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): **April 24, 2023**

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

Minnesota	**001-32936**	**95-3409686**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3505 West Sam Houston Parkway North
Suite 400
Houston, Texas **77043**
(Address of principal executive offices) (Zip Code)

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

NOT APPLICABLE
(Former name or former address, 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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	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 2.02 Results of Operations and Financial Condition.

On April 24, 2023, Helix Energy Solutions Group, Inc. ("Helix") issued a press release reporting its financial results for the first quarter 2023. The press release is furnished herewith as Exhibit 99.1 and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On April 24, 2023, Helix issued a press release reporting its financial results for the first quarter 2023. In addition, on April 25, 2023, Helix is making a presentation (with slides) to analysts and investors regarding its financial and operating results. Furnished herewith as Exhibits 99.1 and 99.2, respectively, and incorporated herein by reference, are the press release and the slides for the First Quarter 2023 Conference Call Presentation issued by Helix. The presentation materials are also available on the "For the Investor" page of Helix's website, www.helixesg.com.

The information furnished pursuant to Items 2.02 and 7.01, including Exhibits 99.1 and 99.2, shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and will not be incorporated by reference into any filing under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit Number	Description
99.1	Press Release of Helix Energy Solutions Group, Inc. dated April 24, 2023 reporting financial results for the first quarter 2023.
99.2	First Quarter 2023 Conference Call Presentation.
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: April 24, 2023

HELIX ENERGY SOLUTIONS GROUP, INC.

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

EXHIBIT 99.1

PRESSRELEASE

www.helixesg.com

Helix Energy Solutions Group, Inc. • 3505 W. Sam Houston Parkway N., Suite 400 • Houston, TX 77043 • 281-618-0400 • fax: 281-618-0505

For Immediate Release **23-007**

Date: April 24, 2023 **Contact:Erik Staffeldt**
Executive Vice President & CFO

Helix Reports First Quarter 2023 Results

HOUSTON, TX – Helix Energy Solutions Group, Inc. ("Helix") (NYSE: HLX) reported a net loss of $5.2 million, or $(0.03) per diluted share, for the first quarter 2023 compared to net income of $2.7 million, or $0.02 per diluted share, for the fourth quarter 2022 and a net loss of $42.0 million, or $(0.28) per diluted share, for the first quarter 2022.

Helix reported adjusted EBITDA[1] of $35.1 million for the first quarter 2023 compared to $49.2 million for the fourth quarter 2022 and $2.5 million for the first quarter 2022. The table below summarizes our results of operations:

Summary of Results

($ in thousands, except per share amounts, unaudited)

	Three Months Ended		
	3/31/2023	3/31/2022	12/31/2022
Revenues	$ 250,084	$ 150,125	$ 287,816
Gross Profit (Loss)	$ 15,184	$ (18,609)	$ 31,364
	6 %	*(12)%*	*11 %*
Net Income (Loss)	$ (5,165)	$ (42,031)	$ 2,709
Diluted Earnings (Loss) Per Share	$ (0.03)	$ (0.28)	$ 0.02
Adjusted EBITDA[1]	$ 35,094	$ 2,526	$ 49,169
Cash and Cash Equivalents[2]	$ 166,674	$ 229,744	$ 186,604
Net Debt[1]	$ 91,278	$ (1,065)	$ 74,964
Cash Flows from Operating Activities	$ (5,392)	$ (17,413)	$ 49,712
Free Cash Flow[1]	$ (11,692)	$ (18,036)	$ 21,198

Owen Kratz, President and Chief Executive Officer of Helix, stated, "Our 2023 performance has started out as we expected, with the *Q7000* transiting to the Asia Pacific region, the *Q5000* undergoing regulatory inspections, scheduled maintenance on our North Sea intervention vessels and seasonally slower Gulf of Mexico shelf and North Sea robotics activities. Nonetheless, we performed well, including both *Siem Helix* vessels operating a full quarter on their long-term contracts in Brazil that commenced late in the fourth quarter 2022, seasonally strong North Sea intervention vessels utilization, good utilization and rates on the *Q4000*, and continued expansion of our robotics capabilities with a full quarter of operations on our newly acquired i-Plough trencher. Our outlook for the remainder of the year is strong. The *Q7000* should commence its New Zealand decommissioning project during the second quarter. We anticipate solid utilization in the North Sea and Gulf of Mexico Well Intervention businesses for the remainder of the year following the *Q4000* completing its dry docking during the second quarter. Our Shallow Water Abandonment and Robotics businesses are expected to continue to have higher seasonal activity levels. We have contracted one of our new intervention riser systems on a long-term project offshore Australia, and we expect to commence our first trenching campaign in Taiwan during the second quarter. With this robust outlook for the remainder of the year, we began executing on our recently announced share repurchase program in the first quarter and expect to continue doing so this year, aligning with our cash generation."

[1] Adjusted EBITDA, Net Debt and Free Cash Flow are non-GAAP measures; see reconciliations below
[2] Excludes restricted cash of $2.5 million as of 3/31/23 and 12/31/22 and $72.9 million as of 3/31/22

Segment Information, Operational and Financial Highlights

($ in thousands, unaudited)

	Three Months Ended		
	3/31/2023	**3/31/2022**	**12/31/2022**
Revenues:			
Well Intervention	$ 142,438	$ 106,367	$ 167,658
Robotics	49,222	37,351	48,538
Shallow Water Abandonment[1]	49,381	—	57,409
Production Facilities	20,905	18,294	27,895
Intercompany Eliminations	(11,862)	(11,887)	(13,684)
Total	$ 250,084	$ 150,125	$ 287,816
Income (Loss) from Operations:			
Well Intervention	$ (8,143)	$ (31,758)	$ 2,554
Robotics	5,094	1,480	7,127
Shallow Water Abandonment[1]	6,822	—	5,864
Production Facilities	5,157	5,851	9,237
Change in Fair Value of Contingent Consideration	(3,992)	—	(13,390)
Corporate / Other / Eliminations	(13,241)	(8,550)	(16,520)
Total	$ (8,303)	$ (32,977)	$ (5,128)

[1] Shallow Water Abandonment includes the results of Helix Alliance beginning July 1, 2022, the date of acquisition

Segment Results

Well Intervention

Well Intervention revenues decreased $25.2 million, or 15%, during the first quarter 2023 compared to the prior quarter. Our first quarter 2023 revenues decreased primarily due to lower revenue on the *Q7000*, as well as lower utilization on the *Q5000* and the North Sea vessels due to scheduled regulatory inspections and maintenance during the first quarter. The revenue decreases were offset in part by higher spot rates on the *Q4000* and a full quarter of operations of the *Siem Helix 1* and *Siem Helix 2* on their long-term contracts at improved rates in Brazil. During the first quarter 2023, the *Q7000* had 53 days of dry dock during which it generated no revenue and 37 days of paid transit and mobilization to Asia Pacific for which all revenues have been deferred. During the prior quarter, the *Q7000* realized revenue over 71 days. During the first quarter 2023, the *Q5000* underwent its periodic class certification, and the North Sea vessels performed collectively approximately one month of routine scheduled maintenance. Overall Well Intervention vessel utilization decreased to 80% during the first quarter 2023 compared to 97% during the prior quarter. Well Intervention generated operating losses of $8.1 million during the first quarter 2023 compared to operating income of $2.6 million during the prior quarter primarily due to lower revenues and higher cost deferrals during the first quarter.

Well Intervention revenues increased $36.1 million, or 34%, during the first quarter 2023 compared to the first quarter 2022. The increase was primarily due to higher utilization in the North Sea and higher rates in the Gulf of Mexico and Brazil, offset in part by lower revenue on the *Q7000* during the first quarter 2023. North Sea revenues improved with strong winter season activity, generating 81% utilization compared to the first quarter 2022, which generated 13% utilization. Gulf of Mexico revenues also benefitted from an improved day rate environment year over year, and revenues in Brazil increased during the first quarter 2023 primarily due to improved rates as both vessels commenced long-term contracts with improved rates at the end of 2022. During the first quarter 2023, all transit and mobilization fees were deferred on the *Q7000*'s paid transit to its contracted work in Asia Pacific. Overall Well Intervention vessel utilization increased to 80% during the first quarter 2023 compared to 67% during the first quarter 2022. Well Intervention generated operating losses of $8.1 million during the first quarter 2023 compared to losses of $31.8 million during the first quarter 2022 primarily due to higher revenues.

