked in H1 2024 and the net realisable value was transferred to assets held for sale (note (11)). Also, the DP2 jack-up installation vessel '**Sea Challenger**', included within floating and other construction equipment was transferred to assets held for sale.

As part of its efforts to enhance its fallpipe vessel fleet, DEME made an investment in a new DP2 fallpipe vessel by purchasing and converting a bulk carrier. The vessel named '**Yellowstone**' is equipped with a central fallpipe system, incorporating a large inclined fallpipe. This design enables the vessel to conduct pre- and post-lay activities using rocks with larger diameters, close to subsea structures. Since the second quarter of 2024, the vessel joined the fleet, which explains the major part of the 'transfers' from assets under construction to floating and other construction equipment.

The 'additions' within **assets under construction** mainly include the amounts invested in the DP fallpipe vessel 'Yellowstone', in a new offshore survey vessel named '**Karina**' and in the DEME campus for which reference is made to note (19) related party disclosures. The 'Yellowstone' and the new offshore survey vessel were transferred to floating and other construction equipment.

In 2023, Transocean Ltd, a global leader in the offshore drilling industry, made a non-controlling investment for 15.7% in GSR (deep sea mining) through the contribution of an ultra-deepwater drilling vessel, and a cash investment. The '**Ocean Rig Olympia**' is still included within the net book value of assets under construction.

In H1 2024, **specific borrowing costs** amounting to 2.2 million euro, related to assets under construction, were capitalised (note (3) financial result).

At 30 June 2024, the **commitments made for investments** in coming years amount to 15.3 million euro, mainly relating to further upgrades of vessels 'Yellowstone' and '**Viking Neptun**'.

'Depreciation charge and impairment cost of the year' amounts to 171.7 million euro in total compared to 147.9 million euro in H1 2023. The higher level of depreciation charge in 2024 is attributed primarily to the investments in 'Yellowstone', further investments in mission specific equipment for the '**Orion**', a new crane and upgrade of the '**Sea Installer**' (depreciated as from July 2023) and the impairment booked on the crane of the 'Sea Challenger'.

Note 8 – Right-of-use assets

1H24 (in thousands of euro)		Land and buildings	Floating and other construction equipment	Furniture and vehicles	Total Right-of-use assets
Acquisition cost at 1 January 2024		119,451	23,314	44,758	187,523
Movements during the year	Additions, including fixed assets, own production	25,748	38,020	19,639	83,407
	Sales and disposals	-7,113	-1,119	-6,753	-14,985
	Transfers from one heading to another	-	-	-	-
	Translation differences	502	328	-3	827
	Acquisitions through business combinations	-	-	-	-
	Changes in consolidation scope or method	-	-	-	-
At 30 June 2024		138,588	60,543	57,641	256,772
Cumulative depreciation and impairment at 1 January 2024		39,597	13,644	23,189	76,430
Movements during the year	Depreciation charge of the year	7,715	7,302	5,953	20,970
	Written down after sales and disposals	-5,751	-1,119	-6,495	-13,365
	Transfers from one heading to another	-	-	-	-
	Translation differences	212	31	-5	238
	Acquisitions through business combinations	-	-	-	-
	Changes in consolidation scope or method	-	-	-	-
At 30 June 2024		41,773	19,858	22,642	84,273
Net book value at the end of prior year		79,854	9,670	21,569	111,093
Net book value at 1H24		96,815	40,685	34,999	172,499

The **net carrying amount** of right-of-use assets amounts to 172.5 million euro at 30 June 2024, compared to 111.1 million euro at the end of 2023.

At 30 June 2024, the net book value of **land and buildings** can be split into 80.0 million euro land and 16.8 million euro buildings. The increase in land and buildings in 2024 is primarily attributed, among other factors, to the renewal of a concession lease agreement.

The significant increase in the category **floating and other construction equipment** encompasses the hire of support vessels for the DEME Offshore segment.

The increase in 'additions' in **furniture and vehicles** is mainly related to the accelerated electrification of DEME's car fleet, an increase in fleet size (due to a higher number of cars) and the elevated lease cost associated with electric vehicles.

Note 9 – Inventories

(in thousands of euro)	1H24	FY23
Raw materials	5,348	9,163
Consumables	28,069	22,852
Total inventories	33,417	32,015
Movement of the year recorded in statement of income (+ is credit)	1,402	6,319

Inventories can be split into raw materials and consumables. **Raw materials** are mainly related to ballast & dredged material and sand from the marine aggregate business within the segment Dredging & Infra. **Consumables** mainly consist out of fuel, auxiliary materials, and spare parts.

The movement of the year of consumables is impacted by the moment of refueling of the vessels and the fuel usage up till closing date. Also the start-up of projects and preparation of the fleet can impact this movement.

No inventories are pledged as security for liabilities.

Note 10 – Trade and other operating receivables

(in thousands of euro)	1H24	FY23
Trade receivables	684,216	447,920
Current income tax receivables	36,344	25,937
Value added tax (VAT)	33,693	27,344
Other operating receivables	18,427	12,842
Total trade and other operating receivables	772,680	514,043

At 30 June 2024, **trade and other operating receivables** amounts to 773 million euro, compared to 514 million euro at year-end 2023. The increase of the year is mainly related to an increase in activity and to the progress of major projects and the timing of invoicing as most contract assets are only transferred to receivables upon acceptance by the client. The increase in trade receivables is certainly not due to an increase in overdue amounts.

The Group carries out a diversity of projects, all with different aspects regarding e.g. nature and scope, type of clients, type of contract, payment conditions and geographical location. A large part of the consolidated turnover is realised through public or semi-public sector customers and is spread out over a large number of clients. The level of counterparty risk is amongst others limited by examining clients solvency prior to finalising contracts and by putting the required payment guarantees in place (including credit insurance policies with public service credit insurers such as Credendo and private credit insurers, bank guarantees and through letters of credit).

