EURONEXT CORPORATE SOLUTIONS

DEME Half Year 2026 Results

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Carl Vanden Bussche: Good morning, ladies and gentlemen. I am Carl Vanden Bussche, Head of Investor Relations at DEME. And it is my pleasure to welcome you to DEME's half year 2026 earnings call and webcast titled Strong First Half Results, On Track for Another Record Year.

Joining me today are DEME's Chief Executive Officer, Luc Vandenbulcke, and our Chief Financial Officer, Stijn Gaytant. Both Luc and Stijn will take you through the presentation, which will be visible on screen during the webcast.

Slide two briefly outlines the agenda. Luc will kick it off with the exec summary, and Stijn and Luc will then take you through the Group's financial performance and the results of our four segments. We will also highlight several key projects before Luc will then conclude with the outlook. After the presentation, we will open the floor for any questions you may have.

So without further delay, I'll hand it over here to Luc for the exec summary.

Luc Vandenbulcke: Thank you, Carl, and good morning to everyone. As you all know, 2026 is a very special year for DEME. We will be celebrating, or we are celebrating our 150th anniversary. And I would like to begin by personally thanking our employees, both our current employees, but also our past employees, because their hard work and determination have shaped DEME into the global group that we are today. Their commitment, as you will see, is once again reflected in our performance, as we delivered the strongest first half in DEME's history.

Let me now walk you through the key highlights and financial results for the period. Against a backdrop of rapidly evolving market conditions, we delivered more than €2 billion of turnover and that for the fourth consecutive half year period. At €2.2 billion, DEME delivered its strongest first half top line performance ever. We also achieved record first half EBITDA of €466 million, which corresponds to a margin of 21.6%. Net profit reached a record €215 million, which is an increase of 20% compared to €179 million a year ago.

The order book stood at €7.1 billion. While somewhat below the level reported a year ago, it remains healthy and robust. We continue to see supportive market fundamentals, healthy tendering activity, and a substantial project pipeline. Together, these should help us to keep the order book in good shape.

And in this anniversary year, I am pleased to say that 2026 is shaping up to be another exceptional year for DEME.

Reflecting our strong first half performance and the visibility we have today, we are raising our guidance for the year. For 2026, we now expect turnover to slightly exceed the 2025 level and the EBITDA margin to stay in line with the 2025.

Our brand-new offshore assets, the Norse Wind and the Norse Energi, have successfully entered service and are currently executing their first projects, which is reinforcing our position at the forefront of the offshore energy market. In addition to that, we have continued to invest in our dredging fleet. We have ordered a new hopper dredger with a capacity of 22,000 cubic metres, which is expected to be delivered somewhere in 2029.

So that's it for the highlights. I will now hand over to Stijn, who will walk you through the financial highlights in a bit more detail. Stijn?

Stijn Gaytant: Thank you, Luc, and also from my side, a very good morning to everyone. Now let me walk you through the key highlights of our first half year performance.

Our order books stood at €7.1 billion compared to €7.5 billion in the same period last year, and €7.6 billion at year-end 2025. The order book continues to provide a healthy visibility. It should also be viewed in the context of the record turnover that we have delivered during the first half of this year. As such, Group turnover was up 2% to almost €2.2 billion. It was driven by the sustained performance of our two largest operational segments, which both saw revenues further increasing.

Our EBITDA stood at €466 million, representing a margin of 21.6%, which is comparable to the previous year. This result was driven by the Offshore Energy segment, which has seen profitability normalise from its peak 2025 levels, as well as a strong rebound in our Dredging and Infra segment, where the EBITDA margin improved to 22% from 12% a year ago.

Depreciation and impairment expenses amounted to €235 million and were pretty much in line with last year. For the first half of '26, these include the depreciation of the Norse Wind and the Norse Energi, while last year we had a depreciation level amongst others, driven by an accelerated depreciation of an offshore energy auxiliary asset. As such, EBIT for the period reached €231 million. It represents 10.7% of turnover and is an increase of 3%.

Net financial result amounted to minus €23 million compared to minus €9 million in the same period last year. The delta is partially explained, as you can expect, by the interest component on the €700 million green term loans that we had taken up in 2025 to finance the Havfram transaction.

Current taxes and deferred taxes account for minus €50 million, which reflects an effective tax rate of 24%, broadly in line to the effective tax rate year-on-year of 23%.

Now, a particularly strong contributor this semester was our large portfolio of joint ventures and associates, which generated a contribution of €59 million. It reflects good operational performance and mainly favourable project phasing across several businesses in Japan, Taiwan, and Europe, complemented also by solid results from our concessions activities. Now, given this strong contribution in the first six months, we do expect a more normalised contribution from the joint ventures and associates in the second half of '26.

Now, the combination of solid operational execution, strong recovery in Dredging and Infra, resilient Offshore Energy performance, and the higher contribution from joint ventures and associates resulted in a net profit increase of 20% to €250 million. And this translates in earnings per share of €8.53 compared to €0.08 in the first half of '25. Which means we continue with DEME's track record of delivering profitability and also creating shareholder value.

Now, in relation to balance sheet items, the operating working capital was minus €835 million. This compared to minus €742 million in the full-year '25. So we have had an improvement of €92 million in the last six months, and we had minus €817 million in the first half year of '25. So that means around 20% of the turnover. That remains well within our historical operating working capital range of approximately 19%.

Now DEME's investments, so excluding financial fixed assets, in the first half amounted to €227 million, and they include the final construction payment for the Norse Energi, which we paid beginning of January, project-specific investments, lifetime extension of vessels, and also capitalised maintenance and repairs. The investments in the first half of '25 were €141 million.