Robotics

Robotics revenues increased $0.7 million, or 1%, during the first quarter 2023 compared to the prior quarter. The increase in revenues was due to higher overall rates on ROVs and vessels during the first quarter, offset in part by a slight reduction in vessel, ROV and trenching utilization during the first quarter. Chartered vessel activity decreased to 295 days compared to 332 days with fewer spot vessel days, and vessel utilization decreased to 91% compared to 96%, during the first quarter 2023 compared the prior quarter. Vessel days included 13 spot vessel days during the first quarter 2023 compared to 68 spot vessel days during the prior quarter. ROV and trencher utilization decreased to 56% during the first quarter 2023 compared to 58% during the prior quarter. Integrated vessel trenching days decreased to 66 days during the first quarter 2023, compared to 160 days during the prior quarter. Trenching activity during the first quarter also included 90 days' utilization of the i-Plough as a stand-alone trencher performing site clearance on a third-party vessel. The IROV boulder grab had no utilization during the first quarter compared to 41 days' utilization during the prior quarter completing seabed clearance operations on the U.S. east coast. Robotics operating income decreased $2.0 million during the first quarter 2023 compared to the prior quarter due to higher project costs.

Robotics revenues increased $11.9 million, or 32%, during the first quarter 2023 compared to the first quarter 2022. The increase in revenues was primarily due to higher ROV and trenching activities, offset in part by fewer vessel days year over year. ROV and trencher utilization increased to 56% during the first quarter 2023 from 35% during the first quarter 2022 and included 66 days of integrated vessel trenching in both the first quarters 2023 and 2022, as well as 90 days of stand-alone trencher activities during the first quarter 2023. Chartered vessel days decreased to 295 days compared to 323 days, and vessel utilization remained relatively flat at 91% during the first quarter 2023 compared to 90% during the first quarter 2022, due to fewer spot vessel days during the first quarter 2023 performing site clearance work in the North Sea. Robotics operating income increased $3.6 million during the first quarter 2023 compared to the first quarter 2022 primarily due to higher revenues.

Shallow Water Abandonment

Shallow Water Abandonment revenues decreased $8.0 million, or 14%, during the first quarter 2023 compared to the previous quarter. The decrease in revenues reflected generally lower winter seasonal activity in the Gulf of Mexico with a reduction in vessel utilization and fewer reimbursable revenues, offset in part by an increase in system utilization and increased heavy lift barge utilization, during the first quarter 2023. Overall vessel utilization was 58% during the first quarter 2023 compared to 67% during the prior quarter. Plug and abandonment and coiled tubing systems achieved 1,277 days utilization, or 68% based on 21 marketable systems, during the first quarter 2023 compared to 1,247 days utilization, or 65%, during the prior quarter, and the *Epic Hedron* heavy lift barge achieved 13 days utilization, or 14%, during the first quarter 2023 compared to being idle during the prior quarter. Shallow Water Abandonment operating income increased $1.0 million during the first quarter 2023 compared to the fourth quarter 2022 primarily due to improved margins with lower reimbursable revenues and costs.

Production Facilities

Production Facilities revenues decreased $7.0 million, or 25%, during the first quarter 2023 compared to the prior quarter due to lower oil and gas production with the Thunder Hawk wells being shut-in for planned maintenance during the current quarter as well as a retroactive rate adjustment during the prior quarter pursuant to our production contract with the *Helix Producer I*. Production Facilities operating income decreased $4.1 million during the first quarter 2023 compared to the prior quarter due to lower revenues.

Production Facilities revenues increased $2.6 million, or 14%, compared to the first quarter 2022 primarily due to higher oil and gas production with the contribution from our interest in the Thunder Hawk field acquired during the third quarter 2022 and improved rates on our *Helix Producer I* production contract. Production Facilities operating income decreased $0.7 million during the first quarter 2023 due to higher oil and gas operating costs following the Thunder Hawk field acquisition compared to the prior year.

Selling, General and Administrative and Other

Share Repurchases

Cash flows during the first quarter 2023 included $5.0 million for share repurchases pursuant to our recently announced share repurchase program.

Selling, General and Administrative

Selling, general and administrative expenses were $19.6 million, or 7.8% of revenue, during the first quarter 2023 compared to $22.8 million, or 7.9% of revenue, during the prior quarter. The decrease during the first quarter was primarily due to lower incentive compensation costs compared to the prior quarter.

Acquisition and Integration Costs

Acquisition and integration costs were $0.2 million during the first quarter 2023, a decrease of $0.1 million compared to the prior quarter and included primarily professional fees and financial and operational integration costs related to our acquisition of Alliance, which closed on July 1, 2022.

Change in Fair Value of Contingent Consideration

Change in fair value of contingent consideration was $4.0 million during the first quarter 2023 and reflects an increase in the fair value of the estimated earn-out payable in 2024 to the seller of Alliance.

Other Income and Expenses

Other income, net was $3.4 million during the first quarter 2023 compared to $14.3 million during the prior quarter. Other income, net includes predominantly unrealized non-cash foreign currency gains related to the approximate 2% and 8% strengthening of the British pound during the first quarter 2023 and fourth quarter 2022, respectively, on U.S. dollar denominated intercompany debt in our U.K. entities.

Cash Flows

Operating cash flows were $(5.4) million during the first quarter 2023 compared to $49.7 million during the prior quarter and $(17.4) million during the first quarter 2022. The reduction in operating cash flows quarter over quarter was primarily due to lower earnings and higher regulatory certification costs for our vessels and systems and higher working capital outflows during the first quarter 2023 compared to the prior quarter. The improvement in operating cash flows year over year was primarily due to higher earnings, offset in part by higher regulatory recertification costs for our vessels and systems and higher working capital outflows during the first quarter 2023 compared to the first quarter 2022. Cash paid for regulatory recertifications for our vessels and systems, which are included in operating cash flows, were $17.2 million during the first quarter 2023 compared to $3.9 million during the prior quarter and $5.5 million during the first quarter 2022.

Capital expenditures, which are included in investing cash flows, totaled $6.7 million during the first quarter 2023 compared to $28.5 million during the prior quarter and $0.6 million during the first quarter 2022. Capital expenditures during the fourth quarter 2022 included our acquisitions of three trenchers and an interest in two subsea intervention systems.

Free Cash Flow was $(11.7) million during the first quarter 2023 compared to $21.2 million during the prior quarter and $(18.0) million during the first quarter 2022. The decrease in Free Cash Flow quarter over quarter was primarily due to lower operating cash flows, offset in part by lower capital expenditures during the first quarter 2023. The improvement in Free Cash Flow year over year was primarily due to improved earnings during the first quarter 2023. (Free Cash Flow is a non-GAAP measure. See reconciliation below.)

Financial Condition and Liquidity

Cash and cash equivalents were $166.7 million at March 31, 2023, excluding $2.5 million of restricted cash. Available capacity under our ABL facility at March 31, 2023 was $80.0 million, resulting in total liquidity of $246.7 million. At March 31, 2023 we had $260.5 million of long-term debt and Net Debt of $91.3 million. (Net Debt is a non-GAAP measure. See reconciliation below.)

* * * * *

Conference Call Information

Further details are provided in the presentation for Helix's quarterly teleconference to review its first quarter 2023 results (see the "For the Investor" page of Helix's website, www.helixesg.com). The teleconference, scheduled for Tuesday, April 25, 2023 at 9:00 a.m. Central Time, will be audio webcast live from the "For the Investor" page of Helix's website. Investors and other interested parties wishing to participate in the teleconference may join by dialing 1-800-749-1342 for participants in the United States and 1-212-231-2919 for international participants. The passcode is "Staffeldt." A replay of the webcast will be available on the "For the Investor" page of Helix's website by selecting the "Audio Archives" link beginning approximately two hours after the completion of the event.

About Helix

Helix Energy Solutions Group, Inc., headquartered in Houston, Texas, is an international offshore energy services company that provides specialty services to the offshore energy industry, with a focus on well intervention, robotics and full field decommissioning operations. Our services are centered on a three-legged business model well positioned for a global energy transition by maximizing production of remaining oil and gas reserves, supporting renewable energy developments and decommissioning end-of-life oil and gas fields. For more information about Helix, please visit our website at www.helixesg.com.

