

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): March 1, 2021



HELIX ENERGY SOLUTIONS GROUP, INC.
(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction
of incorporation)
3505 West Sam Houston Parkway North
Suite 400
Houston, Texas
(Address of principal executive offices)

001-32936
(Commission
File Number)

95-3409686
(IRS. Employer Identification No.)

77043
(Zip Code)

Registrant's telephone number, including area code **281-618-0400**

NOT APPLICABLE
(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock	HLX	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

Helix Energy Solutions Group, Inc. (the "Company") is furnishing this report to disclose an updated Company presentation to be used, or the basis of which will be used, in communications with investors as well as at investor conferences. The presentation materials are attached hereto as Exhibit 99.1 and incorporated by reference herein. The presentation materials are also available on the "For the Investor" page of the Company's website, www.HelixESG.com.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

<u>Exhibit Number</u>	<u>Description</u>
99.1	Materials to be used in communications and at conferences.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 1, 2021

HELIX ENERGY SOLUTIONS GROUP, INC.

By: /s/ Erik Staffeldt
Erik Staffeldt
Executive Vice President and
Chief Financial Officer

Helix Energy Solutions Company Update

March 2021



COMPANY OVERVIEW

- **Helix Energy Solutions** provides specialty services to the offshore energy industry with a focus on well intervention and robotics operations
 - Exposure to the full energy value chain: Oil & Gas to Renewables
 - Oil & Gas services cover the lifecycle of a field and are critical to maximizing production economics
 - Expanding Renewables services where we currently offer trenching, site clearance, and subsea support
- Three reportable business segments: Well Intervention, Robotics and Production Facilities
- Liquidity² of \$452 million¹ and contract backlog of \$407 million¹
- Subsea Services Alliance with Schlumberger provides integrated equipment and services for subsea well intervention

1,563



Business Mix³



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¹ As of December 31, 2020

² Liquidity is calculated as the sum of cash and cash equivalents plus available capacity under the Company's credit facility less restricted cash, if any

³ Based on the twelve months ended December 31, 2020; Percentages exclude eliminations and other expenses



COMPANY HIGHLIGHTS

- World's leading provider of both well intervention and subsea robotics technologies to offshore energy industry
 - Pioneer and established leader in rigless offshore well intervention with track record of 1,490 wells and 25+ years of global experience
 - Leading provider of well intervention solutions with a competitive advantage
 - Large and growing addressable market in both well intervention and robotics
 - Industry-leading, built-for-purpose fleet that can be mobilized worldwide
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WHY CHOOSE HELIX?

Why Helix?

- Market leader in Well Intervention and Robotics/Trenching
- Riser-based and riserless interventional capabilities
- Increasing contribution of offshore renewables market
- Geographically diverse scope of operations
- Blue-chip customers
- Purpose-built, advanced fleet
- Integrated offerings

Why focus on Well Intervention and Robotics/Trenching

- Low F&D cost for enhanced reserves
- Extended well life via intervention defers cessation of production and P&A spend
- P&A is regulatory driven; demand should increase over time
- Demand for a more cost-effective solution to rigs
- Robotics is essential for credible quality performance in deep-water operations
- Expanding renewables market