For **current income tax receivables** reference is made to note (4) current taxes and deferred taxes.

Other operating receivables mainly relate to amounts due from joint ventures, current accounts with consortium partners and personnel advances. The increase in other operating receivables in H1 2024 is related to a loan given by DEME Concessions Wind NV to C-Power Holdco NV for financing the purchase of extra shares of C-Power NV from third parties. Reference is made to changes in the consolidation scope.

Note 11 – Assets held for sale

(in thousands of euro)	1H24	FY23
Balance at 1 January	1,630	31,997
Movements during the year		
Additions	33,536	1,630
Disposals	-1,630	-31,997
Balance at 30 June (1H) / 31 December (FY)	33,536	1,630

According to IFRS 5 *non-current assets held for sale and discontinued operations* the following conditions must be met for an asset (or 'disposal group') to be classified as held for sale:

- management is committed to a plan to sell
- the asset is available for immediate sale
- an active programme to locate a buyer is initiated
- the sale is highly probable, within 12 months of classification as held for sale
- the asset is being actively marketed for sale at a sales price reasonable in relation to its fair value
- actions required to complete the plan indicate that it is unlikely that the plan will be significantly changed or withdrawn

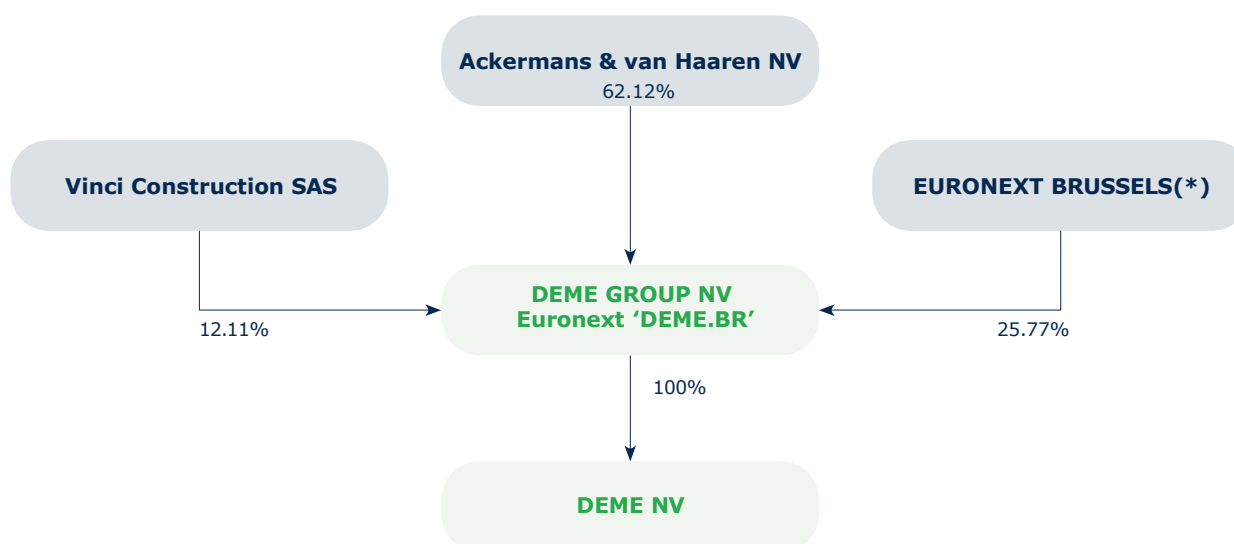
In 2023, DEME management was of the opinion that all of the conditions had been fulfilled and a sale for the workshop in Zeebrugge would be highly probable within the next 12 months. The net book value of the workshop amounted to 1.6 million euro and was as such presented as an asset held for sale. In June 2024, the workshop was sold and resulted in a gain on disposal that is included in other operating income of H1 2024 (note (2)).

Per 30 June 2024, DEME management decided that all of the conditions were fulfilled and that a sale within the next 12 months is highly probable for the DP2 jack-up installation vessel 'Sea Challenger' and its crane within the Offshore Energy segment. The lower of the net book value or net realisable value of the vessel and the crane amounts to 33.5 million euro and is presented as an asset held for sale.

Note 12 - Share capital, dividends, retained earnings and other reserves

Shareholder structure and share capital

At 30 June 2024, the shareholder structure of DEME Group NV is as follows:



(*) Percentage includes the treasury shares (18,922 shares) see note (13) share-based payments.

Per 30 June 2024, the share capital of DEME Group NV amounts to 33,193,861 euro and is represented by 25,314,482 issued shares without nominal value. The owners of ordinary shares (treasury shares excluded) have the right to receive dividends and all shares are of the same class and are entitled to one vote per share in Shareholders' General Meetings.

DEME Group NV shares are listed on Euronext Brussels under the symbol 'DEME BR' with ISIN code BE 0974413453. The first day of trading was 30 June 2022. DEME Group's securities are only admitted to trading in Belgium. DEME Group NV is 100 % shareholder of DEME NV. Until 29 June 2022, DEME NV's 100 % shareholder was the Brussels-based civil engineering contractor CFE NV (XBRU BE 0003883031), which is controlled (62.12%) by the Belgian investment Group Ackermans & van Haaren NV (XBRU BE 0003764785) and for 12.11% in hands of Vinci Construction SAS (FR0000125486). Both CFE NV and Ackermans & van Haaren NV are publicly listed companies on Euronext Brussels and Vinci Construction SAS is listed on Euronext's Paris stock exchange.

On 29 June 2022, CFE NV, transferred its 100 % stake in DEME NV to a new established company, DEME Group NV, by means of a partial demerger and as such the DEME Group became listed as well.