Now, supported by sustained strong operating results, improved working capital, and despite a higher CAPEX compared to prior year and a higher paid out dividend of €130 million, the free cash flow rebounded to €231 million. If you compare it with the first half of '25, you make extraction of the Havfram acquisition, that figure was €123 million. Including with Havfram was minus €440 million free cash flow mid-'25.

Now taking the aforementioned elements into account, the net financial debt decreased to minus €291 million compared to minus €418 million in the first half of '25, and minus €391 million at the end of '25. So as a result, the net financial debt over EBITDA ratio is currently 0.3. It was 0.5 at mid-year '25.

And related to cash and cash equivalents, as of end of June '26, it stands at €845 million compared to €709 million year-over-year, and end of '25 was €846 million.

Now let's take a look at the general overview of the order book. Now at €7.1 billion, DEME's order book remains above the €7 billion threshold for the fourth consecutive year and continues to provide a healthy visibility for the remainder of the year and a solid foundation for future operations.

Now, while the order book is somewhat lower than the higher levels reported during the previous two years, this evolution should primarily be seen in the context of strong project execution, and as such, an order to turnover conversion, which contributed to DEME delivering a record first half year turnover.

In addition, order intake in Offshore Wind is currently affected by the timing of investment decisions, while a number of large US offshore wind projects have been successfully completed, and as such, therefore, are running off the order book.

As said before, we consider the current order book to be healthy and also very well-balanced. It is supported by continued demand across all our core markets, and it has been achieved despite a limited contribution from both United States and the Middle East, as you can imagine, reflecting the current political and geopolitical environment in those regions.

If you look at the geographical breakdown, Europe remains clearly the largest region, representing 80% of the total order book. The exposure to the Americas market declined to 5%, down from 10% on a year-on-year basis, clearly reflecting, as mentioned before, the successful completion of the projects in the US and the somewhat subdued order intake Environment.

Looking at the order book run-off profile, we continue to enjoy strong visibility for the remainder of '26, with approximately €2.1 billion scheduled for execution in the second half of the year, supporting again our confidence in the guidance provided for '26. Now, for '27, the order book currently reflects volumes below the level reported in the past two years. And looking a bit further ahead, the volumes scheduled for execution in '28 and beyond remain broadly consistent with previous years, underlining the continued depth and also the resilience of DEME's project pipeline.

Now, as mentioned earlier, revenue increased by 2% to €2.2 billion, as Luc already mentioned, the highest first half revenue level ever for DEME's history. Growth was driven by the two largest operational segments. Offshore Energy revenues increased 6%. Dredging and Infra delivered a further 2% increase. And the two together were more than sufficient enough to compensate for the lower contribution from Environmental.

Now if you take a step back, and we're talking about 150 years of DEME, it is remarkable that the revenue generated during the first six months of '26, so this year, exceeded DEME's total full year revenue in 2020. It clearly illustrates not only a significant growth achieved over the recent years, but also our ability to scale the business while maintaining strong profitability levels.

Another important characteristic of today's DEME is the diversification in the business portfolio. As you can see from the segment breakdown, the revenue is well-spread across our core activities, with Offshore Energy representing 52% of the turnover and Dredging and Infra 42%, a balanced earnings platform, which allows us also for different project cycles.

Now when we look at the geographical breakdown, we remain firmly rooted in Europe with more than 60% of the Group turnover realised in '26. Revenues in Americas declined as anticipated, and Asia represented 12% of the Group turnover, compared to 15% in the prior year period. And Africa increased its contribution to 9% of Group turnover, reflecting continued activity across a number of projects and further also supporting the geographical diversification of the Group.

Now going to the segments. In the first-half of 2026, the Offshore Energy's order book stood at €3.7 billion, moderating from the '24 and '25 peak. This is due to the strong order to revenue conversion and also the timing of the new offshore renewables investments, which are temporarily lagging the roll-off of the US projects. Meanwhile, the Offshore Energy team secured some new offshore wind projects like Zeevonk in the Netherlands and Katagami in Japan. And of course, we also continue to pursue a healthy pipeline of opportunities.

And with successful execution in US, Taiwan, and Europe, the segment delivered another strong performance with turnovers of €1.2 billion, increasing from the €1.14 in half '25.

Now, as the graph illustrates, Offshore Energy has been on a strong and sustained growth trajectory over the past five years. This translated into a strong first-half performance '26, with the segment achieving its highest revenue level ever. One point worth highlighting is that 2% of Offshore Energy's turnover in the first-half was related to non-renewable activities, compared with 9% a year ago.

Now while turnover remains an important metric, it can vary considerably for a similar level of vessel activity depending on project scope, supporting services, and also local requirements. Now as a CFO, I therefore place equal if not greater emphasis also on profitability. And in that respect, I'm pleased to see that the segment delivered a solid result, reporting EBITDA of €322 million and maintaining a high EBITDA margin of 27%, supported by disciplined project execution and a continued focus on operational excellence.

EBITDA was €36 million below the record level achieved in the first-half of '25. However, the prior year result, as you will remember, included a one-off cancellation fee and a gain on the sale of fixed assets. The asset disposal loan, for example, contributed already €17 million to the EBITDA last year.

And then on the right-hand side, you will notice the fleet utilisation. It was lower than last year with an occupancy reaching 18.2 weeks or 70%, and it reflects a combination of different factors. You have, on the one hand, the entry of Norse Wind and Norse Energi entering the fleet and starting their first projects, respectively, at the end of quarter one and the end of quarter two of this year. And besides that, you had, for example, the Orion and the Sea Installer, which are relocated from the US East Coast to Europe. And of course, in addition, we also had several scheduled repairs of other vessels.