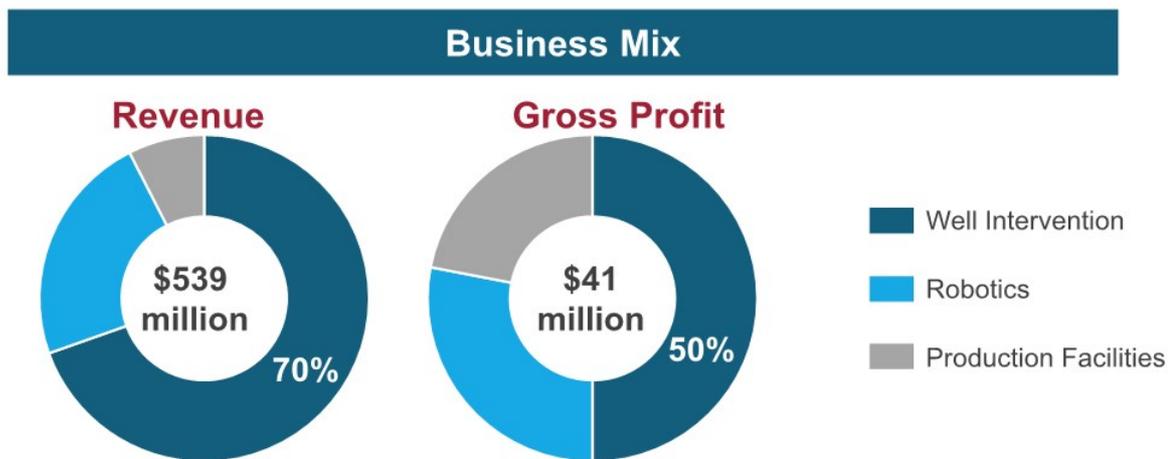
WELL INTERVENTION

Helix Well Ops is a leader in rigless offshore well intervention, providing fast, flexible and high-quality well management services

Our specialist riserless and riser-based well intervention vessels and subsea systems operate worldwide to provide customer value throughout the well life cycle

Low operating costs and ability to mobilize quickly enables Helix's vessels to operate at costs lower than offshore drilling rigs that provide intervention services

Backlog of \$226 million as of December 31, 2020



WHAT SETS HELIX APART IN WELL INTERVENTION

- Fleet of seven purpose-built well intervention vessels
- Both riser-based and riserless intervention systems
- 1,470 well intervention operations performed worldwide
- 558 well abandonment operations performed worldwide
- Geographically diverse scope of operations
- Blue-chip customer base
- Awarded Petrobras 2019 and 2018 Supplier of the Year for Maritime Rigs Operations



WELL INTERVENTION VESSELS & ASSETS



Q4000
(Gulf of Mexico)

Dynamically positioned class 3 (“DP3”) semisubmersible purpose-built vessel for well intervention and construction



Q5000
(Gulf of Mexico)

DP3 semisubmersible purpose-built vessel for well intervention, construction and other subsea projects



Q700
(West,)
DP3 s
vessel
decon
projec



Seawell
(North Sea)

Dynamically positioned class 2 (“DP2”) light well intervention and saturation diving vessel



Well Enhancer
(North Sea)

DP3 custom designed well intervention and saturation diving vessel



Intervel
(Gulf of M)
Utilized f
productic
operator
and abar



INTEGRATED APPROACH TO SUBSEA WELL SERVICES

Subsea Service Alliance created in 2015 to combine the expert

- Comprehensive subsea well construction, intervention and decommissioning portfolio
 - Helix provides marine support, operational expertise and project management capabilities
 - Schlumberger provides intervention and completion running technologies and subsea production systems (through OneSubsea)
- Utilizes vessels that can handle well commissioning, intervention, artificial lift and abandonment services
 - Eliminates the need for costly offshore drilling rigs for support
- Ongoing development of technologies that provide efficient products and services for the offshore market
 - Deep- and ultra-deepwater basins
 - High-pressure, high-temperature environments
 - Novel subsea well access, remediation and intervention for subsea
- Complementary project managers with extensive experience to provide
- A single source of expertise, services and technologies provides for subsea services while maximizing project safety



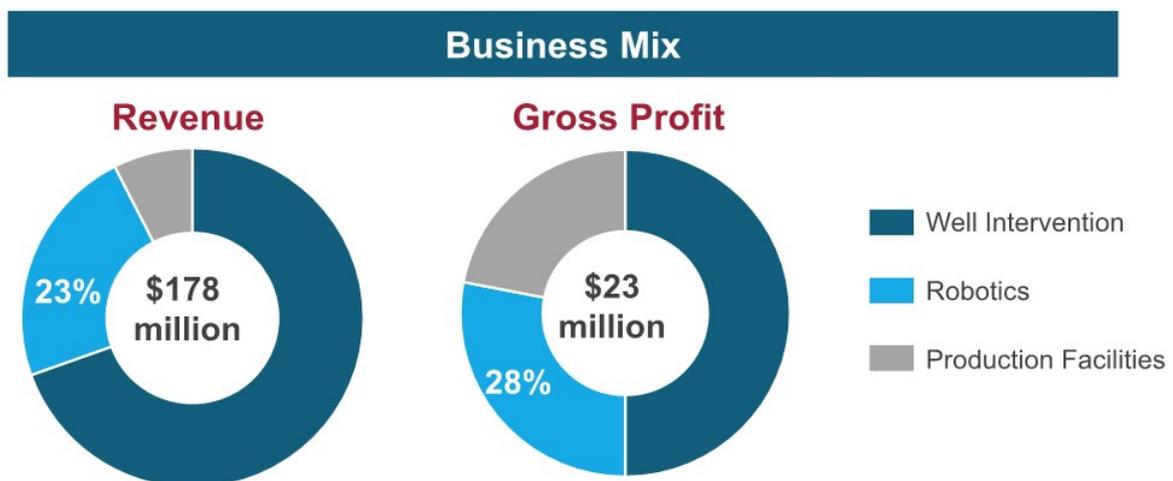
ROBOTICS

Helix Robotics Solutions is a leading supplier of subsea engineering services, operating state of the art remote operated vehicles (ROVs), seabed trenchers, and support/construction vessels