At 30 June 2024, the shareholders of DEME Group NV holding 5% or more of total voting rights for the shares they hold are:

Ackermans & van Haaren NV
15,725,684 shares (or 62.12%)
Begijninvest, 113
B-2000 Antwerp (Belgium)

VINCI Construction SAS
3,066,460 shares (or 12.11%)
1973, Boulevard de la Défense
F-92757 Nanterre Cedex (France)

Dividends

For FY 2023, the General Assembly of 15 May 2024 approved the distribution of a gross dividend of 2.1 euro per share (1.47 euro net) that was paid on 27 May 2024. Total dividend payment was 53.1 million euro taking into account the fact that no dividend was paid on the treasury shares that DEME Group NV owned at set date (7,240 shares).

Retained earnings and other reserves

The consolidated statement of changes in equity is presented earlier in this report. In the table below, further detail is given about the movement of the period in **retained earnings and other reserves**.

1H24 (in thousands of euro)	Parent company reserves before profit distribution				Stock option plan (*)			Retained earnings and other reserves
	Revaluation surplus	Legal reserves	Untaxed reserves and available reserves	Retained earnings	Treasury shares reserve	Share-based payments reserve	Consolidation reserves	
Balance at 1 January 2024	487,400	3,319	3,630	67,471	-	-	849,931	1,411,751
Parent company result 2023	-	-	-	39,685	-	-	-39,685	-
Dividends paid	-	-	-	-53,145	-	-	-	-53,145
Purchase of treasury shares	-	-	-	-	-2,882	-	-	-2,882
Share-based payments	-	-	-	-	-	425	-	425
Result Share of the Group	-	-	-	-	-	-	141,111	141,111
Other	-	-	-	-	-	-	-	-
Balance at 30 June 2024	487,400	3,319	3,630	54,011	-2,882	425	951,357	1,497,260

(*) For the DEME Group, treasury shares reserve is entirely related to the stock option plan. Reference is made to note (13) share-based payments.

1H23 (in thousands of euro)	Parent company reserves before profit distribution					Consolidation reserves	Retained earnings and other reserves
	Revaluation surplus	Legal reserves	Untaxed reserves and available reserves	Retained earnings			
Balance at 1 January 2023	487,400	3,319	3,630	55,625	668,298	1,218,272	
Parent company result 2022	-	-	-	49,818	-49,818	-	
Dividends paid	-	-	-	-37,972	-	-37,972	
Result Share of the Group	-	-	-	-	30,184	30,184	
Other	-	-	-	-	68,689	68,689	
Balance at 30 June 2023	487,400	3,319	3,630	67,471	717,353	1,279,173	

Note 13 – Share-based payments

On 23 February 2024, on the advice of the Remuneration Committee, the Board of Directors approved a first stock option plan providing for the free grant of purchase options in respect of existing shares of DEME Group NV. The aim of the plan is to promote the commitment and long-term motivation of Directors and employees within the DEME Group. The exercise price of the options, that are granted free of charge, is 118.14 euro and is the average closing price of the share during the last 30 days preceding the date of the offering. The options offered are gradually (1/3rd, 2/3rd, 3/3rd) vested as of the first, second and third year following the date of the offer, 1 March 2024. The options are not exercisable before the expiration of the third calendar year following the year in which the options offering took place. The contractual life of each option granted is eight years. The fair value at grant date being 92.61 euro per option is estimated using a binomial pricing model, taking into account the terms and conditions upon which the options were granted and using following assumptions:

Dividend yield (%)	1.285 %
Expected volatility (%)	49.425 %
Risk-free interest rate (%)	2.829 %

The cost of share-based payments is determined by the fair value at the date when the grant is made on a straight-line basis over the vesting period. The cost as of 30 June 2024 amounts to 0.4 million euro and was booked as a personnel expense against equity (share-based payments reserve).

The number of options granted is 41,272. DEME Group NV intends to acquire 45,000 shares to cover the company's obligations under the stock option plan and started a share buyback programme on 29 April 2024 which is expected to be completed by 30 September 2024 at the latest. DEME Group NV has mandated an independent broker to execute the programme on its behalf on the regulated market of Euronext Brussels. At 30 June 2024 the total number of treasury shares in portfolio was 18,792 for which a total amount of 3 million euro was paid. Treasury shares are booked as a deduction from equity (treasury shares reserve).

Note 14 – Earnings per share

(in thousands of euro)	1H24	1H23
Income attributable to DEME share		
Result for the period - Share of the Group	141,111	30,184
Comprehensive income - Share of the Group	141,203	20,945
(in euro)		
Earnings and comprehensive income per share		
Earnings per share (basic)	5.58	1.19
Comprehensive income per share (basic)	5.58	0.83
Earnings per share (diluted)	5.57	1.19
Comprehensive income per share (diluted)	5.57	0.83

There were no discontinued operations per end of June 2024 nor in 2023.

Note 15 – Interest-bearing debt and net financial debt

Net financial debt as defined by the Group

(in thousands of euro / (-) is debit)	1H24			FY23		
	Non-current	Current	Total	Non-current	Current	Total
Subordinated loans	677	-	677	677	-	677
Lease liabilities (*)	121,184	54,526	175,710	86,208	27,650	113,858
Credit institutions	496,583	185,683	682,266	564,634	191,093	755,727
Other long-term loans	1,825	-	1,825	1,004	-	1,004
Short-term credit facilities	-	-	-	-	30,000	30,000
Total interest-bearing debt	620,269	240,209	860,478	652,523	248,743	901,266
Short-term deposits	-	-179,810	-179,810	-	-109,576	-109,576
Cash at bank and in hand	-	-328,875	-328,875	-	-279,508	-279,508
Total cash and cash equivalents	-	-508,685	-508,685	-	-389,084	-389,084
Total net financial debt	620,269	-268,476	351,793	652,523	-140,341	512,182

(*) Reference is made to note (8) right-of-use assets.

