

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): **October 23, 2024**



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 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:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
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 October 23, 2024, Helix Energy Solutions Group, Inc. ("Helix") issued a press release reporting its financial results for the third quarter 2024. The press release is furnished herewith as Exhibit 99.1 and incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On October 23, 2024, Helix issued a press release reporting its financial results for the third quarter 2024. In addition, on October 24, 2024, 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 Third Quarter 2024 Conference Call Presentation issued by Helix. The presentation materials are also available on the Investor Relations section 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 October 23, 2024 reporting financial results for the third quarter 2024.
99.2	Third Quarter 2024 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: October 23, 2024

HELIX ENERGY SOLUTIONS GROUP, INC.

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



PRESSRELEASE

www.helixesg.com

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For Immediate Release

24-017

Date: October 23, 2024

Contact: Erik Staffeldt
Executive Vice President & CFO

Helix Reports Third Quarter 2024 Results

HOUSTON, TX – Helix Energy Solutions Group, Inc. (“Helix”) (NYSE: HLX) reported net income of \$29.5 million, or \$0.19 per diluted share, for the third quarter 2024 compared to net income of \$32.3 million, or \$0.21 per diluted share, for the second quarter 2024 and net income of \$15.6 million, or \$0.10 per diluted share, for the third quarter 2023. Helix reported adjusted EBITDA¹ of \$87.6 million for the third quarter 2024 compared to \$96.9 million for the second quarter 2024 and \$96.4 million for the third quarter 2023.

For the nine months ended September 30, 2024, Helix reported net income of \$35.5 million, or \$0.23 per diluted share, compared to net income of \$17.5 million, or \$0.11 per diluted share, for the nine months ended September 30, 2023. Net income for the nine months ended September 30, 2024, included a pre-tax loss of \$20.9 million related to the retirement of our Convertible Senior Notes due 2026, and net income for the nine months ended September 30, 2023 included a pre-tax loss of \$31.3 million due to the increase in the value of the contingent consideration related to the Alliance acquisition. Adjusted EBITDA for the nine months ended September 30, 2024, was \$231.5 million compared to \$202.8 million for the nine months ended September 30, 2023. The table below summarizes our results of operations:

Summary of Results

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

	Three Months Ended			Nine Months Ended	
	9/30/2024	9/30/2023	6/30/2024	9/30/2024	9/30/2023
Revenues	\$ 342,419	\$ 395,670	\$ 364,797	\$ 1,003,427	\$ 954,571
Gross Profit	\$ 65,665	\$ 80,545	\$ 75,486	\$ 160,705	\$ 151,078
	19 %	20 %	21 %	16 %	16 %
Net Income	\$ 29,514	\$ 15,560	\$ 32,289	\$ 35,516	\$ 17,495
Basic Earnings Per Share	\$ 0.19	\$ 0.10	\$ 0.21	\$ 0.23	\$ 0.12
Diluted Earnings Per Share	\$ 0.19	\$ 0.10	\$ 0.21	\$ 0.23	\$ 0.11
Adjusted EBITDA ¹	\$ 87,621	\$ 96,385	\$ 96,895	\$ 231,506	\$ 202,771
Cash and Cash Equivalents	\$ 324,120	\$ 168,370	\$ 275,066	\$ 324,120	\$ 168,370
Net Debt ¹	\$ (9,447)	\$ 58,887	\$ 43,563	\$ (9,447)	\$ 58,887
Cash Flows from Operating Activities	\$ 55,731	\$ 31,611	\$ (12,164)	\$ 108,051	\$ 57,720
Free Cash Flow ¹	\$ 52,645	\$ 23,366	\$ (16,153)	\$ 97,734	\$ 41,920

Owen Kratz, President and Chief Executive Officer of Helix, stated, “Helix’s third quarter 2024 results reflect its strength financially, operationally and commercially. Our Robotics segment continues to perform at a high level, benefitting from strong trenching and renewables operations in the North Sea and Asia Pacific. Our Well Intervention segment performed well even though impacted by 105 mobilization days on the Q4000 transiting to West Africa and the Q7000 transiting in Australia. We achieved our strong third quarter results despite significant weather disruptions in the Gulf of Mexico, which have negatively impacted our Shallow Water Abandonment segment during the quarter, and lower oil and gas production due to shut-ins on some of our offshore wells. During the quarter, we also entered into three well intervention contracts that increased our backlog by over \$800 million and provide contract coverage for multiple years into the future. Overall, we believe our third quarter performance and achievements display our steadfast execution of our strategy, the confidence our customers have in our services and the strength of this market.”