Our deep-water ROV track record spans over 20 years, including oil & gas, renewable energy, construction services and specialty services projects executed successfully around the world

Helix has a meaningful market share of the global ROV market and is rapidly expanding into the growing renewable energy industry

Helix charters vessels to support deployment of robotics assets and engages spot vessels on short-term charter agreements as needed



Based on the twelve months ended December 31, 2020; Amounts exclude eliminations

ROBOTICS VESSELS & ASSETS



Grand Canyon II *(Asia Pacific)*

A versatile and technically advanced DP3 multi-role construction support vessel
Under charter agreement through December 2021



Grand Canyon III *(North Sea)*

A versatile and technically advanced multi-role construction support vessel
Under charter agreement through M



ROV Fleet (44 units)

Highly maneuverable underwater robots that are capable of performing a broad array of subsea construction and well intervention tasks



Subsea Trenchers (4 units)

Provides subsea power cable, umbilical, pipeline and flowline trenching in water depths up to 3,000 meters



WHAT SETS HELIX APART IN ROBOTICS



Oil & Gas



Renewable Energy

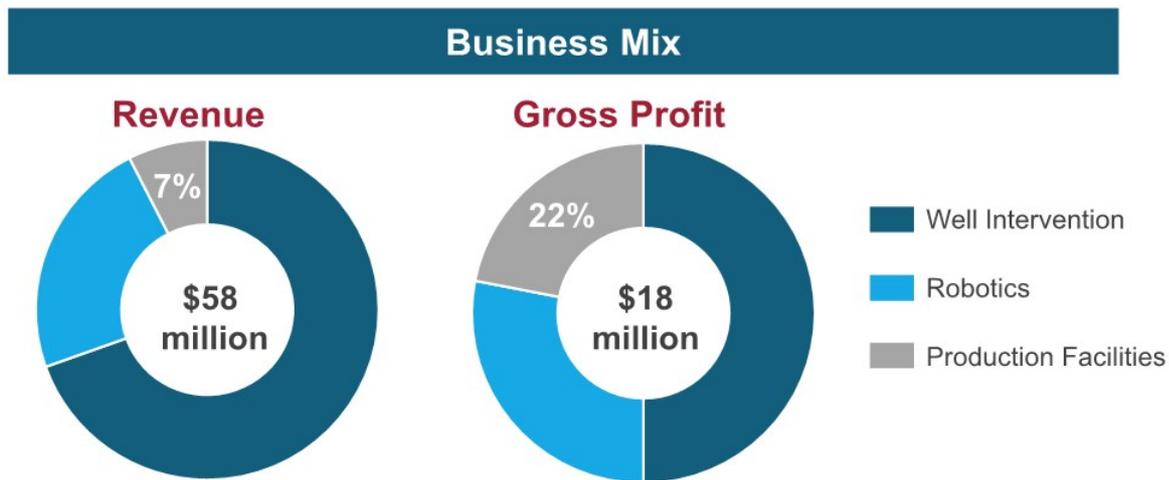
- Helix charters its ROV support vessels, ensuring a mode on regional requirements and market conditions
- Our subsea expertise in robotics is applicable to the range of Robotics revenues
- A fleet of advanced work-class ROVs and trenchers, including specifications
- Leading provider for water jetting and mechanical cutting offshore oil and gas and wind farm development



PRODUCTION FACILITIES

Helix Production Facilities is a non-core segment that includes the *Helix Producer 1* floating production unit (FPU), which is operating under a production handling contract until at least June 1, 2023

The segment also includes the Helix Fast Response System and our ownership of the wells and related infrastructure associated with the Droshtky Prospect in the Gulf of Mexico