To finance the DEME Group capital expenditure (vessels and other equipment), equity participations (e.g. by DEME Concessions) and acquisitions, DEME sources its funding mainly through term loan facilities, which are available for general corporate purposes as well as through asset-based loans. Currently, DEME Coordination Center NV, which serves as in-house bank financing the DEME-entities, has term loan facilities with ten different commercial banks. Same as for the revolving credit facilities, the documentation is signed bilaterally (no club deal), catering for optimal financing conditions and maximum flexibility. The term loan facility documentation is identical for all banks, apart from the amount, tenor and commercial conditions.

The net financial debt of -512 million euro as of 31 December 2023 decreased to -352 million euro at 30 June 2024. Net debt over EBITDA at 30 June 2024 was at a low 0.49 compared to 0.86 at year-end 2023.

The total subordinated loan is contracted by entity Combined Marine Terminal Operations Worldwide NV (CTOW) and includes the part due to the partners in the company. As per contract modalities no fix instalments are due, therefore the loan is reported as long-term debt and will only be reported as short-term debt in the year before the maturity date.

In 2022, to realise DEME's ambitious sustainability goals in all aspects of its activities, the Group converted its long-term financing into sustainability-linked loans. This commitment underlines DEME's vision of achieving a sustainable future and at 30 June 2024 the outstanding sustainability linked loans amount to 569.3 million euro. The commercial terms of those loans are directly linked to DEME's sustainability performance in two areas: (1) safety at work (calculation of worldwide LTIFR) and (2) use of low-carbon fuel, which are in line with two material topics of its current ESG materiality matrix. Meeting or not meeting the targets that are set for the key performance indicators (KPIs) has an impact on the interest margins applied to the sustainability-linked loans. Last year DEME achieved the goal for both KPI's.

The interest rate of long-term loan facilities is based on EURIBOR plus a margin which is updated each semester based on DEME's leverage ratio, whereas the interest rate of the asset-based loans is fixed. The interest rate risk of long-term loan facilities resulting from the floating interest rate base, is hedged through interest rate swaps (note (16) financial risk management and financial derivatives). Next to long-term loan facilities and asset-based loans, DEME has also lease liabilities and other long-term loans.

Debt maturity schedule of total long-term interest-bearing debt

1H24 (in thousands of euro)	More than 5 years	Between 1 and 5 years	Less than one year	Total
Subordinated loans	-	677	-	677
Lease liabilities	53,017	68,167	54,526	175,710
Credit institutions	55,400	441,183	185,683	682,266
Other long-term loans	-	1,825	-	1,825
Total long-term interest-bearing debt	108,417	511,852	240,209	860,478

FY23 (in thousands of euro)	More than 5 years	Between 1 and 5 years	Less than one year	Total
Subordinated loans	-	677	-	677
Lease liabilities	42,526	43,682	27,650	113,858
Credit institutions	83,136	481,498	191,093	755,727
Other long-term loans	-	1,004	-	1,004
Total long-term interest-bearing debt	125,662	526,861	218,743	871,266

Long-term financial debts by currency

The outstanding long-term financial debts (excluding lease debts which are mostly in euro) by currency are as follows:

(in thousands of euro)	1H24	FY23
EUR	684,768	757,408
USD	-	-
Other currencies	-	-
Total long-term debt (*)	684,768	757,408

(*) Total long-term debt also includes the current portion of the long-term debt.

Cash flow related to interest-bearing debt

Total interest-bearing debt (in thousands of euro)		1H24	1H23	FY23
Balance at 1 January		901,266	1,042,774	1,042,774
Cash movements as per cash flow from financial activities		-124,705	-47,790	-186,408
Movements during the year	New interest-bearing debt	26,935	90,000	74,486
	Repayment of interest-bearing debt	-129,574	-122,121	-228,557
	Payment of lease liabilities	-22,066	-15,669	-32,337
Non-cash movements		83,917	29,618	44,900
Movements during the year	Assumed in business combinations	-	-	-
	IFRS 16 <i>leases</i>	83,917	29,618	44,900
Balance at 30 June (1H) / 31 December (FY)		860,478	1,024,602	901,266

The non-cash movement related to IFRS 16 *leases* is the net of new lease contracts and disposal of lease contracts that has no cash impact but that is included in the movement of the year of interest-bearing debt. The cash impact of IFRS 16 *leases* is the payment of the lease liability or lease cost of the year.

Cash and cash equivalents

Cash and cash equivalents relate to cash and cash equivalents centralised at DEME's internal bank, DEME Coordination Center NV, but also at operational subsidiaries and joint operations. A portion of the consolidated cash and cash equivalents is not always immediately available as a result of transfer restrictions, joint control (in joint operations) or other legal restrictions.

At 30 June 2024, the amount of cash available at DEME's internal bank ready for use by the Group amounts to 149.2 million euro out of 508.7 million euro cash and cash equivalents. As such an amount of 359.5 million euro is 'not immediately' available for use. At the end of 2023 the cash that was 'immediately' available at DEME's internal bank amounted to 101 million euro out of 389 million euro cash and cash equivalents, resulting in 288 million euro cash 'not immediately' available for use.

Credit facilities and bank term loans

Revolving credit facilities are contracted by DEME Coordination Center NV with four different commercial banks, all being relationship banks for DEME. At 30 June 2024 as well as on 31 December 2023, the Group has 110 million euro available but undrawn bank credit facilities. In addition, DEME has also the possibility to issue commercial paper for amounts up to 250 million euro in total (nothing issued at 30 June 2024, compared to 30 million euro at year-end 2023). The commercial paper programme is accommodated by three agents (banks) that place DEME debt with external investors in tranches of different sizes and for tenors ranging from a few weeks up to maximum one year.