Now for Dredging and Infra, the order book remained healthy at over €3 billion, broadly in line with the level reported a year ago, and continues also to be supported by a solid tendering momentum, diversified opportunities across multiple geographies. Key contracts were concession for Port of Paranaguá in Brazil, several port-related contracts in Tunisia, India, Indonesia, as well as a range of new projects along the West African coast. As such, turnover increased by 2% year-over-year, showing the resilient market demands and also a very robust fleet utilisation.

Now the most notable development was the significant improvement in profitability. The EBITDA margin rebounded to 22%, so a nominal EBITDA contribution of €212 million, compared with 12% in the first half of ’25. It reflects again a strong combination of improved project execution, good project progress, and also a higher vessel utilisation level, where especially the cutter suction dredger fleet particularly showed a good recovery.

It's also important to remember that the first-half of ’25 was impacted by losses incurred on our Belgium offshore infrastructure project work. And then during the first half of ’26, substantial progress has been made on this project itself. Now, as a result, Dredging and Infra returned to profitability levels that more accurately reflect not only the underlying quality of the segment, but also the earning capacity of the business.

For Environmental, the order book increased to €337 million, which is supported by new contract awards in Belgium and the Netherlands, and also complemented by the first significant project outside the Benelux region. Revenue amounted to €131 million compared to €142 million first-half ’25. The decrease is mainly related to project phasing, while in the meantime, we continue of course our works on the several long-term remediation and flood protection projects in Belgium and the Netherlands.

And during the period also, the team also started working on the Port of Bagnoli project in Italy. As such, EBITDA amounts to €15 million. It corresponds to a margin of 11% and is compared to 15% a year ago. Now at the same time, the segment continued to invest in future growth through the expansion of its soil treatment facilities and also the further scale-up of the CARGEN activated carbon solution, supporting its long-term growth ambitions in environmental remediation.

So despite maybe temporary project phasing effects on revenue and also on profitability, the Environmental strengthened its order book, expanded its geographical footprint, and continued investing in future grown platforms.

And the last segment, the Concessions. They report a net result of nearly €10 million compared to €5 million in the first-half of ’25. Why is that? Well, wind production did improve compared to the prior year, but remained below historical levels. While on the other hand, port concessions activities continued to provide a recurring contribution to the results.

The segment continued to operate wind farms also in Belgium and is advancing with their Bowdun project in Scotland, and is also moving ahead with carefully selected upcoming tenders in Belgium and international markets.

Concessions team has achieved several important milestones, and I briefly already made a reference to the concessions for Port of Paranaguá in Brazil for 25 years.

I think, overall, Concessions portfolio continues to generate recurring earnings, creates strategic growth opportunities, and also supports the value creation across the wider of the DEME Group.

And with that, I will hand over to Luc, who will discuss some of these developments in more detail.

Luc Vandenbulcke: Yes. Thank you, Stijn, for this comprehensive overview of the financials. The next part of the presentation, as you know, I will take you a bit more into depth into some of our key projects of the last half year.

And let us start with Offshore Energy. So you see a map here. I will take you through it a bit from left to right. We will start in the United States. In the US, the Offshore Energy team successfully completed all the works now on the Vineyard Wind project, as well as the cable installation activities for Empire Wind 1. That leaves us with one ongoing project, that is the Coastal Virginia Offshore Wind projects, where our teams have completed the installation of all 176 foundations, all transition pieces, and all offshore substations.

Orion and Sea Installer, which were active there, have crossed the Atlantic, and they have commenced new projects in Europe meanwhile in the second quarter of ’26. The remaining activities on Coastal Virginia for the year include inter-array and export cable installation, as well as some rock placement operations.

Then we go to the other side of the map. In Taiwan, we are making good progress both on Hai Long and on the Fengmiao project. And our recently upgraded jack-up vessel, the Sea Challenger, has started installing turbines at Hai Long and at the same time on Fengmiao. Difficult word. Fengmiao. Green Jade has completed all pin pile installations and has successfully installed the offshore substation and the topside on top of it. The vessel also started jacket installation works now recently in August.

Going to Europe, the team installed all 62 jacket foundations on the Dieppe–Le Tréport offshore wind farm in France, and they also commenced the installation of the inter-array cables. In the UK, our cable layer, Viking Neptun, continued cable installation activities at Dogger Bank C, and the vessel was also busy at the Baltic Power project in Poland.

In the Netherlands, closer to home, the team began cable installation works on the Ijmuiden Ver Alpha-Nederwiek 1 project.

In Germany, we continued, or we completed rather, the activities at He Dreiht, and we continued the work on Nordlicht 1 and Nordseecluster A. And the preparations for Windanker project are also underway.

Now let me take the opportunity to take you a bit more in depth in some of our main projects as examples. The first one is Nordlicht 1, which is starting to take shape in the German North Sea. We were awarded the contract for the transport and installation of 112 foundations at both the Nordlicht 1 and Nordlicht 2 project, as well as the scour protection at both wind farms.

Orion has installed the first monopile in July and now already completed approximately 47 monopile installations. I think this is a remarkable achievement and a clear illustration how a high-performing asset and that combined with the expertise and the execution capabilities of our team, can really deliver outstanding productivity offshore.

Following the installation of the first monopile foundation, Sea Installer already commenced transition piece installation as of early August and has already installed about 20 units.