Based on the twelve months ended December 31, 2020; Amounts exclude eliminations



Environment

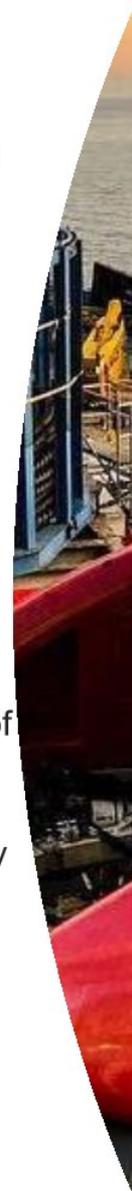
- We help mitigate and remediate the environmental risks associated with offshore drilling and production operations in practice and in-service
- We assist clients with the optimal utilization of wells in order to enhance production from existing wells, meaning fewer new wells need to be drilled and we repair and maintain subsea infrastructure, with the benefit of preventing uncontrolled releases of oil and gas into the environment

Social

- **Safety** – Embraced as a core business value that informs all operations
- **Human Capital** – Our employees are our greatest resource. We focus on attracting and retaining quality employees through tangible and intangible factors, including our company culture
- **Compliance** – Anti-corruption is a cornerstone of our business approach
- **Community** – Commitment to hiring local talent

Governance

- Structures and Processes that drive decisions and actions in the best interest of Helix Shareholders
- **Board Oversight** – Our Board's Corporate Governance and Nominating Committee oversees, assesses and reviews the disclosure and reporting of any matters, including with respect to climate change, regarding the Company's business and industry, and that committee's charter formally incorporates oversight of ESG matters as a stated responsibility
- **Risk Management** – Critical risk topics form key principles of the decision making process including operational, financial, safety, market, political, compliance, cybersecurity, and reputational issues