Liquidity risk management

DEME aims to maintain a healthy balance between the consolidated Group equity and the consolidated net debt. DEME has significant credit facilities and guarantee facilities with various international banks. In addition, as said above, it has a commercial paper programme to cover its short-term borrowing requirements if needed. The policy and procedures regarding liquidity risk management are identical to the ones described in depth in the Annual Report 2023 and as such reference is made to this report.

The liquidity risk at DEME is amongst others limited by spreading borrowing among several banks, agreeing a variety of repayment. The maturity analysis below provides an overview of the gross amounts to be repaid by the Group (contractual repayment of initial amount including interests) for the outstanding loans received from credit institutions.

1H24

(in thousands of euro)	More than 5 years	Between 1 and 5 years	Less than one year	Total
Credit institutions: amount outstanding according to the consolidated statement of financial position	55,400	441,183	185,683	682,266
Credit institutions: gross amount (cash out to be paid)	56,262	461,815	197,759	715,836

FY23

(in thousands of euro)	More than 5 years	Between 1 and 5 years	Less than one year	Total
Credit institutions: amount outstanding according to the consolidated statement of financial position	83,136	481,498	191,093	755,727
Credit institutions: gross amount (cash out to be paid)	84,915	505,779	204,114	794,808

Financial covenants

Bilateral loans are subject to specific covenants. The same set of financial covenants as for the revolving credit facilities is applicable for the long-term loan facilities. At 30 June 2024 as well as at 31 December 2023 the Group complies with the solvency ratio (>25%), the debt/EBITDA ratio (<3), and the interest cover ratio (>3), that were agreed upon within the contractual terms of the loans received.

The **solvency ratio** that should be higher than 25% is computed as shareholders' equity less intangible assets and goodwill divided by the balance sheet total. The solvency ratio at 30 June 2024 equals 37.0 % (FY 2023: 39.4%).

The **debt/EBITDA ratio** computed as total net financial debt (without subordinated and other loans) divided by EBITDA, should be lower than 3. The debt/EBITDA ratio at 30 June 2024 amounts to 0.49 (FY 2023: 0.86).

The **interest cover ratio** computed as EBITDA divided by net financial interest charges (interest charges less interest income), should be higher than 3. The interest cover ratio at 30 June 2024 is 80.2 (FY 2023: 50.2).

Note 16 – Financial risk management and financial derivatives

The Group's financial instruments are cash and cash equivalents, trade and other receivables, interest-bearing debt, trade and other payables and derivatives. The Group uses derivative financial instruments primarily to reduce fluctuations in interest rates, foreign exchange rates, prices of commodities and other market risks. Derivatives are designated exclusively as hedging instruments and not for trading or other speculative purposes and are measured at their fair value.

The policy and procedures regarding financial risk management are identical to the ones described in depth in the Annual Report 2023.

Overview of derivative financial instruments

1H24

(in thousands of euro)	Non-current asset	Non-current liability	Current assets	Current liability	Total net balance fair value
Interest rate swaps	19,241	-	11,068	-	30,309
Forex hedges	93	-22,143	252	-27,427	-49,225
Fuel hedges	-	-	360	-43	317
Balance at 30 June	19,334	-22,143	11,680	-27,470	-18,599

FY23

(in thousands of euro)	Non-current asset	Non-current liability	Current assets	Current liability	Total net balance fair value
Interest rate swaps	19,862	-	10,938	-	30,800
Forex hedges	2,198	-22,953	2,198	-20,324	-38,881
Fuel hedges	13	-	367	-	380
Balance at 31 December	22,073	-22,953	13,503	-20,324	-7,701

In this Half Year Report 2024, DEME will only further elaborate on the interest rate risk (see below).

Interest rate risk

At DEME, hedging instruments swap the variable interest rate into a fixed one as described in the tables below. Lease liabilities are not included in the tables below. Reference is also made to note (15) interest-bearing debt and net financial debt.

1H24

(in thousands of euro)

Effective average interest rate before considering derivatives

Type of debts	Fixed Rate			Floating Rate			Total		
	Amounts	Quota	Rate	Amounts	Quota	Rate	Amounts	Quota	Rate
Credit institutions, subordinated loans & other loans	115,472	100.00%	3.46%	569,296	100.00%	4.63%	684,768	100.00%	4.44%
Short-term credit facilities	-	0.00%	0.00%	-	0.00%	-	-	0.00%	0.00%
Total	115,472	100.00%	3.46%	569,296	100.00%	4.63%	684,768	100.00%	4.44%

Effective average interest rate after considering derivatives

Type of debts	Fixed Rate			Floating Rate			Total		
	Amounts	Quota	Rate	Amounts	Quota	Rate	Amounts	Quota	Rate
Credit institutions, subordinated loans & other loans	684,768	100.00%	1.86%	-	0.00%	-	684,768	100.00%	1.86%
Short-term credit facilities	-	0.00%	0.00%	-	0.00%	-	-	0.00%	0.00%
Total	684,768	100.00%	1.86%	-	0.00%	-	684,768	100.00%	1.86%

FY23

(in thousands of euro)

Effective average interest rate before considering derivatives

Type of debts	Fixed Rate			Floating Rate			Total		
	Amounts	Quota	Rate	Amounts	Quota	Rate	Amounts	Quota	Rate
Credit institutions, subordinated loans & other loans	107,717	78.22%	3.13%	649,691	100.00%	4.90%	757,408	96.19%	4.64%
Short-term credit facilities	30,000	21.78%	4.47%	-	0.00%	-	30,000	3.81%	4.47%
Total	137,717	100.00%	3.42%	649,691	100.00%	4.90%	787,408	100.00%	4.64%

Effective average interest rate after considering derivatives

Type of debts	Fixed Rate			Floating Rate			Total		
	Amounts	Quota	Rate	Amounts	Quota	Rate	Amounts	Quota	Rate
Credit institutions, subordinated loans & other loans	757,408	96.19%	1.81%	-	0.00%	-	757,408	96.19%	1.81%
Short-term credit facilities	30,000	3.81%	4.47%	-	0.00%	-	30,000	3.81%	4.47%
Total	787,408	100.00%	1.91%	-	0.00%	-	787,408	100.00%	1.91%

Similar to 2023, the entire Group's outstanding long-term interest-bearing debt portfolio at 30 June 2024 features a fixed interest rate character, mitigating the Group's exposure to interest rate fluctuations.