Non-GAAP Financial Measures

Management evaluates operating performance and financial condition using certain non-GAAP measures, primarily EBITDA, Adjusted EBITDA, Free Cash Flow and Net Debt. We define EBITDA as earnings before income taxes, net interest expense, gains or losses on extinguishment of long-term debt, gains and losses on equity investments, net other income or expense, and depreciation and amortization expense. Non-cash impairment losses on goodwill and other long-lived assets are also added back if applicable. To arrive at our measure of Adjusted EBITDA, we exclude the gain or loss on disposition of assets, acquisition and integration costs, the change in fair value of the contingent consideration and the general provision (release) for current expected credit losses, if any. We define Free Cash Flow as cash flows from operating activities less capital expenditures, net of proceeds from sale of assets. Net Debt is calculated as long-term debt including current maturities of long-term debt less cash and cash equivalents and restricted cash.

We use EBITDA, Adjusted EBITDA, Free Cash Flow and Net Debt to monitor and facilitate internal evaluation of the performance of our business operations, to facilitate external comparison of our business results to those of others in our industry, to analyze and evaluate financial and strategic planning decisions regarding future investments and acquisitions, to plan and evaluate operating budgets, and in certain cases, to report our results to the holders of our debt as required by our debt covenants. We believe that our measures of EBITDA, Adjusted EBITDA, Free Cash Flow and Net Debt provide useful information to the public regarding our operating performance and ability to service debt and fund capital expenditures and may help our investors understand and compare our results to other companies that have different financing, capital and tax structures. Other companies may calculate their measures of EBITDA, Adjusted EBITDA, Free Cash Flow and Net Debt differently from the way we do, which may limit their usefulness as comparative measures. EBITDA, Adjusted EBITDA, Free Cash Flow and Net Debt should not be considered in isolation or as a substitute for, but instead are supplemental to, income from operations, net income, cash flows from operating activities, or other income or cash flow data prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions that are excluded from these measures. See reconciliation of the non-GAAP financial information presented in this press release to the most directly comparable financial information presented in accordance with GAAP.

Forward-Looking Statements

This press release contains forward-looking statements that involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any statements regarding: our plans, strategies and objectives for future operations; visibility and future utilization; energy transition or energy security; any projections of financial items including projections as to guidance and other outlook information; our share repurchase authorization or program; our ability to identify, effect and integrate acquisitions, joint ventures or other transactions, including the integration of the Alliance acquisition; the COVID-19 pandemic and oil price volatility and their respective effects and results; our protocols and plans; our current work continuing; the spot market; our spending and cost management efforts and our ability to manage changes; future operations expenditures; our ability to enter into, renew and/or perform commercial contracts; developments; our environmental, social and governance (“ESG”) initiatives; future economic conditions or performance; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. Forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors that could cause results to differ materially from those in the forward-looking statements, including but not limited to market conditions; results from acquired properties; demand for our services; the performance of contracts by suppliers, customers and partners; actions by governmental and regulatory authorities; the results and effects of the COVID-19 pandemic and actions by governments, customers, suppliers and partners with respect thereto; operating hazards and delays, which include delays in delivery, chartering or customer acceptance of assets or terms of their acceptance; our ability to secure and realize backlog; the effectiveness of our ESG initiatives and disclosures; human capital management issues; complexities of global political and economic developments; geologic risks; volatility of oil and gas prices and other risks described from time to time in our filings with the Securities and Exchange Commission (“SEC”), including our most recently filed Annual Report on Form 10-K, which are available free of charge on the SEC’s website at www.sec.gov. We assume no obligation and do not intend to update these forward-looking statements, which speak only as of their respective dates, except as required by law.

Comparative Condensed Consolidated Statements of Operations

(in thousands, except per share data)	Three Months Ended Mar. 31, 2023	2022
	(unaudited)	
Net revenues	$ 250,084	$ 150,125
Cost of sales	234,900	168,734
Gross profit (loss)	15,184	(18,609)
Gain on disposition of assets, net	367	—
Acquisition and integration costs	(231)	—
Change in fair value of contingent consideration	(3,992)	—
Selling, general and administrative expenses	(19,631)	(14,368)
Loss from operations	(8,303)	(32,977)
Net interest expense	(4,187)	(5,174)
Other income (expense), net	3,444	(3,881)
Royalty income and other	1,863	2,141
Loss before income taxes	(7,183)	(39,891)
Income tax provision (benefit)	(2,018)	2,140
Net loss	$ (5,165)	$ (42,031)
Loss per share of common stock:		
Basic	$ (0.03)	$ (0.28)
Diluted	$ (0.03)	$ (0.28)
Weighted average common shares outstanding:		
Basic	151,764	151,142
Diluted	151,764	151,142

Comparative Condensed Consolidated Balance Sheets

(in thousands)	Mar. 31, 2023 (unaudited)	Dec. 31, 2022
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 166,674	$ 186,604
Restricted cash	2,508	2,507
Accounts receivable, net	216,946	212,779
Other current assets	63,228	58,699
Total Current Assets	449,356	460,589
Property and equipment, net	1,626,151	1,641,615
Operating lease right-of-use assets	191,051	197,849
Deferred recertification and dry dock costs, net	53,697	38,778
Other assets, net	49,079	50,507
Total Assets	$ 2,369,334	$ 2,389,338
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 134,363	$ 135,267
Accrued liabilities	60,811	73,574
Current maturities of long-term debt	38,452	38,200
Current operating lease liabilities	54,407	50,914
Total Current Liabilities	288,033	297,955
Long-term debt	222,008	225,875
Operating lease liabilities	145,186	154,686
Deferred tax liabilities	97,577	98,883
Other non-current liabilities	100,810	95,230
Shareholders' equity	1,515,720	1,516,709
Total Liabilities and Equity	$ 2,369,334	$ 2,389,338

Helix Energy Solutions Group, Inc.
Reconciliation of Non-GAAP Measures

(in thousands, unaudited)	Three Months Ended 3/31/2023	3/31/2022	12/31/2022
Reconciliation from Net Income (Loss) to Adjusted EBITDA:			
Net income (loss)	$ (5,165)	$ (42,031)	$ 2,709
Adjustments:			
Income tax provision (benefit)	(2,018)	2,140	2,529
Net interest expense	4,187	5,174	4,333
Other (income) expense, net	(3,444)	3,881	(14,293)
Depreciation and amortization	37,537	33,488	40,096
EBITDA	31,097	2,652	35,374
Adjustments:			
Gain on disposition of assets, net	(367)	—	—
Acquisition and integration costs	231	—	315
Change in fair value of contingent consideration	3,992	—	13,390
General provision (release) for current expected credit losses	141	(126)	90
Adjusted EBITDA	$ 35,094	$ 2,526	$ 49,169
Free Cash Flow:			
Cash flows from operating activities	$ (5,392)	$ (17,413)	$ 49,712
Less: Capital expenditures, net of proceeds from sale of assets	(6,300)	(623)	(28,514)
Free Cash Flow	$ (11,692)	$ (18,036)	$ 21,198
Net Debt:			
Long-term debt including current maturities	$ 260,460	$ 301,613	$ 264,075
Less: Cash and cash equivalents and restricted cash	(169,182)	(302,678)	(189,111)
Net Debt	$ 91,278	$ (1,065)	$ 74,964

April 25, 2023

First Quarter Conference Call

2023

Helix
ENERGY SOLUTIONS

Forward-Looking Statements

This presentation contains forward-looking statements that involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any statements regarding: our plans, strategies and objectives for future operations; visibility and future utilization; energy transition or energy security; any projections of financial items including projections as to guidance and other outlook information; our share repurchase authorization or program; our ability to identify, effect and integrate acquisitions, joint ventures or other transactions, including the integration of the Alliance acquisition; the COVID-19 pandemic and oil price volatility and their respective effects and results; our protocols and plans; our current work continuing; the spot market; our spending and cost management efforts and our ability to manage changes; future operations expenditures; our ability to enter into, renew and/or perform commercial contracts; developments; our environmental, social and governance ("ESG") initiatives; future economic conditions or performance; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. Forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors that could cause results to differ materially from those in the forward-looking statements, including but not limited to market conditions; results from acquired properties; demand for our services; the performance of contracts by suppliers, customers and partners; actions by governmental and regulatory authorities; the results and effects of the COVID-19 pandemic and actions by governments, customers, suppliers and partners with respect thereto; operating hazards and delays, which include delays in delivery, chartering or customer acceptance of assets or terms of their acceptance; our ability to secure and realize backlog; the effectiveness of our ESG initiatives and disclosures; human capital management issues; complexities of global political and economic developments; geologic risks; volatility of oil and gas prices and other risks described from time to time in our filings with the Securities and Exchange Commission ("SEC"), including our most recently filed Annual Report on Form 10-K, which are available free of charge on the SEC's website at www.sec.gov. We assume no obligation and do not intend to update these forward-looking statements, which speak only as of their respective dates, except as required by law.