Key Financial Metrics and Outlook

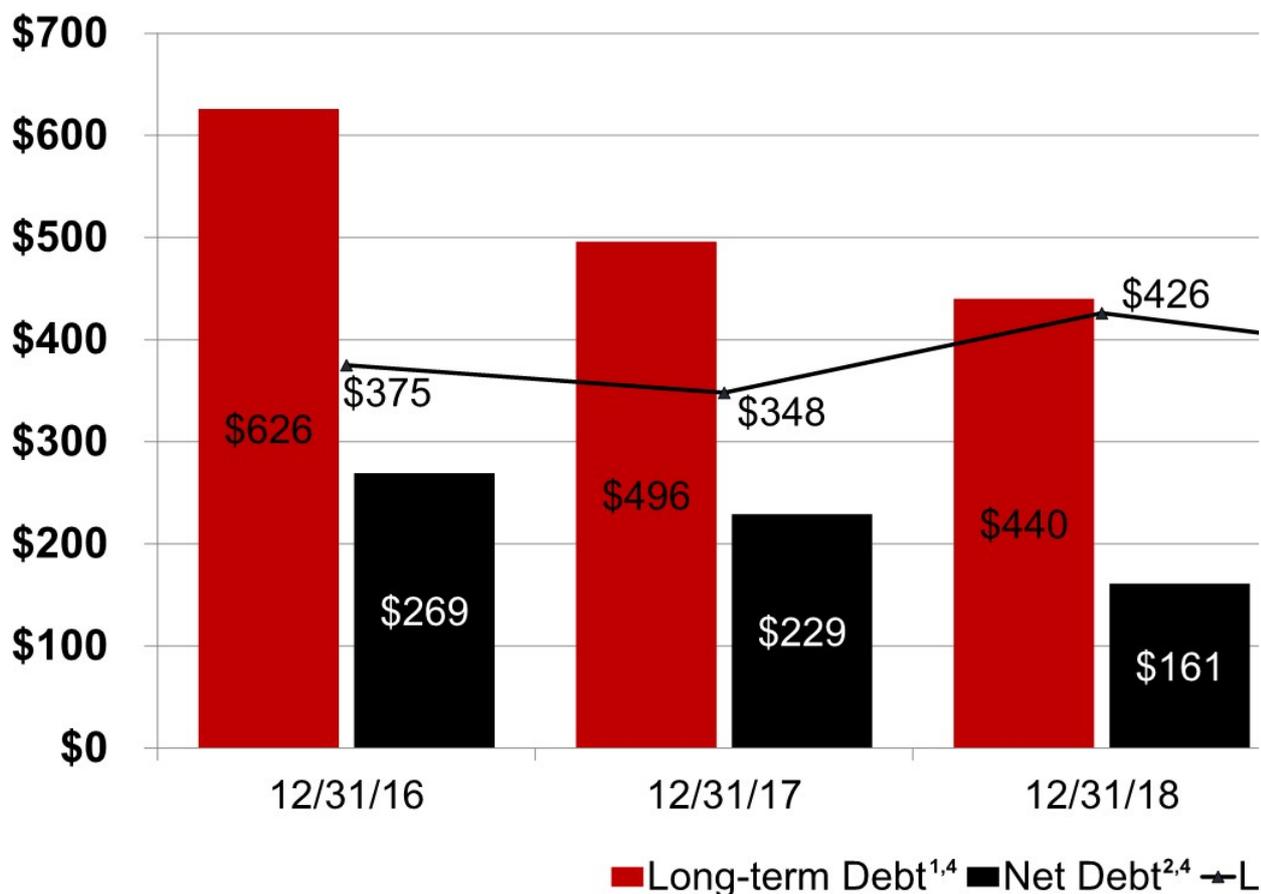


COVID-19 AND MARKET EVENTS

- The ongoing COVID-19 pandemic and its impact on the global economy resulted in weaker oil prices and caused significant disruption and volatility in the oil and gas market
- The COVID-19 pandemic has created challenges for our operations including crew changes due to travel restrictions; to date we are addressing these challenges by establishing and maintaining safety measures and protocols onboard the vessels and during crew changes
- With the safety measures and protocols we established for COVID-19 with enhanced testing capabilities, in 2020 we incurred minimal operational disruptions
- The pandemic has negatively affected the global economy, the oil market and our own results for 2020 as demand and pricing for oil have decreased and are expected to remain weak in 2021 and possibly 2022
- We have responded to revenue reductions by responsibly reducing our operating base, including warm stacking the *Seawell* and the *Q7000* during periods of low demand and cutting capital expenditures and targeted SG&A spending
- We are continuing to take what we believe to be appropriate steps to support our employees, customers and balance sheet



DEBT & LIQUIDITY PROFILE (\$ IN MILLIONS)



Liquidity³ of approximately \$452 million

- 1 Long-term debt is net of unamortized discounts and issuance costs
- 2 Net debt is calculated as long-term debt less cash and cash equivalents and re
- 3 Liquidity is calculated as the sum of cash and cash equivalents plus available ca
- 4 We are adopting ASU 2020-06, "Accounting for Convertible Instruments and Conti
Long-term debt and net debt will increase by \$44 million and shareholders" eq



DEBT INSTRUMENT PROFILE

Total funded debt¹ of \$405 million at 12/31/20

\$35 million Convertible Senior Notes due 2022 – 4.25%

\$30 million Convertible Senior Notes due 2023 – 4.125%

\$200 million Convertible Senior Notes due 2026 – 6.75%

\$30 million Term Loan – LIBOR + 3.25%

- Quarterly amortization payments of approximately \$0.9 million with a balloon payment of \$27 million at maturity in Q4 2021