The Group does not have interest rate hedges for its floating rate short term borrowings, done via placement of commercial paper and utilisation of its revolving credit facilities. Consequently, the amount and interest rate for short-term credit facilities, both before and after accounting for derivatives, will remain unchanged, as illustrated in the table above for FY 2023.

Excluding the interest rate of short-term credit facilities, the total effective average interest rate after hedge increased from 1.81% at year-end 2023 to 1.86% at 30 June 2024. Older IRSs are winding down, which may now reflect the weight of the latest 'more expensive' loans.

Fair values & hierarchy

The fair values are classified in three levels according to the valuation hierarchy of IFRS 13, depending on the type of input used for the valuation of financial instruments.

- Level 1 instruments are unadjusted quoted prices in active markets for identical assets and liabilities. No valuation model is used. In level 1, we find all financial assets (valued at fair value) with a public listing in an active market
- Level 2 instruments are prices quoted for similar assets and liabilities in active markets, or data based on or supported by observable market data. A valuation based on observable parameters such as discounted cash flow model, the comparison with another similar instrument, the determination of prices by third parties
- Level 3 instruments are non-observable data for determining the fair value of an asset or liability, e.g. some financial assets for which no public listing is available, loans and advances to customers, valued at amortised cost etc

Set out below is an overview of the carrying amounts of the Group's financial instruments that are shown in the financial statements. All fair values mentioned in the table below relate to Level 2. During the reporting periods, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

1H24

(in thousands of euro)

	Derivatives designated as hedging instrument	Assets & liabilities at amortised cost	Book value	Fair value measurement by level	Fair value
Non-current assets	19,334	64,059	83,393		94,195
Other non-current financial assets	-	54,762	54,762	Level 2	66,374
Financial derivatives	19,334	-	19,334	Level 2	19,334
Other non-current assets	-	9,297	9,297	Level 2	8,487
Current assets	11,680	1,211,328	1,223,008		1,223,279
Trade receivables and other operating receivables	-	702,643	702,643	Level 2	702,914
Financial derivatives	11,680	-	11,680	Level 2	11,680
Cash and cash equivalents	-	508,685	508,685	Level 2	508,685
Non-current liabilities	22,143	621,743	643,886		620,592
Interest-bearing debt	-	620,269	620,269	Level 2	596,975
Financial derivatives	22,143	-	22,143	Level 2	22,143
Other non-current financial liabilities	-	1,474	1,474	Level 2	1,474
Current liabilities	27,470	1,412,830	1,440,300		1,448,171
Interest-bearing debt	-	240,209	240,209	Level 2	248,080
Financial derivatives	27,470	-	27,470	Level 2	27,470
Trade payables	-	1,134,786	1,134,786	Level 2	1,134,786
Other amounts payable	-	37,835	37,835	Level 2	37,835

FY23

(in thousands of euro)

	Derivatives designated as hedging instrument	Assets & liabilities at amortised cost	Book value	Fair value measurement by level	Fair value
Non-current assets	22,073	58,850	80,923		89,176
Other non-current financial assets	-	48,324	48,324	Level 2	57,295
Financial derivatives	22,073	-	22,073	Level 2	22,073
Other non-current assets	-	10,526	10,526	Level 2	9,808
Current assets	13,503	849,846	863,349		863,467
Trade receivables and other operating receivables	-	460,762	460,762	Level 2	460,880
Financial derivatives	13,503	-	13,503	Level 2	13,503
Cash and cash equivalents	-	389,084	389,084	Level 2	389,084
Non-current liabilities	22,953	652,855	675,808		655,529
Interest-bearing debt	-	652,523	652,523	Level 2	632,244
Financial derivatives	22,953	-	22,953	Level 2	22,953
Other non-current financial liabilities	-	332	332	Level 2	332
Current liabilities	20,324	1,178,342	1,198,666		1,207,238
Interest-bearing debt	-	248,743	248,743	Level 2	257,315
Financial derivatives	20,324	-	20,324	Level 2	20,324
Trade payables	-	897,610	897,610	Level 2	897,610
Other amounts payable	-	31,989	31,989	Level 2	31,989

The following methods and assumptions were used to estimate the fair values in the tables above:

- Cash and cash equivalents, trade and other operating receivables (excluding VAT and current income tax receivables (note (10) trade and other operating receivables), trade payables and other amounts payable (within other current liabilities and relating to other operating payables and amounts due to joint ventures. The latter are also included in the amount disclosed in note (19) related party disclosures) approximate their carrying amounts because they have a short-term maturity
- The fair value of interest-bearing debt is estimated by discounting future cash flows using the effective interest rates currently available for debt on similar terms, credit risk and remaining maturities; where the interest rate is variable (floating), the fair value is considered to be similar to the carrying amount. A similar approach is used for non-current (financial) assets
- The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are mainly interest rate swaps, fuel hedges and foreign exchange forward contracts (see table above). The models incorporate various inputs including foreign exchange spot and forward rates and interest rate curves

Note 17 – Contingent assets and liabilities

These interim condensed consolidated financial statements should be read in conjunction with DEME's Annual Report 2023. The contingent liabilities and contingent assets are materially unchanged from those described in note (25) provisions and contingent assets and liabilities within chapter '06. Financial report' in the Group's Annual Report 2023, except for the one described below.