¹ Adjusted EBITDA, Net Debt and Free Cash Flow are non-GAAP measures; see reconciliations below

Segment Information, Operational and Financial Highlights

(\$ in thousands, unaudited)

	Three Months Ended			Nine Months Ended	
	9/30/2024	9/30/2023	6/30/2024	9/30/2024	9/30/2023
Revenues:					
Well Intervention	\$ 182,667	\$ 225,367	\$ 224,679	\$ 623,805	\$ 522,026
Robotics	84,526	75,646	81,249	216,084	194,918
Shallow Water Abandonment	71,595	87,272	50,841	149,289	212,959
Production Facilities	20,695	24,469	25,400	70,247	68,502
Intercompany Eliminations	(17,064)	(17,084)	(17,372)	(55,998)	(43,834)
Total	\$ 342,419	\$ 395,670	\$ 364,797	\$ 1,003,427	\$ 954,571
Income (Loss) from Operations:					
Well Intervention	\$ 16,109	\$ 16,120	\$ 29,299	\$ 64,087	\$ 11,357
Robotics	24,158	20,665	28,400	58,008	43,226
Shallow Water Abandonment	8,808	27,624	(281)	(3,901)	54,208
Production Facilities	8,288	8,886	9,097	15,842	21,817
Change in Fair Value of Contingent Consideration	—	(16,499)	—	—	(31,319)
Corporate / Other / Eliminations	(12,723)	(20,568)	(13,322)	(37,479)	(51,159)
Total	\$ 44,640	\$ 36,228	\$ 53,193	\$ 96,557	\$ 48,130

Segment Results

Well Intervention

Well Intervention revenues decreased \$42.0 million, or 19%, during the third quarter 2024 primarily due to a higher number of transit and mobilization days compared to the prior quarter. During the third quarter 2024, the Q4000 incurred approximately 67 days of paid mobilization and transit to West Africa, and the Q7000 incurred approximately 38 days of paid mobilization and transit between contracts offshore Australia, periods during which mobilization revenues and costs were deferred and not recognized. Pass-through revenues were also lower during the third quarter 2024 following the completion of the Seawel's Mediterranean campaign during the second quarter 2024. Overall Well Intervention vessel utilization was 97%, including the mobilization and transit periods, during the third quarter 2024 compared to 94% during the prior quarter. Well Intervention operating income decreased \$13.2 million during the third quarter 2024 compared to the prior quarter. The decrease was due to lower revenues, offset in part by the deferral of transit and mobilization costs during the third quarter 2024.

Well Intervention revenues decreased \$42.7 million, or 19%, during the third quarter 2024 compared to the third quarter 2023. The decrease was primarily due to a higher number of transit and mobilization days compared to the third quarter 2023. The Q4000 incurred approximately 67 days of paid mobilization and transit to West Africa and the Q7000 incurred approximately 38 days of paid mobilization and transit between contracts offshore Australia during the third quarter 2024, whereas both vessels were nearly fully operational during the third quarter 2023. Overall Well Intervention vessel utilization increased to 97% during the third quarter 2024 compared to 92% during the third quarter 2023. Well Intervention operating income was unchanged at \$16.1 million during the third quarters 2024 and 2023 with lower revenues being offset by lower costs due in part to the deferral of transit and mobilization costs during the third quarter 2024.

Robotics

Robotics revenues increased \$3.3 million, or 4%, during the third quarter 2024 compared to the prior quarter. The increase in revenues was due to higher vessel, trenching and ROV activities compared to the prior quarter. Chartered vessel activity increased to 532 days, or 96%, during the third quarter 2024 compared to 528 days, or 97%, during the prior quarter. Integrated vessel trenching increased to 249 days during the third quarter 2024 compared to 232 days during the prior quarter. The i-Plough had 92 days utilization on a third-party vessel and the IROV boulder grab had 92 days utilization during the third quarter 2024 compared to 49 days and 78 days, respectively, during the prior quarter. Overall ROV and trencher utilization increased to 77% during the third quarter 2024 compared to 76% during the prior quarter. Robotics operating income decreased \$4.2 million despite higher revenues during the third quarter 2024 compared to the prior quarter primarily due to higher-margin contracts completed during the prior quarter.

Robotics revenues increased \$8.9 million, or 12%, during the third quarter 2024 compared to the third quarter 2023. The increase in revenues was due to higher vessel, trenching and ROV activities during the third quarter 2024. Chartered vessel activity increased to 532 days, or 96%, during the third quarter 2024 compared to 506 days, or 97%, during the third quarter 2023. Integrated vessel trenching decreased to 249 days during the third quarter 2024 compared to 276 days during the third quarter 2023, and the third quarter 2024 included 92 days utilization on the i-Plough trencher on a third-party vessel and 92 days utilization on the IROV boulder grab, whereas the i-Plough and IROV were idle during the third quarter 2023. Overall ROV and trencher utilization increased to 77% during the third quarter 2024 compared to 67% during the third quarter 2023. Robotics operating income increased \$3.5 million during the third quarter 2024 compared to the third quarter 2023 primarily due to higher revenues during the third quarter 2024.