Helix
ENERGY SOLUTIONS
At Helix, our purpose is to enable energy transition through:
Maximizing Existing Reserves
Enhancing remaining production from mature oil and gas wells
Lowering Decommissioning Costs
Safely returning the seabed to its original state
Offshore Renewables & Wind Farms
Transitioning our energy economy to a sustainable model

PRESENTATION OUTLINE

Agenda

Executive Summary

Summary of Results

($ in millions, except per share amounts, unaudited)	Three Months Ended		
	3/31/23	3/31/22	12/31/22
Revenues	$ 250	$ 150	$ 288
Gross profit (loss)	$ 15	$ (19)	$ 31
	6%	*(12)%*	*11%*
Net income (loss)	$ (5)	$ (42)	$ 3
Diluted earnings (loss) per share	$ (0.03)	$ (0.28)	$ 0.02
Adjusted EBITDA[1]			
Business segments	$ 46	$ 9	$ 65
Corporate, eliminations and other	(11)	(7)	(16)
Adjusted EBITDA[1]	$ 35	$ 3	$ 49
Cash and cash equivalents[2]	$ 167	$ 230	$ 187
Net Debt[1]	$ 91	$ (1)	$ 75
Cash flows from operating activities	$ (5)	$ (17)	$ 50
Free Cash Flow[1]	$ (12)	$ (18)	$ 21

[1] Adjusted EBITDA, Net Debt and Free Cash Flow are non-GAAP financial measures; see non-GAAP reconciliations below
[2] Excludes restricted cash of $3 million as of 3/31/23 and 12/31/22 and $73 million as of 3/31/22

Amounts may not add due to rounding

First Quarter 2023 Highlights

Financial Results

- Net loss of $5 million, $(0.03) per diluted share
- Adjusted EBITDA[1] of $35 million
- Operating cash flows of $(5) million
- Free Cash Flow[1] of $(12) million

Operations

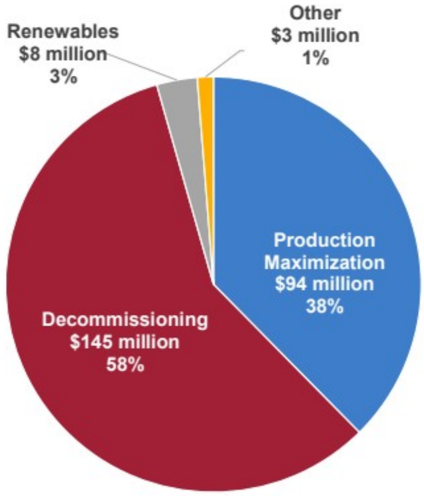
- Approximate 122 days scheduled regulatory inspections and maintenance on the *Q7000*, *Q5000*, *Seawell* and *Well Enhancer* during Q1
- *Well Enhancer* and *Seawell* strong winter season utilization
- *Q7000* paid transit and mobilization to Asia Pacific and underwent approximately 53 days of dry dock enroute to New Zealand for decommissioning operations

Awards

- Renewables trenching project on windfarm offshore Taiwan
- Added approximate 60-day decommissioning contract to *Q7000*'s Australia campaign

Revenue by Core Market

Quarter Ended March 31, 2023



[1] Adjusted EBITDA and Free Cash Flow are non-GAAP financial measures; see non-GAAP reconciliations below

First Quarter 2023 Segments

Well Intervention

- Well Intervention vessel fleet utilization 80%
  - 79% in the GOM
  - 68% in the North Sea and West Africa / Asia Pacific
  - 97% in Brazil
  - 15K IRS idle during quarter; 10K IRS mobilizing for contract offshore Australia

Robotics

- Robotics chartered vessels utilization 91%
  - 295 total vessel days (13 spot vessel days)
- 156 days trenching utilization
- ROV and trencher utilization 56%

Shallow Water Abandonment

- 65% liftboat, OSV and crewboat combined utilization
- 31% diving support vessel (DSV) utilization
- 14% utilization on the *Epic Hedron* heavy lift barge
- 1,277 days P&A and coiled tubing (CT) systems utilization representing 68% utilization on 15 marketable P&A systems and six CT systems

Production Facilities

- *Helix Producer I* operated at full rates during quarter
- Reduced oil and gas production due to scheduled maintenance in the Thunder Hawk field; stable production from the Droshky field

Balance Sheet

Q1 2023

- Cash and cash equivalents of $167 million (excludes $3 million of restricted cash)
- Liquidity[1] of $247 million
- Long-term debt[2] of $260 million
- Net Debt[3] of $91 million

Share Repurchases

- Acquired 660,000 Helix common shares for approximately $5 million under our repurchase program in Q1
- Share repurchases expected to align with our cash generation; Helix initially targeting 25% of Free Cash Flow for share repurchases

[1] Liquidity at is calculated as the sum of cash and cash equivalents and available capacity under Helix's ABL facility and excludes restricted cash of approximately $3 million
[2] Net of unamortized issuance costs
[3] Net Debt is a non-GAAP financial measure; see non-GAAP reconciliations below

Operational Highlights

Segment Results

($ in millions, unaudited)	Three Months Ended					
	3/31/23		3/31/22		12/31/22	
Revenues						
Well Intervention	$ 142		$ 106		$ 168	
Robotics	49		37		49	
Shallow Water Abandonment[1]	49		-		57	
Production Facilities	21		18		28	
Intercompany eliminations	(12)		(12)		(14)	
Total	$ 250		$ 150		$ 288	
Gross profit (loss) %						
Well Intervention	$ (4)	*(3)%*	$ (28)	*(27)%*	$ 6	*3%*
Robotics	7	*14%*	4	*9%*	9	*18%*
Shallow Water Abandonment[1]	7	*15%*	-		7	*11%*
Production Facilities	6	*28%*	7	*36%*	11	*38%*
Eliminations and other	(1)		-		-	
Total	$ 15	*6%*	$ (19)	*(12)%*	$ 31	*11%*
Utilization						
Well Intervention vessels	80%		67%		97%	
Robotics vessels	91%		90%		96%	
Robotics assets (ROVs and trenchers)	56%		35%		58%	
Shallow Water Abandonment vessels[1]	58%		-		67%	
Shallow Water Abandonment systems[1]	68%		-		65%	

[1] Shallow Water Abandonment includes the results of Helix Alliance beginning July 1, 2022, the date of acquisition; system utilization includes 21 marketable spreads

Amounts may not add due to rounding

OPERATIONAL HIGHLIGHTS

Well Intervention - Gulf of Mexico

- ***Q5000*** – 59% utilized in Q1; performed production enhancement scopes on four wells under a multi-year campaign for Shell with a customer-provided 15K IRS; vessel completed scheduled regulatory inspection during the quarter
- ***Q4000*** – 100% utilized in Q1; completed a two-well production enhancement campaign for one customer and a one-well production enhancement scope for another customer; ended the quarter completing a two-well abandonment scope for a third customer
- 15K IRS rental unit – idle in Q1
- 10K IRS units – 32% utilization on one system mobilizing for an 18-month contract offshore Australia