With this project and others, DEME is further expanding its extensive track record in German waters, both in the North Sea and the Baltic. And as you know, over the years, we have contributed to many German offshore wind projects. Just to give a couple of them, Kaskasi, Merkur, famous Merkur project, Hohe See, Albatros, Holowind, and Borkum Riffgrund.

We go to the second project, and we are seeing a picture here of the Norse Wind. And we are delighted that that new jack-up has already smoothly entered into service and is already performing the second project, and that RWE's Nordseecluster offshore wind farm in the German North Sea. This follows from the first one, which was the successful completion of its first project at the He Dreiht wind farm, also in Germany.

Norse Wind operates from the port of Esbjerg in Denmark and can transport and install up to five turbine sets per cycle. The vessel installed the first Nordseecluster turbine around June. By the end of the year, all 44 Vestas turbines are expected to be in place. Now once completed, Nordseecluster is expected to generate around 6.5 terawatt hours of electricity annually.

Now we are going to France, and we are looking here at the Dieppe-Le Tréport offshore wind farm. DEME was here awarded several contracts for the wind farm, including the transport and installation of the pin piles and jackets, the foundation and topside for the offshore substation, and the inter-array cables. We deployed our jack-up vessel innovation to install all jacket foundations, and we also commenced the installation of the inter-array cables.

During this latest campaign, we reached quite an important milestone. We have already installed 200 foundations in French waters in just five years of operations over there.

Now we are going to a project in Taiwan, Fengmiao 1, in the APAC region, where DEME's joint venture, CDWE, has been busy in the first-half, particularly with the Hai Long and, as I mentioned before, Fengmiao offshore wind projects. We achieved a double milestone at the Fengmiao offshore wind farm, deploying Green Jade and completing both the pin pile campaign and the transport and installation of the offshore substation ahead of schedule. And you can see here on the picture the foundation of the substation.

Together, the foundation and the topside weigh more than 8,000 tonnes, making it the largest offshore substation installed in Taiwan to-date. Additionally, we also commenced on Fengmiao the jacket installation works this month.

So that's it for Offshore Energy. So we go now to the Dredging and Infra segment. So as you can see on slide 21, our Dredging team was busy all over Europe with multi-year maintenance contracts and also new projects.

Let's just highlight a few. We completed maintenance works at London Gateway, and we made progress on the dredging and reclamation works for a new offshore terminal at the port of Cuxhaven, and that in Germany. In France, the La Chatière project in Le Havre entered its second year. And in Spain, we successfully executed beach nourishment works in the Valencia region, while at the same time, several projects progressed both in Italy and Greece.

In the Middle East, and of course, despite regional market turbulence which we encounter, the segment still delivered solid operational progress, completing works in Saudi Arabia and continuing activities at Abu Qir 2 in Egypt. The coastal protection works in Grand-Lahou in Ivory Coast, that is, were finalised, while several dredging projects continued in the West African region.

In India, maintenance and capital dredging projects were carried out in Paradip, Varsha, and Mumbai.

Meanwhile, our Infra activities progressed well. I will come back to the Princess Elisabeth Island and also to the Fehmarnbelt Fixed Link project in a moment. But at the Oosterweel Connection, all tunnel elements were immersed and connected. In France, we worked on the Port-La Nouvelle project, which entered its final phase following the completion of all civil construction works.

Now let me give you with this very beautiful picture here on the screen of the, it seems like an atoll, but it's becoming an island in the coming weeks. Let me provide some more details to some of the main projects during the first half.

DEME is part, as you know, of the TM Edison consortium, constructing the Princess Elisabeth Island in the Belgian North Sea. Following now the second installation campaign, all 23 caissons have now been successfully installed and they really shape the outer walls of the future island, and they create a safe harbour for the electrical infrastructure which will then follow. So as mentioned, the sand filling and the preparations for the island's interior are now underway and ongoing.

This island, as you know, is about 45 kilometres offshore, and it will really be a cornerstone of Europe's offshore power grid, connecting wind farms and also international interconnectors to Belgium, a project which we are particularly proud of.

Now we are going now to the Fehmarnbelt project. On the Fehmarnbelt Fixed Link project, a major milestone was also achieved with the immersion and connection of the project's third already standard tunnel element following months of careful planning and coordination. And you see here a picture with, if you look well, the elements slightly underwater.

This milestone marks the transition to full execution of one of the project's most critical phases of the project, which at 18 kilometres long, will be the longest immersed tunnel in the world. To give you a couple of dimension, measuring 217 metres in length and weighing 73,000 tonnes per piece, each element must be transported, positioned precisely, and installed in a tunnel trench at depths of up to, at the deepest point, 40 metres. A total of 89 elements will be carried by the immersion pontoons, which you see here, called IVY 1 and IVY 2. And they are both equipped with high-precision alignment systems.

A second project here is the Bay of Naples, where we are carrying out marine and environmental works for the redevelopment of what they call the Bagnoli-Coroglio industrial area. This is a high-level site. It will host the 38th America's Cup, which is scheduled to begin in July already next year, so a tight schedule.

We are preparing the venue for already the preliminary regattas, which will be taking place as of next month. I think it's really another strong example of DEME's ability to deliver innovative and sustainable solutions to complex marine, because we have works here, environmental works, civil works, dredging works, while at the same time meeting demanding timelines.

The next slide is about a fleet addition. We want to further strengthen and expand our dredging fleet. And as such, we recently ordered a 22,000 cubic metre trailing suction hopper dredger, which you can see here on the render. The new dredger will support our long-term competitiveness, both in capital and maintenance dredging, land reclamation, and offshore seabed preparations. It is designed to enhance operational efficiency through a structurally lower cost per dredged cubic metres, while at the same time reducing greenhouse gas emission intensity.