Shallow Water Abandonment

Shallow Water Abandonment revenues increased \$20.8 million, or 41%, during the third quarter 2024 compared to the previous quarter. The increase in revenues was primarily due to an increase in vessel and heavy lift activity during the third quarter 2024. Vessel utilization (excluding heavy lift) increased to 76% during the third quarter 2024 compared to 58% during the prior quarter. The *Epic Hedron* heavy lift barge had 88% utilization during the third quarter 2024 compared to 46% during the prior quarter. Plug and Abandonment (P&A) and Coiled Tubing systems activity declined slightly to 607 days, or 25% utilization, during the third quarter 2024 compared to 632 days, or 27% utilization, during the prior quarter. These improvements during the third quarter were achieved despite the impacts of Hurricanes Francine and Helene in September 2024 that resulted in approximately 12 weather-related idle days, up to an estimated \$10 million loss in revenue, during the quarter. Shallow Water Abandonment operating income improved \$9.1 million during the third quarter 2024 compared to the prior quarter primarily due to higher revenues during the third quarter 2024.

Shallow Water Abandonment revenues decreased \$15.7 million, or 18%, during the third quarter 2024 compared to the third quarter 2023 due to lower vessel and system utilization during the third quarter 2024. Revenue decreases were offset in part by higher pass-through revenues on the P&A systems compared to the third quarter 2023. Vessel utilization (excluding heavy lift) was 76% during the third quarter 2024 compared to 89% during the third quarter 2023. P&A and Coiled Tubing systems utilization declined to 607 days, or 25%, during the third quarter 2024 compared to 1,531 days utilization, or 74%, during the third quarter 2023. The *Epic Hedron* heavy lift barge had 88% utilization during the third quarter 2024 compared to 100% utilization during the third quarter 2023. Utilization rates for the segment during the third quarter 2024 reflect 12 weather-related idle days, up to an estimated \$10 million loss in revenue, resulting from Hurricanes Francine and Helene. Shallow Water Abandonment operating income decreased \$18.8 million during the third quarter 2024 compared to the third quarter 2023 primarily due to lower revenues, in addition to higher costs due to an increase in lower margin pass-through activities during the third quarter 2024.

Production Facilities

Production Facilities revenues decreased \$4.7 million, or 19%, during the third quarter 2024 compared to the prior quarter primarily due to lower oil and gas production and prices during the third quarter. Oil and gas production declined due to an ongoing unplanned shut-in of the Thunder Hawk wells during most of the third quarter 2024. Production Facilities operating income decreased \$0.8 million during the third quarter 2024 compared to the prior quarter primarily due to lower oil and gas revenues, offset in part by lower production costs, during the third quarter 2024.

Production Facilities revenues decreased \$3.8 million, or 15%, during the third quarter 2024 compared to the third quarter 2023 primarily due to lower oil and gas production and prices during the third quarter 2024. Oil and gas production declined during the third quarter 2024 due to an ongoing unplanned shut-in of the Thunder Hawk wells. Production Facilities operating income decreased \$0.6 million during the third quarter 2024 compared to the third quarter 2023 primarily due to lower revenues, offset in part by lower production costs, during the third quarter 2024.

Selling, General and Administrative and Other

Selling, General and Administrative

Selling, general and administrative expenses were \$21.1 million, or 6.2% of revenue, during the third quarter 2024 compared to \$22.3 million, or 6.1% of revenue, during the prior quarter. The decrease in expenses during the third quarter 2024 was primarily due to lower compensation costs compared to the prior quarter.

Other Income and Expenses

Other expense, net was \$0.0 million during the third quarter 2024 compared to \$0.4 million other expense during the prior quarter. Other expense, net in the third quarter 2024 primarily includes a charge of \$2.4 million related to an increase in the value of incentive credits granted to the seller of P&A equipment that Helix acquired in 2023, offset by foreign currency gains related to the approximate 6% appreciation of the British pound during the third quarter 2024.

Change in Fair Value of Contingent Consideration

Change in fair value of contingent consideration of \$16.5 million in the third quarter 2023 was related to our acquisition of Alliance and reflected an increase in the fair value during the third quarter 2023 of the estimated earn-out that was paid in April 2024.

Cash Flows

Operating cash flows were \$55.7 million during the third quarter 2024 compared to \$(12.2) million during the prior quarter and \$31.6 million during the third quarter 2023. During the prior quarter, operating cash flows included \$58.3 million related to the Alliance earn-out payment. Excluding the impact of the earn-out payment, third quarter 2024 operating cash flows increased compared to the prior quarter primarily due to lower working capital outflows and lower regulatory certification costs on our vessels and systems, offset partially by lower earnings. Third quarter operating cash flows increased year over year primarily due to lower working capital outflows and lower regulatory certification costs on our vessels and systems during the third quarter 2024. Regulatory certifications for our vessels and systems, which are included in operating cash flows, were \$8.9 million during the third quarter 2024 compared to \$10.7 million during the prior quarter and \$17.9 million during the third quarter 2023.

Capital expenditures, which are included in investing cash flows, totaled \$3.2 million during the third quarter 2024 compared to \$4.0 million during the prior quarter and \$8.2 million during the third quarter 2023.