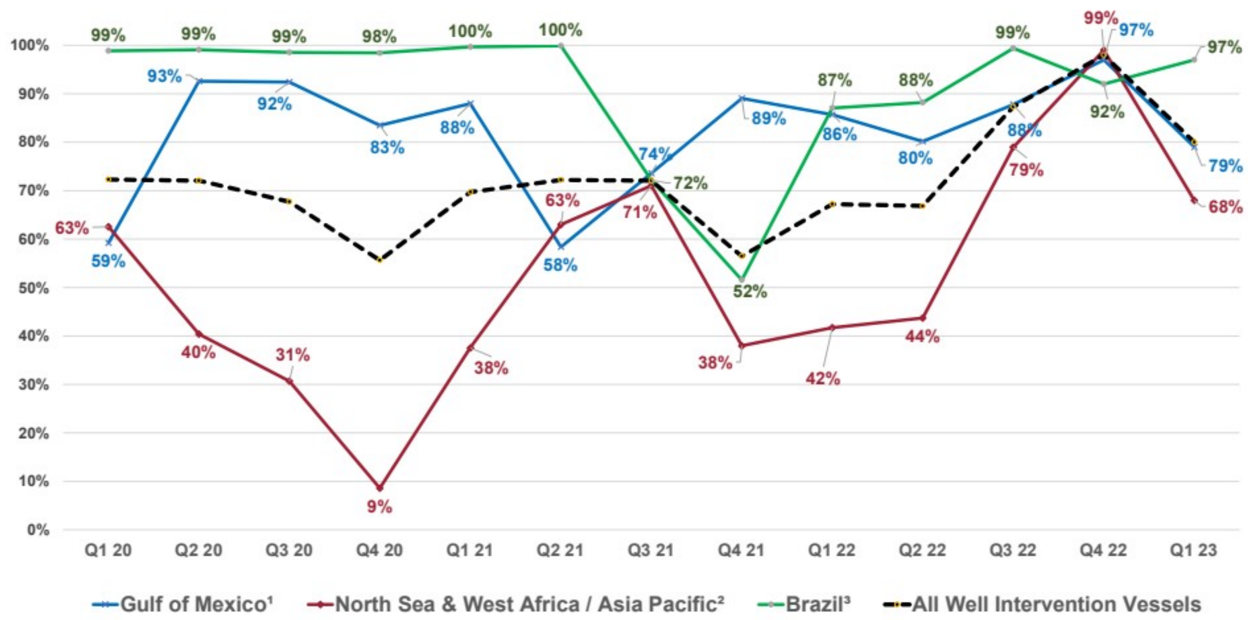
Well Intervention - North Sea & West Africa / Asia Pacific

- ***Well Enhancer*** – 87% utilized in Q1; performed production enhancement operations on three wells for two customers and P&A operations on five wells for three customers
- ***Seawell*** – 76% utilized in Q1; completed continuous suspended well decommissioning campaign on seven wells for four customers, then conducted well suspension operations on five wells for two other customers
- ***Q7000*** – completed paid transit to Malaysia from Nigeria and subsequent regulatory and project-driven dry & wet dock periods and sea trials; commenced paid transit to Australia at end of Q1; 41% utilization includes 37 days paid transit and mobilization with related fees and costs deferred and expected to be recognized in 2023 as the vessel conducts operations

Well Intervention - Brazil

- ***Siem Helix 1*** – 94% utilized in Q1; performed decommissioning scopes on five wells in the Campos basin for Trident Energy
- ***Siem Helix 2*** – 100% utilized in Q1; performed production enhancement scope on one well and decommissioning scopes on four wells in the Campos basin for Petrobras

Well Intervention Utilization



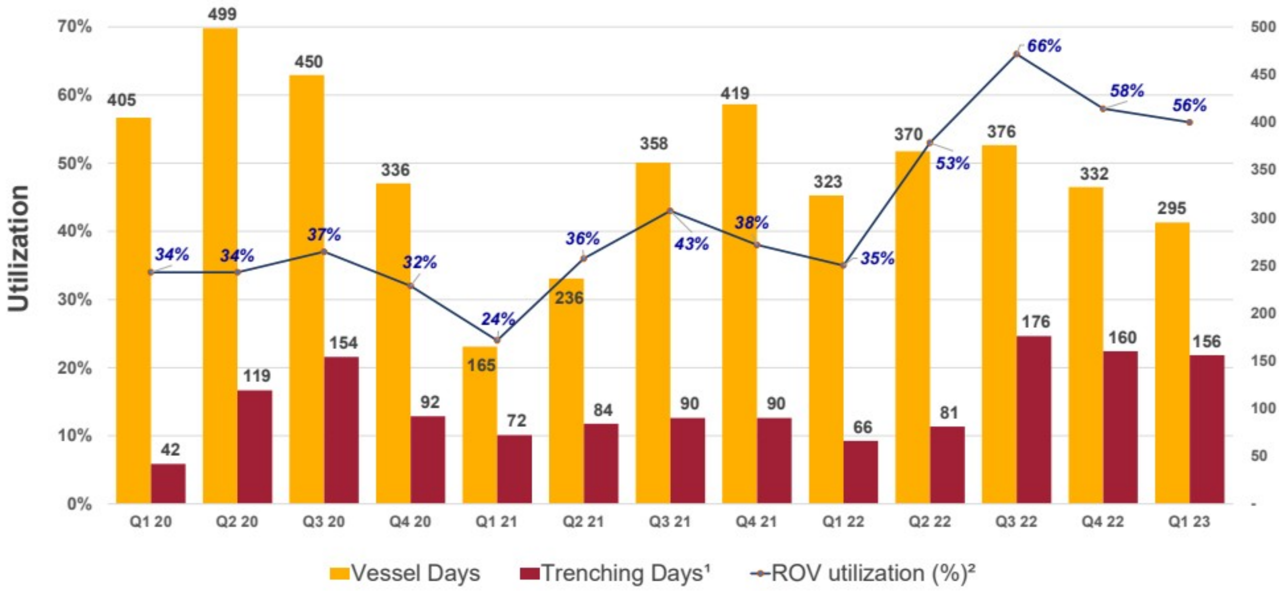
[1] Gulf of Mexico includes the *Q4000* and *Q5000*
[2] North Sea & West Africa / Asia Pacific includes the *Seawell*, *Well Enhancer* and *Q7000*
[3] Brazil includes the *Siem Helix 1* and *Siem Helix 2*

Robotics

- ***Grand Canyon II*** (Asia Pacific) – 100% utilized in Q1 performing long-term decommissioning project offshore Thailand
- ***Grand Canyon III*** (North Sea) – 76% utilized in Q1; performed oil and gas trenching for two customers and ROV survey support for another oil and gas customer; commenced a renewable trenching project for another customer at end of quarter
- ***Shelia Bordelon*** (GOM) – 98% utilized in Q1 performing ROV survey support for one customer
- ***Glomar Wave*** (North Sea) – 35 days, or 92% utilized, following delivery of the vessel in Q1 performing site clearance operations
- **Spot Vessels** – 13 days of spot vessel operations during Q1 on the *Horizon Enabler* performing renewables trenching operations for one customer; *Siem Topaz* began mobilizing for its renewable trenching project offshore Taiwan
- **Trenching** – 66 integrated vessel trenching days on oil and gas and renewables projects on the *Grand Canyon III* and *Horizon Enabler* and 90 days trenching with the i-Plough on a third-party vessel performing boulder clearance operations

OPERATIONAL HIGHLIGHTS

Robotics Utilization



[1] Trenching days represent integrated vessel trenching activities on Helix-chartered vessels except for stand-alone trenching operations on third-party vessels of 69 days, 92 days and 90 days during Q2 2020, Q3 2020 and Q1 2023, respectively

[2] ROV utilization included 44, 42, 40 and 39 work class ROVs during 2020, 2021, 2022 and 2023, respectively and four trenchers during 2020 and 2021; IROV boulder grab placed into service end of Q3 2022 and two trenchers placed into service December 1, 2022

Shallow Water Abandonment

Offshore

- **Liftboats** – nine liftboats with combined utilization of 86% in Q1 performing make safe, well abandonment, pipeline abandonment, CT, wireline, construction support, production support and dive support operations
- **OSVs** – six OSVs and one crew boat with combined utilization of 39% in Q1