- In September 2023, certain companies of the DEME Group were summoned to appear before the criminal court in Ghent. This decision follows a judicial investigation carried out in respect of the circumstances in which a contract was awarded in April 2014 by negotiated procedure to Mordraga, a former Russian joint venture company of the DEME Group, for the execution of dredging works in the port of Sabetta (Russia). The works were carried out in the summer months of 2014 and 2015. The investigation was launched following a complaint lodged by a competitor, to whom said contract was not granted by negotiated procedure and is based solely on selective information provided by this competitor. Said competitor has meanwhile definitely waived its civil complaint in the dispute.

Following the exchange of written submissions between the parties, the case was heard by the Court of First Instance East-Flanders, Ghent Division on 5 June 2024. This means that for the first time, parties had the opportunity to set out substantive arguments regarding the charges brought by the Public Prosecutor. During this hearing, the Public Prosecutor requested that the Criminal Court convict the DEME Companies on the basis of the charges brought forward, imposing a fine of 4.2 million euro and the optional forfeiture of alleged illegal financial gains, which the Public Prosecutor estimates at 12.6 million euro. The DEME Companies fully contest all allegations and have put forward an extensive number of procedural and substantive defences to this end. A verdict in the trial is expected at the earliest in September 2024. In the current circumstances, it is premature to speculate on the outcome of these proceedings. It is however clear that there is no longer any risk of payment of civil damages to the initial claimant, who, as stated above, has definitively waived its civil complaint.

In line with IAS 37, as the outcome cannot be predicted, the Company discloses a contingent liability.

Note 18 – Rights and commitments not reflected in the balance sheet

(in thousands of euro)	1H24	FY23
COMMITMENTS GIVEN		
Amount of real guarantees, given or irrevocably promised by the enterprises included in the consolidation on their own assets, as security for debts and commitments, of enterprises included in the consolidation.	-	-
Bank and insurance guarantees for commitments of enterprises included in the consolidation.	1,757,860	1,746,704
COMMITMENTS RECEIVED		
Bank guarantees received as security for commitments to enterprises included in the consolidation.	33,492	61,815
FUTURE OPERATIONAL OBLIGATIONS ENTERED INTO WITH SUPPLIERS		
In the Environmental segment DEME has the obligation to pay a fee for landfill volume reservation over the next 6.5 years for an estimated amount of 5.7 million euro.	-	-

Note 19 – Related party disclosures

Joint ventures and associates

The DEME Group structure and the list of joint ventures and associates is included in the Annual Report 2023. Changes in the Group structure are described above.

Transactions with joint ventures and associates are realised in the normal course of business and at arm's length. None of the related parties have entered into any other transactions with the Group that meet the requirements of IAS 24 *related party disclosures*.

(in thousands of euro)	1H24	FY23
Assets related to joint ventures and associates		
Non-current financial assets	45,965	40,300
Trade and other operating receivables	71,381	64,679
Liabilities related to joint ventures and associates		
Trade and other current liabilities	40,327	49,688

(in thousands of euro)	1H24	1H23
Expenses and income related to joint ventures and associates ((-) is cost and (+) is income)		
Revenues	109,445	138,365
Operating expenses	-12,295	-5,844
Financial income and expenses	1,532	995

The **non-current financial assets** are the loans given to joint ventures and associates such as to Thistle Wind Partners Ltd, Japan Offshore Marine Ltd, Deeprock BV and Seamade NV. For the movement of the year reference is made to the investing cash flow and the net of new borrowings and repayment of borrowings given to joint ventures and associates where (only) the cash movements of non-current financial assets are reflected.

The **revenues** realised towards joint ventures and associates are mainly related to BAAK Blankenburg-Verbinding BV, CSBC DEME Wind Engineering Co Ltd (CDWE), Port-La Nouvelle SEMOP, Scaldis Salvage & Marine Contractors NV, Deeprock BV, Rhama Port Hub SRL, Thistle Wind Partners Ltd, K3 DEME BV, Terranova NV and DIAP-SHAP Joint Venture Pte Ltd.

Shareholders

CFE NV, DEME's previous shareholder before the public listing, is considered to be a fellow subsidiary as from 30 June 2022, date of the partial demerger of CFE NV. CFE NV and DEME Group NV have both Ackermans & van Haaren as their main shareholder.

Since 2001, DEME has a service agreement with Ackermans & van Haaren NV for services rendered which is subject to indexation on a yearly basis. The service agreement covers specialised advice delivered by Ackermans & van Haaren NV. The remuneration due by DEME in H1 2024 towards Ackermans & van Haaren upon the conditions of the contract amounts to 0.7 million euro (H1 2023: 0.7 million euro).

On the other hand, DEME invoiced around 0.05 million euro to its shareholder, mainly related to IT licences and tax consulting services (H1 2023: 0.6 million euro, mainly for accounting consulting services).

DEME is building a visitor pavilion on the site of its headquarters in Zwijndrecht. Execution of works is done by a subsidiary of CFE NV. At 30 June 2024 a total of 6.9 million euro invoices received so far is recognised as assets under construction (FY 2023: 3.8 million euro).

Key management personnel

DEME Group NV has a “one tier” governance structure consisting of a Board of Directors (as collegiate body). The Board of Directors is vested with the power to perform all acts that are necessary or useful for the realisation of the Company’s corporate object, except for those actions that are specifically reserved by law for the Shareholders’ Meeting.

On 29 June 2022, the Board of Directors has delegated the daily management of the Company from the Executive Committee to the CEO. The CEO is assisted in the exercise of its powers by the Executive Committee, which operates as an advisory committee (separate from the Board of Directors). The Executive Committee, chaired by the CEO, is responsible for discussing the general management of the Company.