Free Cash Flow was \$52.6 million during the third quarter 2024 compared to \$(16.2) million during the prior quarter and \$23.4 million during the third quarter 2023. The increase in Free Cash Flow in the third quarter 2024 compared to the prior quarter and the third quarter 2023 was due primarily to higher operating cash flows in the third quarter 2024. (Free Cash Flow is a non-GAAP measure. See reconciliation below.)

Financial Condition and Liquidity

Cash and cash equivalents were \$324.1 million on September 30, 2024. Available capacity under our ABL facility on September 30, 2024, was \$74.7 million, resulting in total liquidity of \$398.8 million. Consolidated long-term debt was \$314.7 million on September 30, 2024, resulting in negative Net Debt of \$9.4 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 third quarter 2024 results (see the "For the Investor" page of Helix's website, www.helixesg.com). The teleconference is scheduled for Thursday, October 24, 2024, at 9:00 a.m. Central Time. Investors and other interested parties wishing to participate in the teleconference should dial 1-800-715-9871 within the United States and 1-646-307-1963 outside the United States. The passcode is "Staffeldt." A live webcast of the teleconference will be available in a listen-only mode on the Investor Relations section of Helix's website. A replay of the webcast will be available on Helix's website beginning approximately three 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 decommissioning operations. Our services are key in supporting a global energy transition by maximizing production of existing oil and gas reserves, decommissioning end-of-life oil and gas fields and supporting renewable energy developments. 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, 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 gains or losses on disposition of assets, acquisition and integration costs, gains or losses related to convertible senior notes, the change in fair value of 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 asset sales and insurance recoveries (related to property and equipment), 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 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. We have not provided reconciliations of forward-looking non-GAAP financial measures to comparable GAAP measures due to the challenges and impracticability with estimating some of the items without unreasonable effort, which amounts could be significant.

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; any projections of financial items including projections as to guidance and other outlook information; future operations expenditures; our ability to enter into, renew and/or perform commercial contracts; the spot market; our current work continuing; visibility and future utilization; our protocols and plans; energy transition or energy security; our spending and cost management efforts and our ability to manage changes; oil price volatility and its effects and results; our ability to identify, effect and integrate mergers, acquisitions, joint ventures or other transactions, including the integration of the Alliance acquisition and any subsequently identified legacy issues with respect thereto; developments; any financing transactions or arrangements or our ability to enter into such transactions or arrangements; our sustainability initiatives; future economic conditions or performance; our share repurchase program or execution; 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 and the demand for our services; volatility of oil and natural gas prices; results from mergers, acquisitions, joint ventures or similar transactions; results from acquired properties; our ability to secure and realize backlog; the performance of contracts by customers, suppliers and other counterparties; actions by governmental and regulatory authorities; operating hazards and delays, which include delays in delivery, chartering or customer acceptance of assets or terms of their acceptance; the effectiveness of our sustainability initiatives and disclosures; human capital management issues; complexities of global political and economic developments; geologic risks; 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 GROUP, INC.

Comparative Condensed Consolidated Statements of Operations

(in thousands, except per share data)	Three Months Ended Sep. 30,		Nine Months Ended Sep. 30,	
	2024	2023	2024	2023
	(unaudited)		(unaudited)	
Net revenues	\$ 342,419	\$ 395,670	\$ 1,003,427	\$ 954,571
Cost of sales	276,754	315,125	842,722	803,493
Gross profit	65,665	80,545	160,705	151,078
Gain (loss) on disposition of assets, net	100	—	(50)	367
Acquisition and integration costs	—	—	—	(540)
Change in fair value of contingent consideration	—	(16,499)	—	(31,319)
Selling, general and administrative expenses	(21,125)	(27,818)	(64,098)	(71,456)
Income from operations	44,640	36,228	96,557	48,130
Net interest expense	(5,689)	(4,152)	(17,057)	(12,567)
Losses related to convertible senior notes	—	—	(20,922)	—
Other expense, net	(49)	(8,257)	(2,647)	(10,553)
Royalty income and other	132	78	2,132	2,116
Income before income taxes	39,034	23,897	58,063	27,126
Income tax provision	9,520	8,337	22,547	9,631
Net income	<u>\$ 29,514</u>	<u>\$ 15,560</u>	<u>\$ 35,516</u>	<u>\$ 17,495</u>
Earnings per share of common stock:				
Basic	<u>\$ 0.19</u>	<u>\$ 0.10</u>	<u>\$ 0.23</u>	<u>\$ 0.12</u>
Diluted	<u>\$ 0.19</u>	<u>\$ 0.10</u>	<u>\$ 0.23</u>	<u>\$ 0.11</u>
Weighted average common shares outstanding:				
Basic	<u>151,914</u>	<u>150,550</u>	<u>152,171</u>	<u>151,031</u>
Diluted	<u>154,851</u>	<u>153,622</u>	<u>155,038</u>	<u>153,936</u>