Energy Services

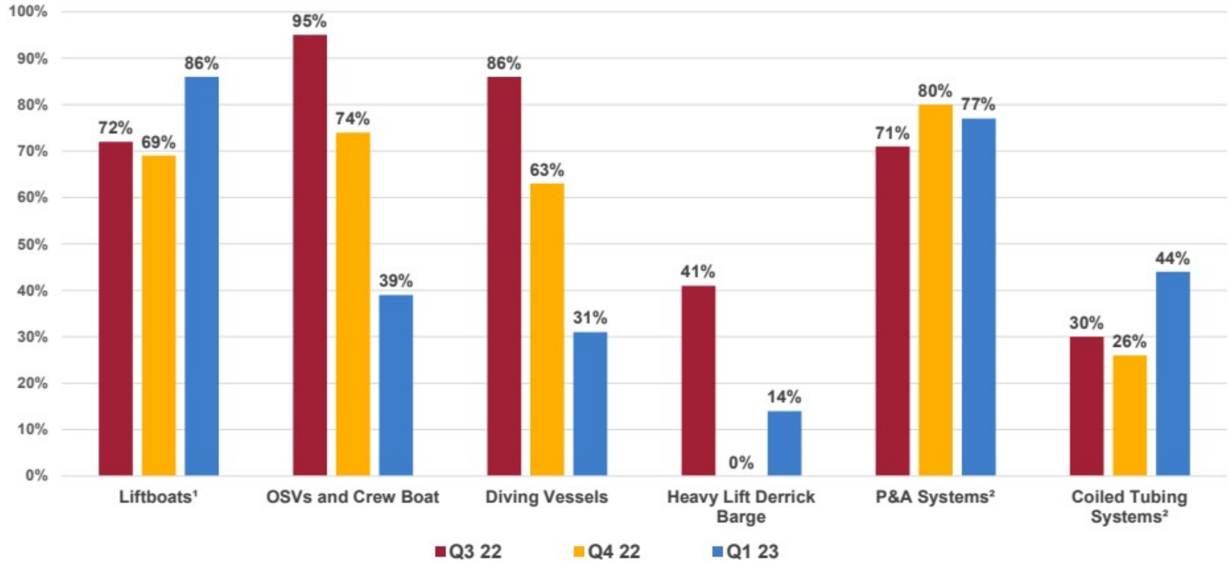
- **P&A Systems** – 1,039 days utilization, or 77%, over 15 marketable P&A systems in Q1
- **CT systems** – 238 days utilization, or 44%, over six CT systems in Q1

Diving & Heavy Lift

- **DSVs** – three diving support vessels with combined utilization of 31% in Q1
- ***Epic Hedron*** – heavy lift barge utilization of 14% during Q1

Shallow Water Abandonment Utilization

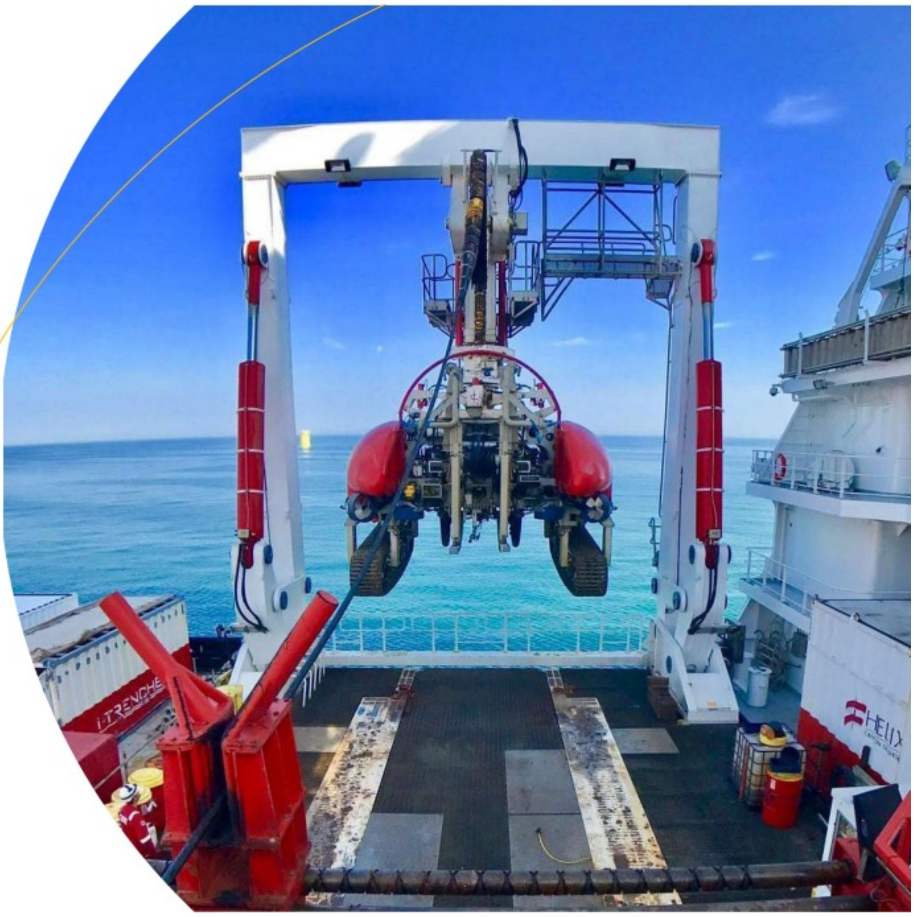
The graph below presents the utilization statistics of the Helix Alliance vessels and equipment following their acquisition on July 1, 2022



[1] Liftboat utilization includes nine liftboats during Q1 2023 and ten liftboats during Q3-Q4 2022

[2] Systems utilization includes six coiled tubing systems and 14 marketable P&A systems during Q3 2022, and six coiled tubing systems and 15 marketable P&A systems during Q4 2022 and Q1 2023

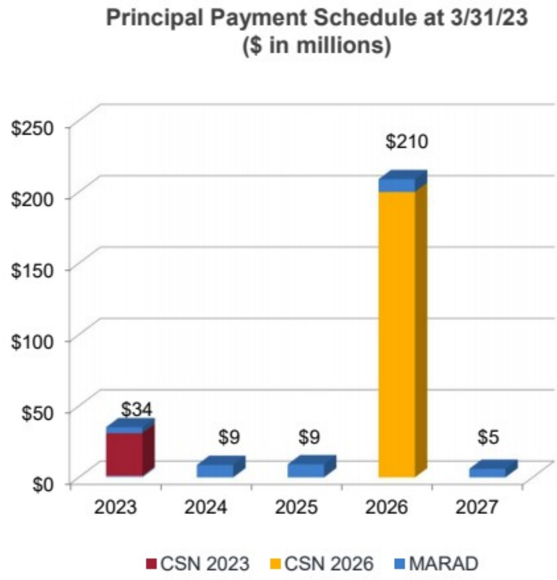
Key Financial Metrics



Debt Instrument Profile

Total funded debt[1] of $267 million at 3/31/23

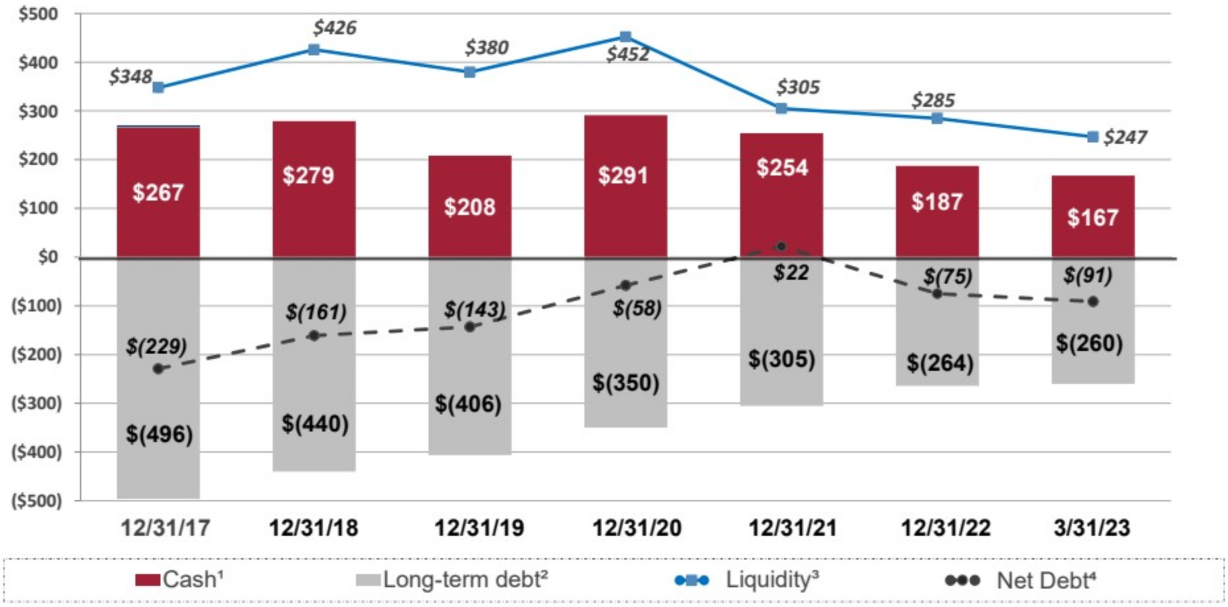
- $30 million Convertible Senior Notes due 2023 – 4.125%
  - Final maturity September 15, 2023
- $200 million Convertible Senior Notes due 2026 – 6.75%
- $37 million MARAD Debt – 4.93%
  - Semi-annual amortization payments through maturity in Q1 2027