On 23 February 2024, on the advice of the Remuneration Committee, the Board of Directors approved a first stock option plan providing for the free grant of purchase options in respect of existing shares of DEME Group NV. The aim of the plan is to promote the commitment and long-term motivation of Directors and employees within the DEME Group. The number of options granted is 41,272. More information is provided in note (13) share-based payments.

Note 20 – Events after the reporting period

After closing date of 30 June 2024, DEME Concessions NV and OQ Alternative Energy (the leading global integrated energy group in Oman) joined forces with bp (a British multinational oil & gas company) for the HYPOR Duqm project in Oman. DEME and OQ, both holding 50% of the shares, reached an agreement to have bp as an equity partner and operator in the HYPOR Duqm project. bp will acquire a 49% stake, while OQ and DEME will each maintain a 25.5% stake in the project company. The agreement will enable bp to become part of the green hydrogen project situated in the Special Economic Zone at Duqm (SEZAD), Oman. The transaction will be completed in Q3 2024.

There are no other significant changes to be reported in the financial and commercial situation of the Group as of 30 June 2024.

Management declaration

To our knowledge:

- the interim condensed consolidated financial statements, drafted in accordance with the applicable standards for annual accounts, present a true and fair view of the assets, financial situation and the results of DEME Group NV and the companies included in the consolidation
- the Half Year Report give a true overview of the development that took place in the first six months of the financial year and their effect on the interim condensed consolidated financial statements, as well as a description of the main risks and uncertainties for the remaining months of the financial year

29 August 2024

On behalf of the Company

L. Vandenbulcke
Chief Executive Officer

S. Gaytant
Chief Financial Officer

Independent auditor's report

Statutory auditor's report to the Board of Directors of DEME Group NV on the review of the condensed consolidated interim financial information as at 30 June 2024 and for the six-month period then ended.

Introduction

We have reviewed the accompanying consolidated statement of financial position of DEME Group NV as at 30 June 2024, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and notes ("the condensed consolidated interim financial information"). The Board of Directors is responsible for the preparation and presentation of this condensed consolidated financial information in accordance with IAS 34, *interim financial reporting* as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the

Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2024 and for the six-month period then ended is not prepared, in all material respects, in accordance with IAS 34, *interim financial reporting* as adopted by the European Union.

Diegem, 29 August 2024

EY Bedrijfsrevisoren BV/ EY Réviseurs d'Entreprises SRL

Statutory auditor

Represented by

Patrick Rottiers* (Partner)

*Acting on behalf of a BV/SRL

Wim Van Gasse* (Partner)

*Acting on behalf of a BV/SRL

Glossary and definition of alternative performance measures

- An **activity line** is the lowest level of internal operating segment to report on.
- **Associates** are companies in which the Group has significant influence. The significant influence is the power to take part in the financial and operating policies of a company without having control or joint control over these policies.
- **EBIT** is the operating result or earnings before financial result and taxes and before our share in the result of joint ventures and associates.
- **EBITDA** is the sum of operating result (EBIT), depreciation, amortisation expenses and impairment of goodwill.
- **ESG** stands for Environmental, Social and Governance.
- **Fleet utilisation rate** is the weighted average operational occupation in weeks of the DEME fleet expressed over a given reporting period. It is calculated as a weighted average based upon internal rates of hire of the vessels.
- **Free cash flow** is computed as the sum of cash flow from operating activities and cash flow from investing activities decreased with the cash flow related to lease repayments that are reported in the cash flow from financial activities.
- **Investments/ Capital Expenditure (CapEx)** is the amount paid for the acquisition of 'intangible assets' and 'property, plant and equipment'. Reference is made to the consolidated cash flow from investing activities.
- A **joint venture** is a joint arrangement whereby the parties exerting joint control over the arrangement have rights to the net assets of the joint arrangement.
- **Joint control** is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.
- **Management Reporting:** The management reporting of the Group is a quarterly internal reporting of the economic figures of the Group in which group companies jointly controlled by DEME are not consolidated by using the equity method (so in contradiction to the standards IFRS 10 and IFRS 11) but according to the proportionate method. As such turnover and result of projects executed in joint ventures are visible, closely followed up and reported within the Group. The presentation of the figures is also done by operational segment.
- **Net financial debt** (+ is cash, - is debt) is the sum of current and non-current interest-bearing debt (that includes lease liabilities) decreased with cash and cash equivalents.
- **OCI (Other Comprehensive Income):** Revenues, expenses, gains and losses that are excluded from net income on the income statement.
- **Operating working capital (OWC)** (+ 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.
- **Orderbook:** The Group's orderbook is the contract value of assignments acquired as of 30 June (Half Year Reporting) and as of 31 December (Full Year Reporting) but that is not yet accounted for as turnover because of non-completion. The orderbook also includes the Group's share in the orderbook of joint ventures, but not of associates. Contracts are not included in the orderbook until the agreement with the client is signed. A letter of award is not sufficient to include the contract in the orderbook according to the Group. Additionally financial close must be reached when projects will be executed in 'uncertain' countries before including them in the orderbook. 'Uncertain countries' are identified at the discretion of the Executive Committee.
- A **segment** is an aggregation of operating segments (activity lines) to report on. More information about the different DEME segments and their nature can be found in the chapter 'segment reporting' of this Half Year Report.

FORWARD-LOOKING STATEMENTS

This report may contain forward-looking information. Forward-looking statements describe expectations, plans, strategies, goals, future events or intentions. The achievement of forward-looking statements contained in this report is subject to risks and uncertainties. Consequently, actual results or future events may differ materially from those expressed or implied by such forward-looking statements.

Should known or unknown risks or uncertainties materialise, or should our assumptions prove inaccurate, actual results could vary materially from those anticipated. DEME undertakes no obligation to publicly update or revise any forward-looking statements.

COMPILED AND COORDINATED BY

DEME Finance Department.

In the event of any discrepancies between the English version of this document and a translated version, the English document is binding.



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