Comparative Condensed Consolidated Balance Sheets

(in thousands)	Sep. 30, 2024 (unaudited)	Dec. 31, 2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 324,120	\$ 332,191
Accounts receivable, net	270,883	280,427
Other current assets	98,934	85,223
Total Current Assets	693,937	697,841
Property and equipment, net	1,511,325	1,572,849
Operating lease right-of-use assets	338,245	169,233
Deferred recertification and dry dock costs, net	74,324	71,290
Other assets, net	43,318	44,823
Total Assets	\$ 2,661,149	\$ 2,556,036
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 142,400	\$ 134,552
Accrued liabilities	91,767	203,112
Current maturities of long-term debt	9,186	48,292
Current operating lease liabilities	59,866	62,662
Total Current Liabilities	303,219	448,618
Long-term debt	305,487	313,430
Operating lease liabilities	293,393	116,185
Deferred tax liabilities	123,722	110,555
Other non-current liabilities	64,758	66,248
Shareholders' equity	1,570,570	1,501,000
Total Liabilities and Equity	\$ 2,661,149	\$ 2,556,036

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

(in thousands, unaudited)	Three Months Ended			Nine Months Ended	
	9/30/2024	9/30/2023	6/30/2024	9/30/2024	9/30/2023
Reconciliation from Net Income to Adjusted EBITDA:					
Net income	\$ 29,514	\$ 15,560	\$ 32,289	\$ 35,516	\$ 17,495
Adjustments:					
Income tax provision	9,520	8,337	14,725	22,547	9,631
Net interest expense	5,689	4,152	5,891	17,057	12,567
Other expense, net	49	8,257	382	2,647	10,553
Depreciation and amortization	42,904	43,249	43,471	132,728	120,013
EBITDA	87,676	79,555	96,758	210,495	170,259
Adjustments:					
(Gain) loss on disposition of assets, net	(100)	—	—	50	(367)
Acquisition and integration costs	—	—	—	—	540
Change in fair value of contingent consideration	—	16,499	—	—	31,319
General provision for current expected credit losses	45	331	137	39	1,020
Losses related to convertible senior notes	—	—	—	20,922	—
Adjusted EBITDA	\$ 87,621	\$ 96,385	\$ 96,895	\$ 231,506	\$ 202,771
Free Cash Flow:					
Cash flows from operating activities	\$ 55,731	\$ 31,611	\$ (12,164)	\$ 108,051	\$ 57,720
Less: Capital expenditures, net of proceeds from asset sales and insurance recoveries	(3,086)	(8,245)	(3,989)	(10,317)	(15,800)
Free Cash Flow	\$ 52,645	\$ 23,366	\$ (16,153)	\$ 97,734	\$ 41,920
Net Debt:					
Long-term debt including current maturities	\$ 314,673	\$ 227,257	\$ 318,629	\$ 314,673	\$ 227,257
Less: Cash and cash equivalents and restricted cash	(324,120)	(168,370)	(275,066)	(324,120)	(168,370)
Net Debt	\$ (9,447)	\$ 58,887	\$ 43,563	\$ (9,447)	\$ 58,887

October 24, 2024

2024 Third Quarter Conference Call



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; any projections of financial items including projections as to guidance and other outlook information; future operations expenditures; our ability to enter into, renew and/or perform commercial contracts; the spot market; our current work continuing; visibility and future utilization; our protocols and plans; energy transition or energy security; our spending and cost management efforts and our ability to manage changes; oil price volatility and its effects and results; our ability to identify, effect and integrate mergers, acquisitions, joint ventures or other transactions, including the integration of the Alliance acquisition and any subsequently identified legacy issues with respect thereto; developments; any financing transactions or arrangements or our ability to enter into such transactions or arrangements; our sustainability initiatives; future economic conditions or performance; our share repurchase program or execution; 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 and the demand for our services; volatility of oil and natural gas prices; results from mergers, acquisitions, joint ventures or similar transactions; results from acquired properties; our ability to secure and realize backlog; the performance of contracts by customers, suppliers and other counterparties; actions by governmental and regulatory authorities; operating hazards and delays, which include delays in delivery, chartering or customer acceptance of assets or terms of their acceptance; the effectiveness of our sustainability initiatives and disclosures; human capital management issues; complexities of global political and economic developments; geologic risks; 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.





At Helix, our purpose is to enable energy transition through:

Maximizing Existing Reserves

Enhancing remaining production
from existing oil and gas wells

Lowering Decommissioning Costs

Restoring the seabed in an
environmentally safe manner

Offshore Renewables & Wind Farms

Transitioning our energy economy
to a sustainable model

Agenda

- Executive Summary (pg. 5)
- Operational Highlights (pg. 8)
- Key Financial Metrics (pg. 13)
- 2024 Outlook (pg. 15)
- Non-GAAP Reconciliations (pg. 20)
- Questions and Answers



Executive Summary



Summary of Results

(\$ in millions, except per share amounts, unaudited)