The delivery is scheduled for 2029. The vessel will be built in China under our supervision and will then be outfitted in Singapore.

And we are going now to the third contracting segment, which is Environmental. So here again, a map. In the Netherlands, operational works on the Gorinchem-Waardenburg, so called GoWa dyke reinforcement project were successfully completed while our activities continued on other flood protection and infrastructure projects and the sand supply project for the Port of Rotterdam. At the same time, preparatory works are underway for a major remediation project at Schiphol Airport in Amsterdam, and the activities are scheduled to start there in the second half of the year.

In Belgium, Oosterweel and the BASF Feluy project forged ahead. At the same time, we also carried out maintenance works on the River Meuse. In addition, soil investigations were initiated for the redevelopment of the former ArcelorMittal site near Liège.

Environmental also continued to expand and upgrade its soil treatment centres both in Belgium and the Netherlands. And through the CARGEN joint venture, the segment is also scaling up the volumes and the commercial capacity of its activated carbon filtration solutions.

Now on to some of the key projects. First one is the Feluy. Our environmental team continued to make solid progress here at the former BASF site in Feluy, that is under a public-private partnership where we are responsible for the purchase, the remediation, and the redevelopment of a 65-hectare contaminated site, which you see here on the picture.

Our work addresses both contaminated soil and groundwater. We have already removed existing infrastructure, and our R&D department developed a specialised biological solution to neutralise the pollutants.

Around 150,000 tonnes of sludge are being treated, and mostly that is important on site itself, avoiding truck movements and emissions. In addition, around four million tonnes of recycled clean soil from our treatment centres will be used for backfilling and creating level surfaces at the site.

We're going to the Netherlands now to Marken, where together with our partners, we are making steady progress in reinforcing the dikes around the island of Marken. Marken is famous for its iconic green wooden stilt houses. Reinforcing the dike is a complex undertaking that requires customised solutions to preserve the island's cultural and historical character. For example, the design closely follows the original dike line, preserving views of the specific landmarks.

To limit disruption, most of the work is carried out from the water. The dike is being strengthened in phases using tailored engineering methods for the soft ground conditions which we encounter over there. Set for completion in '28, Marken will be protected against high water for at least another 50 years.

Now to conclude the segment review, let me turn now to Concessions. A couple of key projects. We continue to operate our wind farms, obviously, in Belgium, and we have advanced on the Bowdun concession projects in Scotland. Meanwhile, our port concession activities continue to deliver recurring contributions and create new growth opportunities.

In March, we signed a 25-year concession contract for the marine access channel of the Port of Paranaguá in Brazil, which I will outline in a bit more detail on one of the next slides.

The team continues to manage and further develop its portfolio of port participations, including Port-La Nouvelle in France and the Port of Duqm in Oman. At the Port of Duqm, operations were temporarily impacted at the start of the conflict in the Gulf region. But despite this, we are making headway.

On the Infra side, concessions concluded the sale of its stake in the Blankenburg Tunnel projects in April, which resulted in a gain on disposal amounting to €2.6 million. Our deep-sea mineral exploration subsidiary, GSR, signed an MoU with Japan-based Deep Ocean Resources Development, and that is covering a pilot mining test. The test is intended to validate the operational and environmental performance of an integrated commercial scale mining system.

In our green hydrogen activities, HYPORT Energy continued to advance its projects both in Oman and Egypt. And for HYPORT Duqm, OQAE and DEME have an agreement to take over bp's stake, and both partners will now continue developing the project together.

This is now a picture of our project in Port-La Nouvelle, where the civil construction works were successfully completed in the first half of this year. The new deep-sea berth welcomed already its first RoRo ships in December '25. And as you can see on the picture, the new liquid berth terminal saw the arrival of its first vessel now recently in June.

And finally, onto our outlook for the remainder of the year and 2027. Despite global macroeconomic turbulence and continued uncertainty in the Middle East, we still remain confident in DEME's ability to deliver strong financial results. This confidence is supported by our solid order book, healthy balance sheet, attractive market fundamentals, and diversified activities.

For 2026, we expect turnover to be slightly above the 2025 level with an EBITDA margin in line with 2025. Our '26 capital expenditure outlook remains unchanged at approximately €450 million, and this includes upgrade, repair, and maintenance investments in the fleet, but also the payments for the completion of the Norse Energi and already the initial investments related to the new hopper dredger.

For 2027, and based on the visibility we have today, we expect to maintain strong profitability with EBITDA broadly in line with 2025, despite a somewhat lower top line.

As mentioned at the beginning of my presentation, 2026 is a remarkable milestone year in our history. We have been shaping horizons around the world for 150 years. You can explore our history on the special anniversary website, where we are sharing 150 very inspiring stories about our pioneering people, projects, and innovative breakthroughs.

So with this, I conclude my part of the formal presentation, and I will now hand you back to Carl so that he can start the Q&A session.

Questions and Answers

Carl Vanden Bussche: Thank you, Luc and Stijn. We will indeed now begin the Q&A session. There are two ways to ask questions. For participants in the webcast, you can use the chat function to submit your question, or you can raise your hand and we will let you know when we are ready for your question. For participants on the conference call line, please dial star one and the operator will place you in the waiting room before you can ask the question. From our side, we will manage the flow and do our best to field questions from different angles. When it's your turn, we kindly ask that you limit yourself to a maximum of two questions. That will give everyone the opportunity to ask a question. Please ask your questions one at a time. If you have additional questions, please queue again.