\$56 million MARAD Debt – 4.93%

- Semi-annual amortization payments through maturity in Q1 2027

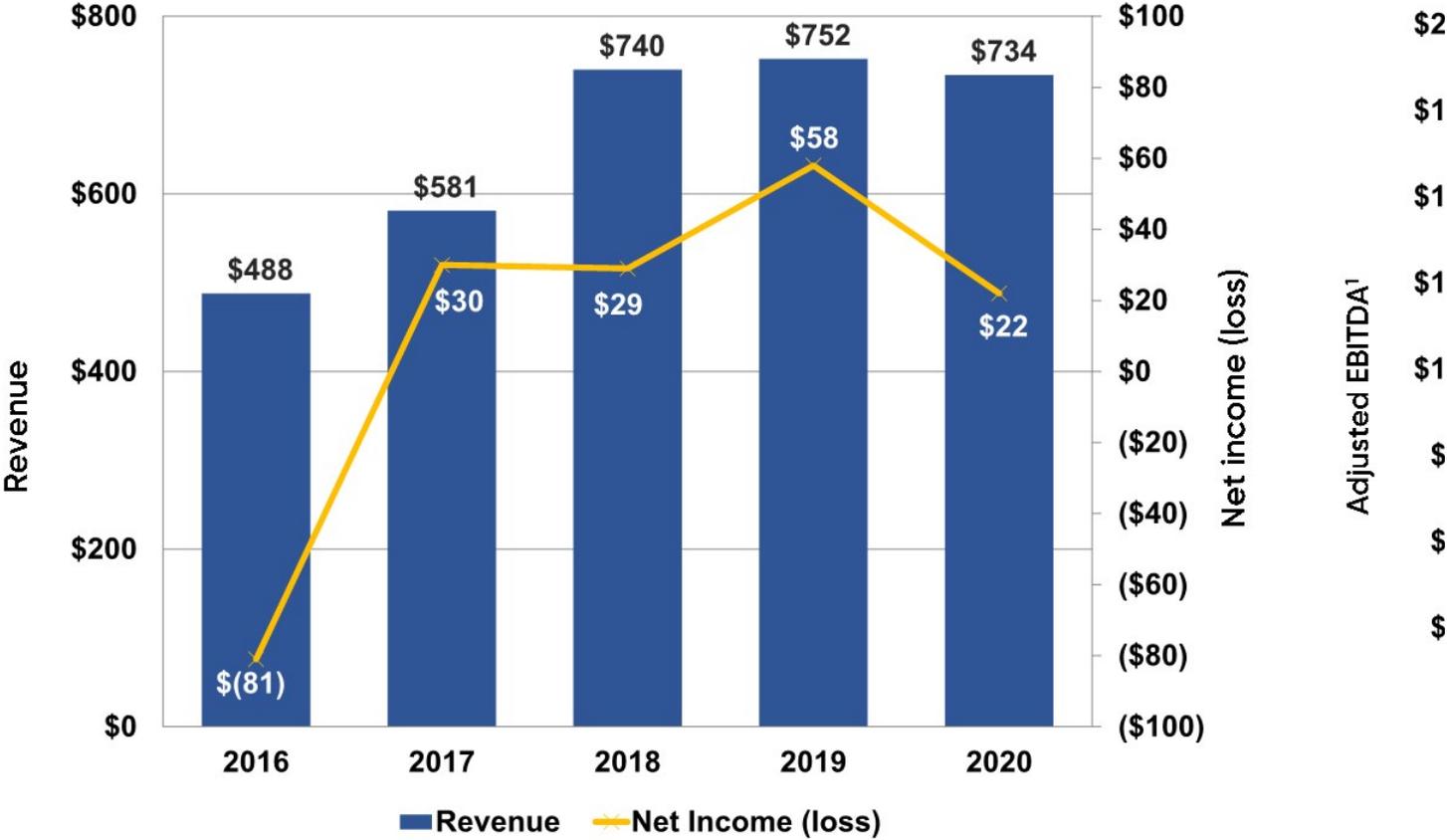
\$54 million Q5000 Loan – LIBOR + 2.75%

- Quarterly amortization payments of approximately \$8.9 million
- **Final maturity of \$54 million paid in January 2021**

¹ Excludes unamortized discounts and issuance costs



FIVE YEAR TREND (\$ IN MILLIONS)