	Three Months Ended			Nine Months Ended	
	9/30/24	9/30/23	6/30/24	9/30/24	9/30/23
Revenues	\$ 342	\$ 396	\$ 365	\$ 1,003	\$ 955
Gross profit	\$ 66	\$ 81	\$ 75	\$ 161	\$ 151
	19%	20%	21%	16%	16%
Net income	\$ 30	\$ 16	\$ 32	\$ 36	\$ 17
Basic earnings per share	\$ 0.19	\$ 0.10	\$ 0.21	\$ 0.23	\$ 0.12
Diluted earnings per share	\$ 0.19	\$ 0.10	\$ 0.21	\$ 0.23	\$ 0.11
Adjusted EBITDA ¹					
Business segments	\$ 100	\$ 116	\$ 110	\$ 266	\$ 250
Corporate, eliminations and other	(12)	(20)	(13)	(35)	(47)
Adjusted EBITDA ¹	\$ 88	\$ 96	\$ 97	\$ 232	\$ 203
Cash and cash equivalents	\$ 324	\$ 168	\$ 275	\$ 324	\$ 168
Net Debt ¹	\$ (9)	\$ 59	\$ 44	\$ (9)	\$ 59
Cash flows from operating activities ²	\$ 56	\$ 32	\$ (12)	\$ 108	\$ 58
Free Cash Flow ^{1,2}	\$ 53	\$ 23	\$ (16)	\$ 98	\$ 42

¹ Adjusted EBITDA, Net Debt and Free Cash Flow are non-GAAP financial measures; see non-GAAP reconciliations below

² Cash flows from operating activities and Free Cash Flow for Q2 2024 and the nine months ended 9/30/24 include \$58 million of the \$85 million Alliance earn-out paid in cash in April 2024

Amounts may not add due to rounding



Third Quarter 2024 Highlights

Financial Results

- Net income of \$30 million, \$0.19 per diluted share
- Adjusted EBITDA¹ of \$88 million
- Operating cash flows of \$56 million
- Free Cash Flow¹ of \$53 million

Financial Condition at September 30, 2024

- Cash and cash equivalents of \$324 million
- Liquidity² of \$399 million
- Long-term debt³ of \$315 million
- Negative Net Debt¹ of \$9 million
- ABL facility extended to August 2029

Operations

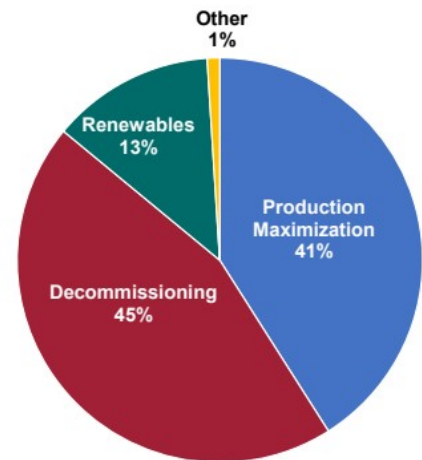
- Arrival of *Q4000* in Nigeria for six-month contract plus options
- Robotics continued high utilization, performing renewables operations in three regions globally

Commercial

- Three-year contracts for both the *Siem Helix 1* and the *Siem Helix 2* with Petrobras in Brazil
- Two-year well intervention contract with Shell in the Gulf of Mexico on the *Q5000*, 175-day minimum annual commitment beginning 2025

Revenue By Market Strategy⁴

Quarter Ended September 30, 2024



¹ Adjusted EBITDA, Free Cash Flow and Net Debt are non-GAAP financial measures; see non-GAAP reconciliations below

² Liquidity is calculated as the sum of cash and cash equivalents and availability under Helix's ABL facility

³ Long-term debt is presented net of unamortized discounts and deferred issuance costs

⁴ Revenue percentages net of intercompany eliminations

Operational Highlights



OPERATIONAL HIGHLIGHTS

Segment Results

(\$ in millions, unaudited)

	Three Months Ended			Nine Months Ended	
	9/30/24	9/30/23	6/30/24	9/30/24	9/30/23
Revenues					
Well Intervention	\$ 183	\$ 225	\$ 225	\$ 624	\$ 522
Robotics	85	76	81	216	195
Shallow Water Abandonment	72	87	51	149	213
Production Facilities	21	24	25	70	69
Intercompany eliminations	(17)	(17)	(17)	(56)	(44)
Total	\$ 342	\$ 396	\$ 365	\$ 1,003	\$ 955
Gross profit (loss) %					
Well Intervention	\$ 20 11%	\$ 20 9%	\$ 34 15%	\$ 77 12%	\$ 22 4%
Robotics	27 32%	23 30%	31 38%	66 30%	49 25%
Shallow Water Abandonment	11 15%	29 33%	2 3%	3 2%	58 27%
Production Facilities	9 41%	9 38%	10 39%	17 24%	24 35%
Eliminations and other	-	-	(1)	(2)	(2)
Total	\$ 66 19%	\$ 81 20%	\$ 75 21%	\$ 161 16%	\$ 151 16%
Utilization					
Well Intervention vessels	97%	92%	94%	94%	85%
Robotics vessels	96%	97%	97%	90%	95%
Robotics assets (ROVs and trenchers)	77%	67%	76%	70%	60%
Shallow Water Abandonment vessels	76%	89%	58%	59%	75%
Shallow Water Abandonment systems	25%	74%	27%	26%	74%