So without further ado, I think we're ready now to take the first question. And I see that we have already people lining up in the webcast and on the conference call line. Let's start with the first question from Guy Sips from KBC Securities. Good morning, Guy.

Guy Sips (KBC Securities): Yes, thank you. First of all, congratulations with the very good results. I have two questions. The first is on your 2027 outlook. What are the main drivers, building blocks behind this resilience in profitability? Can you give somewhat more colour on this one?

And then second question is on Cadeler's recent acquisition of Menck. You are historically working closer with independent equipment providers such as IQIP rather than vertically integrating these capabilities. How do you view Cadeler's acquisition on Menck? And going forward, will you intensify your relationship with IQIP or other players? Thank you.

Carl Vanden Bussche: Thank you, Guy. Luc, I think a bit of colour on our '27 outlook.

Luc Vandenbulcke: Yes. Good morning, Guy. Thanks for your question. Yes, your first question is about the outlook for 2027. Now, I mentioned, I think, during my presentation that we base this on the fact that we continue to see supportive market fundamentals. There is, I see, across our activities, a healthy tendering activity, and of course, following on that, I tend to see a good pipeline of opportunities. And based on that, I think we expect that those factors will contribute to a positive evolution of the order book in the coming months.

But maybe your question was also a little bit on the flavour and maybe I should give a little bit more granularity on the segments. So maybe very shortly, if I take them in the order we have them. Offshore Energy, there I think we need to distinguish a little bit between the short term and the long term. And what you do see is that our US large offshore wind farm projects, we are now on the largest one we'll complete this year. You know that these American projects contribute strongly to turnover, and that is, let me say, thanks to or due to, however you see it, the regulatory requirements with the Jones Act. So that increases the turnover.

And also US was a new market, so a lot of the supplies were coming from Europe. So a lot of logistics also. So you see that that is a contributor to higher turnover. The market, which is, let's say, discontinued a bit in the US, is rapidly being replaced by the European and the Asian market where we see our next growth phase happening.

But of course, that lags the US turnover run-off because, of course, we have a good fleet occupation, which we see. But the turnover in these European and Asian projects is somehow lower because you don't have the Jones Act. You have a bit less logistics. So that's a little bit what we are seeing right now. And so we see a little bit of a timing effect, but we don't really see a deterioration in the profitability profile of that business. And we also see that there, I would say the next growth cycle is developing. You see that. You have seen the recent auction activities in the Netherlands, in Denmark, in Korea. So there we see a take-off.

We see good, let's say, customer discussions. You also see the OEMs, which bring the positivity in the market, and it's the same as we see the long-term drivers are firmly intact.

Then maybe going a little bit to Dredging and Infrastructure. Yeah, you have seen we had a good occupation. We think this is a robust segment, generating solid and also resilient results. You have seen that over the past months. I see a lot of tendering activities, I would say across the world, including the Middle East, where clients are continuing to tender and negotiate, but some of them obviously waiting for a more stable situation. So there also I think we have a strong basis for a sustained performance and project awards in the near future.

And then if I look at the somehow smaller segments, then you're coming to Environmental and the Concession business, maybe taking them together. Yeah. We expect that they will continue to contribute, I would say, their fair share to the Group's profitability.

Carl Vanden Bussche: Thank you, Luc. So the second question of Guy, if I resume that correctly, is about reference to Cadeler acquiring Menck and, yeah, strategic hammer equipment. So what is our take on that?

Luc Vandenbulcke: Yeah. So on the takeover itself, I think I prefer to be consistent in our messaging and not comment on the transaction itself. But let's say, we do not really see that this transaction materially affects our own ability to access the equipment market. That's one thing.

Secondly, you have to understand, installing foundations is a pretty diversified activity with pretty diversified challenges. You say we're talking about Menck here, talking about hammering, but we are installing suction buckets. We have taken over SPT, as you know. We've been doing quite some drilling works. We have a strong partnership with Herrenknecht there. You have a participation in GBM.

In the Netherlands, we use vibratory hammers. Noise mitigation is one of the things which will occupy us in the future. So a lot of diverse evolutions. We are strong believers in what we call horizontal integration. Horizontal integration, which means that we want to present full packages to the clients, being, as you know, turbine installation, foundation installation, soil investigation, yeah, the turbines, cable installation, erosion protection and having partnerships, framework agreements with the supply chain for those kinds of tools.

I think that's, for us, a better way of approaching that. So I think that's a little bit our view on that.

Carl Vanden Bussche: Yeah. Thank you, Luc. I think we'll shift to the next question from Philip Ngotho from Kepler Cheuvreux. Good morning, Philip.

Philip Ngotho (Kepler Cheuvreux): Yeah. Good morning. Thanks for taking the questions. Two as well, if I may. Yes, two then, also coming back a little bit on Cadeler, but then on other point. I'm just wondering if you could maybe talk about what you're seeing in terms of competition capabilities. Cadeler, of course, announced they just installed their first foundation installation work on Hornsea. So they were already announcing, of course, that they would like to move more into what's really offering complete installation services as well, and engineering. So how do you see that evolving? Is there competition increasing on that side? And also maybe in terms of supply to the market, they just announced also two newbuilds. So what's your view there? What are your own plans, and how do you see moving towards 2030 there?

And maybe the last question is on the Havfram earnings contribution. How much do we already see this year and what is the delta 2027 versus 2026 from the vessels? Thank you.

Carl Vanden Bussche: Yeah. Okay. Thank you, Philip. I think probably the first question, Luc, also one for you on Cadeler and yeah. So them adding vessels and the competitive capabilities there.