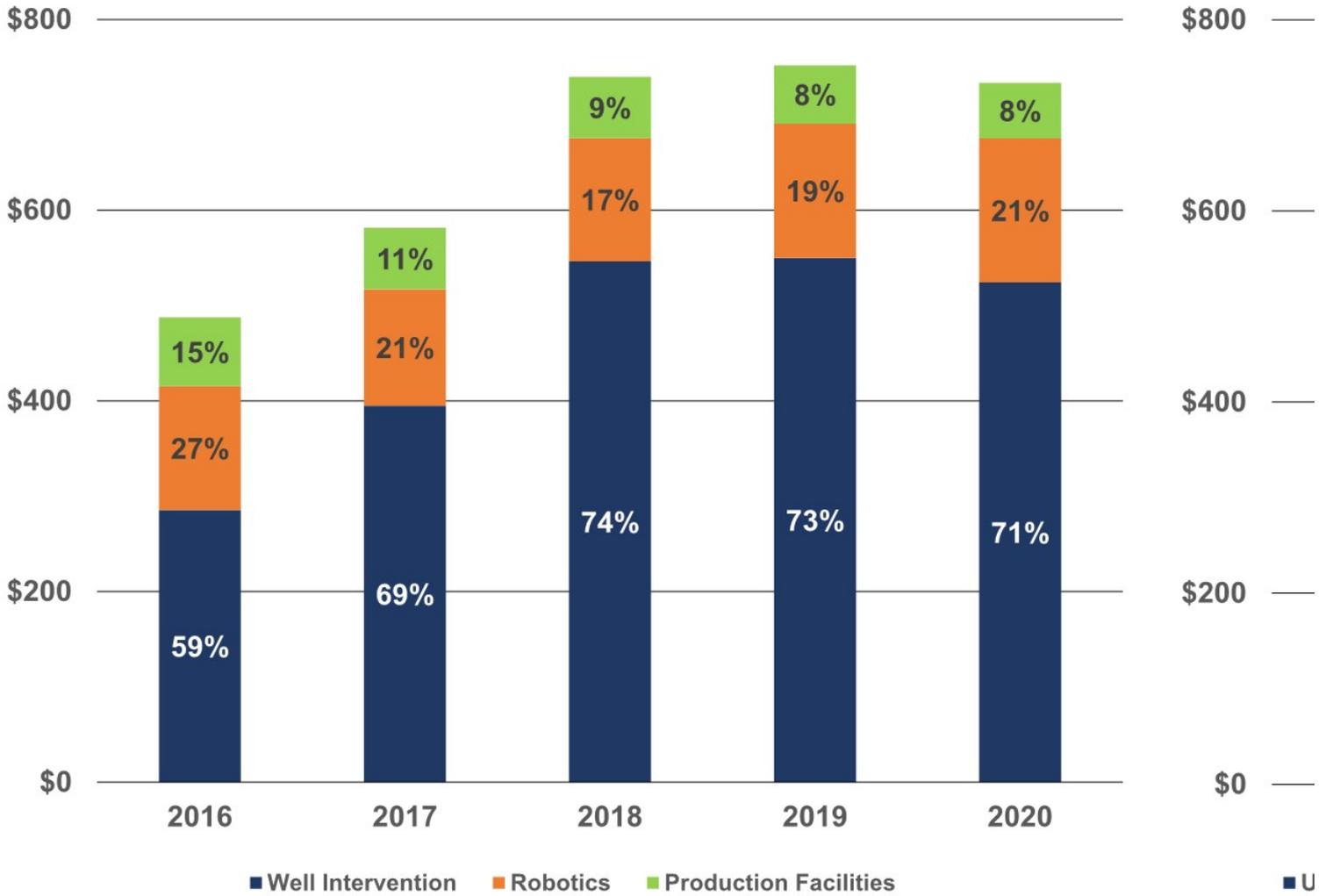


¹ Adjusted EBITDA and Free Cash Flow are Non-GAAP financial mea



REVENUE DISPERSION (\$ IN MILLIONS)

Segments



2021 OUTLOOK

The ongoing COVID pandemic and its effect on the offshore oil and gas market, along with regulatory changes by the new U.S. administration, suggests a year of low spending levels currently remain low, providing even more Well Intervention contracts expire.

EBITDA

We expect our 2021 results to be lower than the \$155 million EBITDA/ project how much lower as our customers are still working through spending and determine which projects will be sanctioned and which include the following:

- Total backlog at December 31, 2020 of approximately \$407 million expected to be realized during 2021
- North Sea – Well Intervention to be a two-vessel market during 21 and utilizing the *Seawell* during seasonal summer period
- Brazil – both Siem Helix vessels working for Petrobras throughout
- Production Facilities – Droshky recompletion expected in Q2
- Gulf of Mexico – softer market with expected gaps in schedule
- Robotics – intermittent renewables work with expected fewer sites than 2020

Over the next two months, we expect to gain a better view of 2021 and our EBITDA guidance with our first quarter 2021 earnings release.



Well Intervention Outlook

- **Q4000** (Gulf of Mexico) – contracted backlog into March; idle range of work scopes; scheduling gaps expected
- **Q5000** (Gulf of Mexico) – vessel working for BP through contract thereafter; scheduling gaps expected
- **IRS rental units** (Gulf of Mexico) – 15K IRS opportunities identified to be idle
- **Well Enhancer** (North Sea) – vessel commenced operations
- **Seawell** (North Sea) – vessel warm stacked in Leith and available opportunities beginning late Q2
- **Q7000** (West Africa) – vessel mobilized to Nigeria and commencing work with three customers into Q3
- **Siem Helix 1** (Brazil) – under contract for Petrobras through expected Q2; ongoing commercial discussions
- **Siem Helix 2** (Brazil) – under contract for Petrobras through



Robotics Outlook

- ***Grand Canyon II*** (Asia Pacific) – completed ROV support Japan in January; strong utilization expected in Asia Pacific vessel charter extended through 2021 with option to re
- ***Grand Canyon III*** (North Sea) – vessel contracted during three customers in the North Sea, the Baltic Sea and of undergo an approximate two week regulatory dry dock contracted trenching operations into Q3 with good utilization of 2021
- **Renewables site clearance** – awarded follow-on site clearance (boulder removal) utilizing one vessel of opportunity; e