Amounts may not add due to rounding

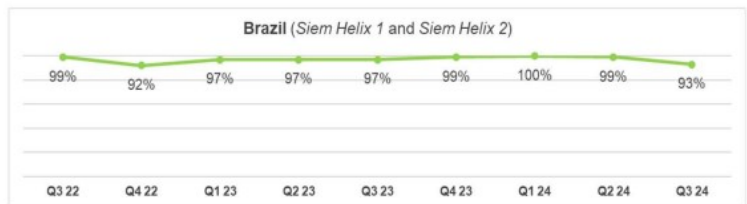
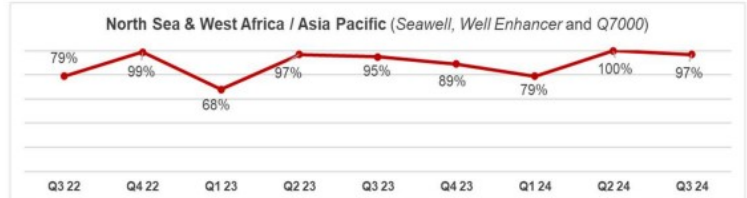
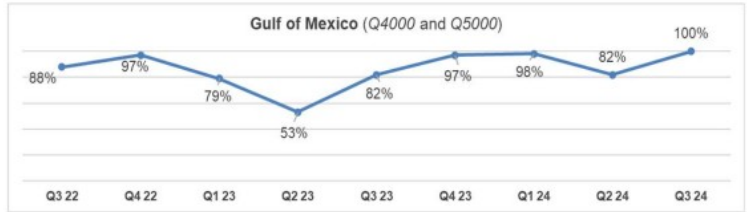
Third Quarter Utilization

<p>Well Intervention</p> <ul style="list-style-type: none"> Fleet utilization 97% <ul style="list-style-type: none"> 100% in the GOM (includes 67 mobilization and transit days on the Q4000) 97% in the North Sea and Asia Pacific (includes 38 mobilization and transit days on the Q7000) 93% in Brazil 15K IRS 51% utilized in the GOM; 10K IRS 100% utilized on third-party vessel offshore Australia; ROAM idle <p>Production Facilities</p> <ul style="list-style-type: none"> Helix Producer I operated at full rates Thunder Hawk wells shut in for most of the third quarter 	<p>Robotics</p> <ul style="list-style-type: none"> 532 chartered vessel days (96% utilization) 249 integrated vessel trenching days 3,336 work class ROV days 77% overall ROV and trencher utilization <p>Shallow Water Abandonment</p> <ul style="list-style-type: none"> Two hurricanes in GOM during Q3 reduced segment utilization by 12 days 73% liftboat, offshore supply vessel (OSV) and crewboat combined utilization 91% diving support vessel (DSV) utilization 88% utilization on the Epic Hedron heavy lift barge 607 days, or 25%, combined utilization on 20 plug and abandonment (P&A) systems and six coiled tubing (CT) systems
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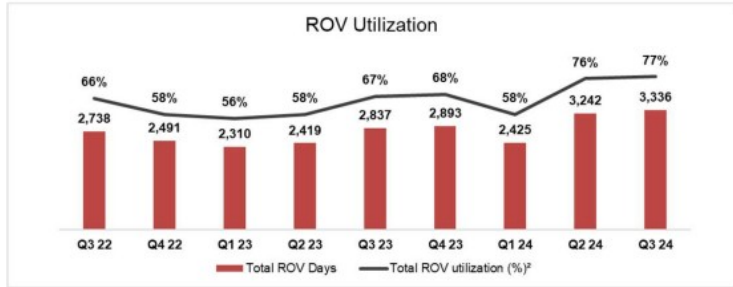
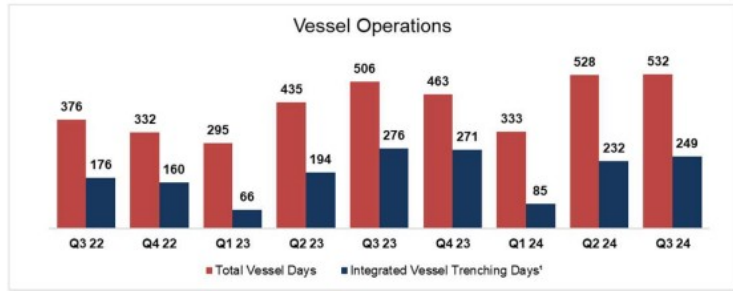
Well Intervention Utilization