[1] Excludes $6 million of remaining unamortized debt issuance costs

KEY FINANCIAL METRICS

Debt & Liquidity Profile ($ in millions)



[1] Cash includes cash and cash equivalents but excludes restricted cash at December 31, 2019 of $54 million, December 31, 2021 of $74 million, December 31, 2022 of $3 million and March 31, 2023 of $3 million

[2] Long-term debt through December 31, 2020 was net of unamortized discounts and issuance costs; beginning January 1, 2021, long-term debt is net of issuance costs only

[3] Liquidity is calculated as the sum of cash and cash equivalents and available capacity under Helix's ABL facility and excludes restricted cash

[4] Net Debt is a non-GAAP financial measure; see non-GAAP reconciliations below

2023 Outlook

Forecast

($ in millions)	2023 Outlook		2022 Actual[1]	
Revenues	$	1,020 - 1,200	$	873
Adjusted EBITDA[2]		210 - 250		121
Free Cash Flow[2]		110 - 150		18
Capital Additions[3]		50 - 70		69
Revenue Split:				
Well Intervention	$	640 - 690	$	524
Robotics		190 - 230		192
Shallow Water Abandonment[1]		170 - 250		125
Production Facilities[1]		70 - 80		82
Eliminations		(50)		(50)
Total Revenue	**$**	**1,020 - 1,200**	**$**	**873**

1 2022 Actual includes the results of Helix Alliance in the Shallow Water Abandonment segment beginning July 1, 2022, and Thunder Hawk field production in the Production Facilities segment beginning August 25, 2022

2 Adjusted EBITDA and Free Cash Flow are non-GAAP financial measures; see non-GAAP reconciliations below

3 Capital Additions include regulatory certification costs for our vessels and systems as well as other capital expenditures

Well Intervention

- ***Q4000* (Gulf of Mexico)** – approximate 75-day dry dock commencing early Q2; subsequent awarded work into Q3 with identified opportunities and expected strong utilization for remainder of 2023
- ***Q5000* (Gulf of Mexico)** – completed scheduled regulatory underwater inspection early April followed by contracted work on Shell multi-year campaign to late-Q3; subsequent awarded work into late-Q4 with expected strong utilization for remainder of 2023
- **IRS rental units (Global)** – 15K IRS has visibility for Q3; 10K IRS mobilizing for 18-month contract offshore Australia expected to commence Q2; second 10K IRS expected to be available to the rental market during the second half 2023
- ***Well Enhancer* (North Sea)** – contracted work to late-December and utilization expected through remainder of 2023
- ***Seawell* (North Sea and Europe)** – contracted work through remainder of 2023 and into 2024
- ***Q7000* (Asia Pacific)** – completed transit to Australia mid-April for mobilization for contracted decommissioning projects offshore New Zealand and Australia expected to commence mid-Q2 2023 and to continue into late 2023 or early 2024
- ***Siem Helix 1* (Brazil)** – under decommissioning contract for Trident Energy in the Campos Basin offshore Brazil through remainder of 2023
- ***Siem Helix 2* (Brazil)** – contracted decommissioning and production enhancement work for Petrobras in various Basins offshore Brazil through remainder of 2023

Robotics

- ***Grand Canyon II*** **(Asia Pacific)** – continuing to perform contracted decommissioning and ROV support work offshore Thailand with full utilization expected during Q2; vessel expected to remain in Thailand well into 2H and should have close to full utilization for remainder of 2023
- ***Grand Canyon III*** **(North Sea)** – commenced North Sea trenching campaign end of Q1 and expected to be nearly fully utilized performing trenching scopes into December
- ***Shelia Bordelon*** **(U.S.)** – performing ROV survey support project expected to continue into Q3; subsequently in spot market and expected to have strong utilization over remainder of 2023 with visibility in the Gulf of Mexico and on the U.S. east coast for possible wind farm projects
- ***Horizon Enabler*** **(North Sea)** – flexible charter, expected to perform seasonal trenching campaign commencing in May and continuing into Q4; identified projects in Q4 in both Mediterranean and North Seas with good utilization expected for remainder of 2023
- ***Glomar Wave*** **(North Sea)** – three-year charter through 2025 with committed and optional days each year; currently performing UXO survey for one customer on offshore windfarm project expected into Q3 with visibility during the remainder of 2023
- ***Trenchers*** **(Global)** – seven trenchers entering 2023, with expected three working trencher spreads, two in the North Sea and one in Asia Pacific; remaining trenchers in spot market available to work on third-party vessels including the i-Plough trenching system for U.S. east coast operations; expect good utilization on five trenchers during 2023
- ***ROVs*** **(Global)** – expect seasonally strong utilization in all three regions during 2023

Shallow Water Abandonment

- **Offshore**
  - **Liftboats** – expected high utilization on eight of nine liftboats during 2023
  - **OSVs** – expected seasonality in activity, with stronger mid-year utilization and seasonal slowdown Q1 and Q4
- **Energy Services**
  - **P&A Systems** – expected strong utilization for 12 to 15 P&A systems during remainder of 2023
  - **Coiled Tubing Systems** – expected utilization on one to three coiled tubing systems during remainder of 2023
- **Diving & Heavy Lift**
  - **DSVs** – diving services expected to be seasonal, with stronger mid-year utilization and seasonal slowdown Q1 and Q4
  - ***Epic Hedron*** – heavy lift barge expected to begin working mid-Q2 with identified opportunities through the mid-year season

Capital Additions & Balance Sheet

2023 Capital additions are forecasted at approximately $50 - $70 million:

- Primarily maintenance capex related to regulatory recertification costs of our vessels and systems, which are reported in operating cash flows
- Capital additions[1] during Q1 approximated $25 million and included:
  - Approximately $19 million of regulatory certification costs
  - Approximately $6 million of capital expenditures
- Capital additions during the remainder of 2023 are expected to be approximately $25 to $45 million

Balance Sheet

- Our total funded debt[2] is expected to decrease by $34 million (from $267 million at March 31, 2023 to $233 million at December 31, 2023) as a result of scheduled principal payments during the remainder of 2023
  - Remaining principal payment of $30 million of convertible senior notes due September 2023

Share Repurchase Program

- Repurchased 660,000 shares for $5.0 million during Q1

[1] Capital additions represents total accrued capital additions; total cash capital spending was approximately $24 million during Q1
[2] Excludes unamortized issuance costs

Beyond 2023

We plan to continue momentum on the three legs of our Energy Transition business model: production maximization, renewables and decommissioning

- Expected continued strong operating and free cash flows in this environment
- Annual maintenance capex anticipated to be approximately $50 million for foreseeable future

Well Intervention

- Expect strong Gulf of Mexico and North Sea intervention markets in 2024 with good utilization and rates
- *Seawell* contracted backlog into 2024
- Expect continued operations in Brazil in 2024:
  - *Q7000* under decommissioning contract with Shell in Brazil in 2024
  - *Siem Helix 1* on long-term contract with Trident in Brazil into Q4 2024, with options to extend
  - *Siem Helix 2* on long-term contract with Petrobras through late 2024
- Second new 10K IRS expected to be available in rental market

Robotics

- Anticipate continued strong renewables trenching market
- Expect continued renewables site clearance project opportunities, including in the U.S. markets
- Continued tight ROV market
- New Robotics assets: second IROV boulder grab and T-1400-2 jet trencher expected to be available during 2024

Shallow Water Abandonment

- Expected strong Gulf of Mexico shallow water decommissioning market for foreseeable future

Balance Sheet

- No significant debt maturities until 2026
- Alliance earnout first half of 2024
- Execution of $200 million share repurchase program to align with free cash flow generation

Sustainability and ESG

Corporate Sustainability

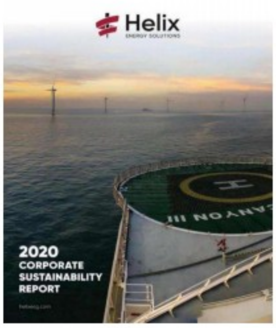
"Safety, Sustainability and Value Creation – our core goals – support our vision as a preeminent offshore energy transition Company."

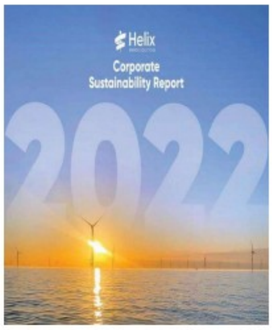
Owen Kratz, President and Chief Executive Officer, Helix Energy Solutions Group, Inc.