Luc Vandenbulcke: Yeah. Thank you for your question, Philip. I think I gave a part of the answer already in the previous answer. But let's say in terms of capabilities and competitors' capabilities, let's maybe take it on our capabilities, because I prefer not to dwell too much on the competitors in DEME's highlights.

We are adding capacity in a number of ways. You have seen that we have, of course, added Havfram. We are investing in a trenching support and cable-laying vessel. So we're adding capability there. And then secondly, we also are adding capacity to the fleet in terms of, let's say, operability. It's not always about just adding vessels. We think we have a very good mix of vessels. And your question was pointing at foundation works, for instance.

If you look at, we have a very good mix of what is called in the market, the floaters, the Orion, you saw many pictures of them. And meanwhile, five large jack-up vessels, our capabilities for different foundation installation types. Very good and strong engineering capabilities, which we share across our segments.

And to give you an example, we are working on the Nordlicht 1 project. We started early July. And touch wood, I think by the end of August, we will have 50 monopiles in the ground. So it's also improving the capability. I think we have a strong offering there, being able, which I said in previous cases, obviously, to face competition in terms of supply-demand.

You referred to new orders. I think they were known already in the market. And again, I can only point at the strength of our own fleet which we have. So I think that's a little bit what I would like to comment to that.

In terms of exact Havfram earnings, that's a question which I happily pass to Stijn.

Stijn Gaytant: Thank you, Luc. Now, Havfram, it was already mentioned, so Norse Wind and Norse Energi. Norse Wind started end of quarter one contributing, Norse Energi end of quarter two. What is typically for these kind of contracts, because, of course, we took over the order book of €530 million from the acquisition from Havfram together with the vessels, is that the current contracts are, of course, more on a day rate model. That means the top line contribution is a bit less.

But we do see that profitability remains very attractive. And it also shows Norse Wind finished their first project and is already on the way working for the second one. So it is contributing as we expected, for sure.

Carl Vanden Bussche: Okay. Yeah. Thank you, Stijn and Luc, on the first question. Moving to Thijs Berkelder for ABN AMRO-ODDO. Thijs, good morning.

Thijs Berkelder (ABN AMRO-ODDO BHF): Yeah. Good morning. Can you hear me?

Carl Vanden Bussche: We do. Yes.

Thijs Berkelder: Okay. Well, first, congrats with the strong performance. My question is also on hammering and a specific question. If I am correct, you just offshore Germany tested IQIP's new hammering technique called EQ-Piling or PULSE Piling, which according to my understanding should make it possible to install monopiles as fast as with existing techniques, as well as with the much lower noise footprints. Can you confirm this massive progress of this new hammering technique? And what will this mean for your future installation vessel plans?

Second question is on guidance. So you only guide on Group turnover and EBITDA, not much on the contribution of your JVs and associates while these now represent close to 30% of your bottom-line earnings. If may be possible to give more specific guidance for your net earnings expectations going forward? I understand not now maybe. And maybe better to have specific margin expectations per segment.

Carl Vanden Bussche: I think first question on IQIP.

Luc Vandenbulcke: Yeah. Thank you, Thijs, for your good questions. The first one is referring to the testing of the IQIP EQ hammer. I'm hesitating a little bit, because I think here I am bound by many NDA clauses. So I think it's rather a question to IQIP, honestly, on the exact things.

We have been supplying a vessel for these tests. That's correct. I am also not sure that all the detailed results are there. What I can say is that there is a demand, which I also expressed in my previous question, for noise reduction measures, and that is something which, amongst others, with IQIP, we are looking at, let us say, improving those solutions and reducing the noise's impact on future installation plans. I would not say that this impacts us a lot for the moment being.

Again, let's await the detailed results, which I am sure IQIP will come up with to the market. If that is part of your question, we are perfectly able to handle that new tool and we will for sure use it, if it demonstrates both noise reduction and same speed or speed improvements. So that's a little bit what I can comment to that. Stijn, I think the second one was more on the JVs and on the guidance there.

Stijn Gaytant: Yes. So, indeed, Thijs, the contribution of joint ventures and earnings with €59 million is high, certainly compared to a year-on-year comparison basis. So from the €59 million, €10 million is related to Concessions. So they doubled their contribution compared year-over-year.

The remaining one is a big pool. We share in our yearly report always the total amount of joint ventures and associates. There are about 70, which means that you have smaller contributions in there as well, and you have some projects as well. But of course, these projects, because they are lesser in the combination of the 70 entities, means that they are a bit more prone for project phasing, whether something is at the end of the project. So where in the total package of offshore segments, things are a bit balanced out. Here you have temporarily higher figures. That is also the reason why I clearly mentioned just before that we should not expect a similar amount of contribution of joint ventures and associates for the second half.

On your questions, why do we not guide on net results? Well, for one reason, a bit related to this, but also, there are other elements, financial results, currencies. Yeah, it can sometimes have a big impact and it's not always that easy to predict. That is why we are staying with turnover and EBITDA, bearing in mind that for 2027, of course, we are now talking about absolute turns in EBITDA and no longer in margins.

Carl Vanden Bussche: Thank you, Stijn.

Thijs Berkelder: Yeah. Very good. Do you still hear me?

Stijn Gaytant: Yes, we do. We still hear you.

Thijs Berkelder: Coming back to Luc, and maybe very important, are you currently primarily making use of the hammers of IQIP, or are you also a customer of Menck? And given that Cadeler[?01:02:04] acquired Menck, how have you, or do you secure then your hammer demand for the next 10 years?