2021 Capital additions are currently forecasted at the following:

- Maintenance Capex – \$15-30 million related to regulatory equipment and other maintenance capital
- Recompletion Capex – \$5-10 million of recompletion costs

Balance Sheet

- Our total funded debt¹ level is expected to decrease by \$100 million (from \$414 million at December 31, 2020 to \$314 million at December 31, 2021) as a result of:
 - Remaining principal of \$54 million on Q5000 Loan restructured in 2020
 - Credit Facility expiration and \$30 Term Loan maturity
- Tax refunds related to the CARES Act of \$7 million received during balance of 2021

¹ Excludes unamortized discounts and issuance costs



MACRO OUTLOOK SUPPORTS UPSIDE POTENTIAL

Oil & Gas

- Helix business lines are primarily production focused and activity driven by Upstream OpEx budgets
 - COVID-19 resulted in numerous projects being delayed, increase in activity expected in 2021

Renewable Energy

- Robotics segment continues to expand into the renewables market
 - Market leading position in Europe for trenching services
 - Expanded geographic mix into U.S. and Asia Pacific
 - Expanded services beyond trenching



Non-GAAP Reconciliations and Supplemental Information



NON-GAAP RECONCILIATIONS (\$ IN THOUSANDS, UNAUDITED)

(in thousands, unaudited)	12/31/2016	12/31/2015
Reconciliation from Net Income to Adjusted EBITDA:		
Net income	\$ (81,445)	\$
Adjustments:		
Income tax provision (benefit)	(12,470)	
Net interest expense	31,239	
(Gain) loss on extinguishment of long-term debt	3,540	
Other (income) expense, net	(3,510)	
Depreciation and amortization	114,187	
Goodwill impairment	45,107	
Non-cash (gain) loss on equity investment	1,674	
EBITDA	<u>98,322</u>	
Adjustments:		
(Gain) loss on disposition of assets, net	(1,290)	
General provision (release) for current expected credit losses	-	
Other than temporary loss on note receivable	-	
Realized losses from foreign exchange contracts not designated as hedging instruments	(7,488)	
Adjusted EBITDA	<u>\$ 89,544</u>	<u>\$</u>
Free Cash Flow:		
Cash flows from operating activities	\$ 38,714	\$
Less: Capital expenditures, net of proceeds from sale of assets	(173,310)	
Free cash flow	<u>\$ (134,596)</u>	<u>\$</u>

We define EBITDA as earnings before income taxes, net interest expense, gain or loss on extinguishment of long-term debt, losses on goodwill and other long-lived assets and gains and losses on equity investments are also added back if applicable and the general provision for current expected credit losses, if any. In addition, we include realized losses from foreign currency note receivable, which are excluded from EBITDA as a component of net other income or expense. We define free cash flow as cash flows from operating activities less capital expenditures and may help our investors understand and compare our results to other companies that have different definitions of Adjusted EBITDA and free cash flow differently from the way we do, which may limit their usefulness as comparative measures. Adjusted EBITDA and free cash flow are supplemental to, but not a substitute for, income from operations, net income, cash flows from operating activities and other financial information. Investors should consider the types of events and transactions that are excluded from these measures.



Thank you



We continue to implement and improve Environmental, Social and Governance (“ESG”) initiatives and disclosures throughout our business.

We understand we have an important role to play as a steward of the people, communities and environments we serve, and we regularly look for ways to emphasize and improve our own ESG record. We incorporate ESG initiatives into our core business values and priorities of safety, sustainability and value creation with a top-down approach led by management and our Board of Directors (our “Board”). Specifically, the Corporate Governance and Nominating Committee of our Board oversees, assesses and reviews the disclosure and reporting of any matters, including with respect to climate change, regarding the Company’s business and industry, and that committee’s charter formally incorporates oversight of ESG matters as a stated responsibility.

We emphasize constant improvement by continually striving to improve our safety record, reducing our environmental impact, and increasing transparency. In 2020, we maintained a low Total Recordable Incident Rate and expanded our business with renewable energy customers. Our efforts are published in our Corporate Sustainability Report and Corporate Sustainability Summary Update, copies of which are available on our website at www.HelixESG.com/about-helix/corporate-sustainability.