Sustainability continues to drive our business strategy and decision-making with a renewed focus on our commitment to and participation in the world's energy transition. Through production maximization, renewable energy support and decommissioning, our services lay the foundation for this transformation.

Our 2022 Corporate Sustainability Report (available here) details our Greenhouse Gas reduction targets and the progress we have made year over year beginning with the baseline year of 2019 with a nearly 8% decrease in our Scope 1 emissions, a 30% decrease in our Scope 2 emissions and a nearly 43% decrease in our Scope 3 emissions. We focus on the risks and opportunities that climate change presents our Company and delve into the core of our business, our human capital.

The disclosures in the 2022 Corporate Sustainability Report reflect our commitment to a more sustainable future and furthering our accountability to our investors, customers and employees.





SUSTAINABILITY AND ESG

Environmental, Social and Governance

Environmental

- Our business supports the responsible transition from a carbon-based economy through a three-pronged strategy of maximizing remaining oil and gas reserves, applying the techniques and technologies proven in offshore oil and gas fields to offshore renewables and wind farms, and abandoning and decommissioning end of life wells. These efforts are published in greater detail in our 2022 Corporate Sustainability Report, a copy of which is available on our website at https://www.helixesg.com/about-helix/our-company/corporate-sustainability/.

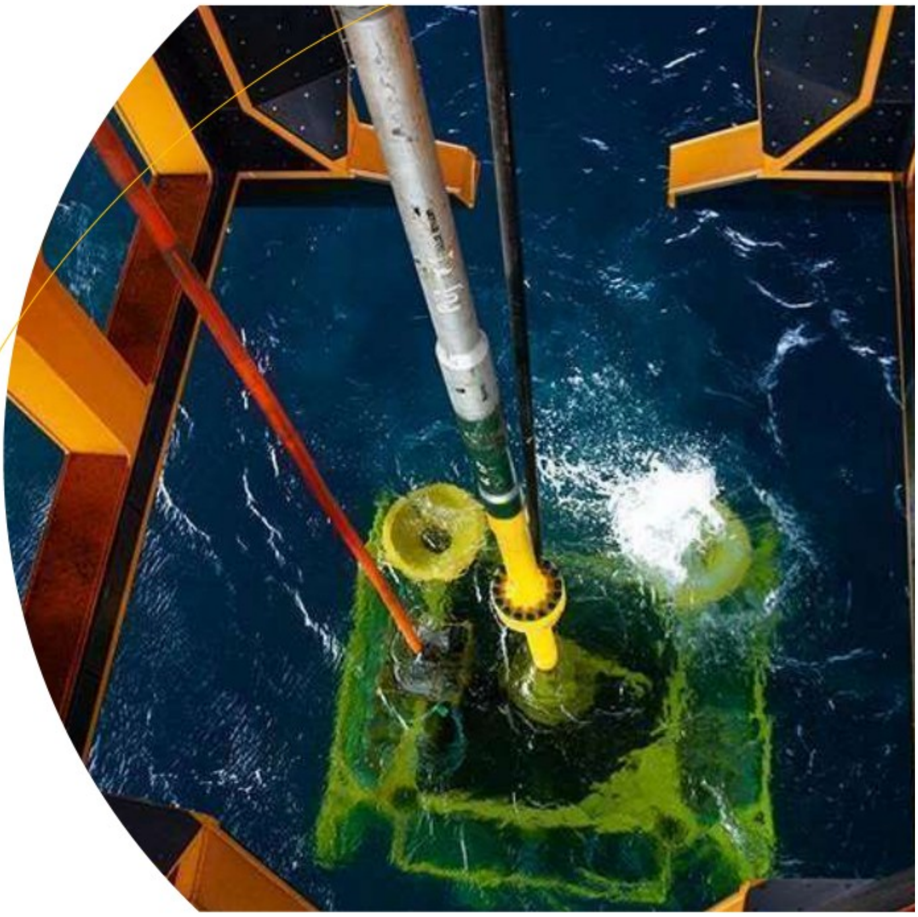
Social

- Human capital management is a priority at Helix. Investment in our human capital through competitive compensation and attractive benefits, including training and development is necessary to attract and retain talent

Governance

- Our Board is actively engaged on ESG strategy including health, safety, social, environmental and climate change issues through an open dialogue with management coupled with regular reports from key team members
- Our Board has been significantly refreshed over the past four years adding five new members. As part of such long standing refreshment process, the Corporate Governance and Nominating Committee remained engaged in a search for additional independent directors with the diverse characteristics sought by the Board, and in September 2022 the Board added two new gender and ethnically diverse members

Non-GAAP Reconciliations



Non-GAAP Reconciliations

($ in thousands, unaudited)	Three Months Ended 3/31/23	3/31/22	12/31/22	Year Ended 12/31/2022
Reconciliation from Net Income (Loss) to Adjusted EBITDA:				
Net income (loss)	$ (5,165)	$ (42,031)	$ 2,709	$ (87,784)
Adjustments:				
Income tax provision (benefit)	(2,018)	2,140	2,529	12,603
Net interest expense	4,187	5,174	4,333	18,950
Other (income) expense, net	(3,444)	3,881	(14,293)	23,330
Depreciation and amortization	37,537	33,488	40,096	142,686
Gain on equity investment	-	-	-	(8,262)
EBITDA	31,097	2,652	35,374	101,523
Adjustments:				
Gain on disposition of assets	(367)	-	-	-
General provision (release) for current expected credit losses	141	(126)	90	781
Change in fair value of contingent consideration	3,992	-	13,390	16,054
Acquisition and integtation costs	231	-	315	2,664
Adjusted EBITDA	$ 35,094	$ 2,526	$ 49,169	$ 121,022
Free Cash Flow:				
Cash flows from operating activities	$ (5,392)	$ (17,413)	$ 49,712	$ 51,108
Less: Capital expenditures, net of proceeds from sale of assets	(6,300)	(623)	(28,514)	(33,504)
Free cash flow	$ (11,692)	$ (18,036)	$ 21,198	$ 17,604
Net Debt:				
Long-term debt and current paturities of long-term debt	$ 260,460	$ 301,613	$ 264,075	$ 264,075
Less: Cash and cash equivalents and restricted cash	(169,182)	(302,678)	(189,111)	(189,111)
Net Debt	$ 91,278	$ (1,065)	$ 74,964	$ 74,964

Non-GAAP Definitions

Non-GAAP Financial Measures

We define EBITDA as earnings before income taxes, net interest expense, gains or losses on extinguishment of long-term debt, gains and losses on equity investments, net other income or expense, and depreciation and amortization expense. Non-cash impairment losses on goodwill and other long-lived assets are also added back if applicable. To arrive at our measure of Adjusted EBITDA, we exclude the gain or loss on disposition of assets, acquisition and integration costs, the change in fair value of the contingent consideration and the general provision (release) for current expected credit losses, if any. Net debt is calculated as long-term debt including current maturities of long-term debt less cash and cash equivalents and restricted cash. We define Free Cash Flow as cash flows from operating activities less capital expenditures, net of proceeds from sale of assets.

We use EBITDA, Adjusted EBITDA, Free Cash Flow and Net Debt to monitor and facilitate internal evaluation of the performance of our business operations, to facilitate external comparison of our business results to those of others in our industry, to analyze and evaluate financial and strategic planning decisions regarding future investments and acquisitions, to plan and evaluate operating budgets, and in certain cases, to report our results to the holders of our debt as required by our debt covenants. We believe that our measures of EBITDA, Adjusted EBITDA, Free Cash Flow and Net Debt provide useful information to the public regarding our operating performance and ability to service debt and fund capital expenditures and may help our investors understand and compare our results to other companies that have different financing, capital and tax structures. Other companies may calculate their measures of EBITDA, Adjusted EBITDA, Free Cash Flow and Net Debt differently from the way we do, which may limit their usefulness as comparative measures. EBITDA, Adjusted EBITDA, Free Cash Flow and Net Debt should not be considered in isolation or as a substitute for, but instead are supplemental to, income from operations, net income, cash flows from operating activities, or other income or cash flow data prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions that are excluded from these measures. See reconciliation of the non-GAAP financial information presented in this press release to the most directly comparable financial information presented in accordance with GAAP.


Helix
ENERGY SOLUTIONS
Thank You