Luc Vandenbulcke: Yes, I think this is a question which I can probably be quite straightforward. There's a lot of pictures on the internet which will confirm. We have used a lot of IQIP hammers. I gave you the progress on some of our projects. We are very pleased with the performance there. We have also used and worked with Menck securing the – I'm not going to say hammering. But securing foundation installation techniques for the next 10 years is not a worry to DEME, for the reason that I explained before.

The foundation installation market, hammering is part of it. Impact hammering, you're talking. We have your previous question on EQ, where we certainly will see evolutions. We have vibrating, which becomes more and more performant. We have suction pile technology. We have the drilling. So it's not a concern. We are doing that through normal market tendering, through framework agreements, through long-term partnerships. So we don't see an issue there.

Thijs Berkelder: Thank you. That's clear.

Carl Vanden Bussche: Okay. Thank you. Next one in line is Luuk Van Beek from Degroof Petercam. Good morning, Luuk.

Luuk Van Beek (Degroof Petercam): Yes. Good morning. First of all, a question about the pipeline. You are very confident on the pipeline and the number of tenders ongoing. There was also a peer that was a bit more cautious in the sense that they said that the macroeconomic environment is affecting the willingness to actually take decisions on the things in the pipeline. Is that something that you see any sign of?

Furthermore, on the non-renewable energy, it went down quite a lot this year-on-year. Is there an opportunity for the coming years? Can you comment on, yeah, if there was a one-off, and how do you look at the outlook for the non-renewable part for the next couple of years?

And a quick question on the working capital. It was down a lot in H1. Can you comment if you should take into account any special effects in H2 regarding milestones or other things, prepayments?

Luc Vandenbulcke: Thank you, Luuk. Could you maybe just repeat a little bit because the line was not so good? On your first question, you were saying that, I think we are confident on the pipeline, but there was a remark on the peers and your question was referring to that. I did not get that exactly. Could you repeat that?

Luuk Van Beek: Yeah. Sorry. Do you see any signs that due to, say, the macroeconomic uncertainty, people are slower in taking decisions on the projects they are tendering?

Luc Vandenbulcke: Okay. So I have your questions now. So on the first one, as I mentioned before, we see a high volume of tenders ongoing. We see also project awards. But I also said, I think in one of the questions before, it’s true that specifically in the Middle East, we see a healthy tendering activity. But there, of course, the awards. Our clients are a bit hesitating to have the award now. They make sure they prepare their projects, but they are waiting for a bit more stability in the region. But that’s what we see only specifically in the Middle East.

Now on the outlook, you were, I think, referring your question to renewables versus non-renewables. So in terms of renewables, that is offshore wind. Non-renewables, as you know, you have seen that in our presentations, we also do erosion protection for pipelines. We do decommissioning work. We have done in the past supporting works for nuclear. That all falls under the non-renewable. And yes, indeed, also there, we see a healthy tendering activity and a pipeline of projects coming to the market.

Carl Vanden Bussche: Maybe Stijn…

Stijn Gaytant: Yeah. On the working capital, yes, I am very pleased that that has improved with roughly €100 million. That’s amongst others, driven, of course, by the progress we are making on certain projects, which are linked to milestones and as such, payments. Secondly, also the advanced payments that we have currently in are higher compared than end of 2025. But overall, as I mentioned, working capital is roughly 20% of the turnover. I am quite pleased with that.

If you look historically, the average on the last 12 years has been 19%. So should we expect very high increases? Well, that will depend a little bit maybe on what is the intake that is going to happen on future projects. But for the time being, I’m quite pleased with where we are today.

Carl Vanden Bussche: Yeah. Thank you. Thank you, Luc, as well. Propose we just take two questions from the chat as well. There is one from Tijs Hollestelle from ING. I think we briefly touched on the subject, but perhaps we can add some more colour. Question is, why is there now material impact on profitability expected from the ongoing lower order intake in Offshore Energy division? I assume he's pointing to '27, where we said that EBITDA is expected to remain in line with '25. Stijn or Luc?

Stijn Gaytant: Yeah. Maybe Thijs, I do not know when you sent in the question exactly. I already gave a little bit of guidance I think on that, especially pointing also at the higher turnover, but not necessarily higher margins, which were coming from the large US market, where you see that vessel occupation and, let's say, margins or vessel occupation is now moving to the European and Asian markets, where, let's say, the turnover is somehow a bit lower because of the lesser logistics and less Jones Act activities, but where you have a good occupation of the fleet, and following from that also, a rather stable EBITDA.

Carl Vanden Bussche: Yeah. I'll pick up one more from Patrick Millecam, Value Square. Referring to results out last week from Boskalis, they had a rather or more negative view on their outlook. The recent geopolitical developments continue to impact market conditions and investment decisions in various regions. This is particularly visible in parts of the dredging market and in certain offshore service activities. Do we agree on the view of Boskalis? Or what is our take on that, I would say?

Luc Vandenbulcke: Well, I think I've commented I think in the different questions already a little bit on this, Patrick. I think our message is referring to our own visibility and our own product mix, which for everybody is different. In our product mix and based on what we see today, so we have our existing order book, we have the project pipeline, the fleet deployment, the ongoing tender activities. You have seen how we view the market and how we guide today. So that's our view on our own activities.

Carl Vanden Bussche: No. Okay, good. Very good. Thank you, Luc. And I think with this, we can bring the earnings call to an end. So for sure, anyone with additional questions, please feel free to reach out to me directly. You know where to find me. I would like to thank you all for participating and to thank Stijn and Luc for the presentation and for answering all these questions. Thank you. Meet you soon.

[END OF TRANSCRIPT]