- **Q4000** (GOM) – 100% utilized in Q3; completed production enhancement operations for customer in July and subsequently mobilized and transited to Nigeria for six months of contracted work; 100% utilization includes 67 days of paid transit and mobilization with related fees and costs deferred and recognized over the contract term beginning mid-October 2024
- **Q5000** (GOM) – 100% utilized in Q3; completed 15K production enhancement projects for two customers followed by a flowline remediation for one client and separate construction scopes for two customers
- **Well Enhancer** (North Sea) – 94% utilized in Q3; worked for two customers performing both production enhancement and decommissioning works; vessel incurred short gap between customers
- **Seawell** (North Sea) – 98% utilized in Q3; completed single well abandonment project followed by a diving campaign in Dutch Sector; subsequently conducting production enhancement work scope
- **Q7000** (Australia) – 100% utilized in Q3; completed two-well decommissioning program in Bass Strait followed by paid transit and mobilization to Northwest Australian Coast for production enhancement campaign; utilization includes 38 days paid transit and mobilization with related fees and costs deferred and expected to be recognized during Q4
- **Siem Helix 1** (Brazil) – 89% utilized in Q3; completed decommissioning scopes on four wells for Trident Energy; vessel incurred 10 days scheduled maintenance during the quarter
- **Siem Helix 2** (Brazil) – 98% utilized in Q3; performed decommissioning scopes on two wells and a first phase scope for future work on one well for Petrobras
- **15K IRS** – 51% utilized during Q3
- **10K IRS** – one system 100% utilized for a project in Australia
- **ROAM** – idle during Q3



Robotics Utilization

- **Grand Canyon II** (Asia Pacific) – 100% utilized in Q3; performed windfarm support work for various projects offshore Taiwan followed by ROV support project in Malaysia
- **Grand Canyon III** (North Sea) – 100% utilized in Q3; performed renewables and oil and gas trenching projects for three customers
- **Shelia Bordelon** (GOM / US East Coast) – 100% utilized in Q3; performed various US East Coast windfarm support projects
- **North Sea Enabler** (North Sea) – 78% utilized in Q3; performed oil and gas trenching for one customer
- **Glomar Wave** (North Sea) – 100% utilized in Q3; performed ROV support services for a renewables site clearance project
- **Spot Vessel** – 92 days of utilization on the *Siem Topaz* during Q3; performed renewables trenching work offshore Taiwan
- **Trenching** – 249 integrated vessel trenching days¹ on renewables and oil and gas trenching projects on the *Grand Canyon III*, *North Sea Enabler* and *Siem Topaz*; 92 days stand-alone trenching on the *i-Plough* on a third-party vessel



¹ Integrated vessel trenching days represents trenching activities utilizing Helix trenchers on Helix-chartered vessels and excludes stand-alone trenching operations on the *i-Plough* on third-party vessels of 90 days, 58 days, 49 days and 92 days during Q1 2023, Q2 2023, Q2 2024 and Q3 2024, respectively

² Total ROV utilization includes 42, 40 and 39 work class ROVs during 2021, 2022 and 2023-2024, respectively, and four trenchers during 2021; IROV boulder grabs placed into service end of Q3 2022 and Q1 2024; two trenchers placed into service late Q4 2022 and one trencher retired from service Q1 2024



Shallow Water Abandonment Utilization

Q3 activity levels reflect seasonal improvements to most asset classes despite two hurricanes in the Gulf of Mexico affecting utilization by 12 days; overall activity levels continue to be reflective of weaker Gulf of Mexico shelf market in 2024

Offshore

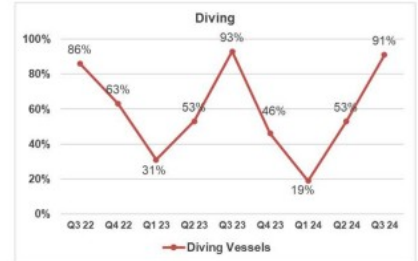
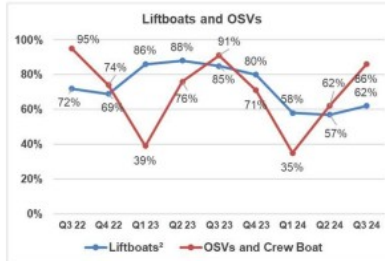
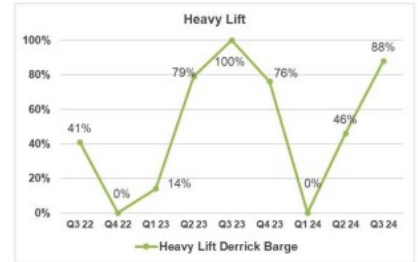
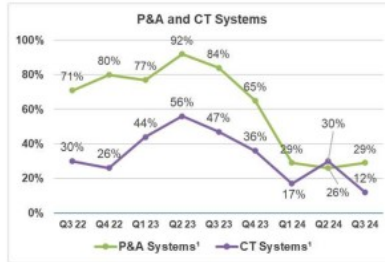
- **Liftboats** – nine liftboats with combined utilization of 62% in Q3 performing make-safe, well abandonment, pipeline abandonment, CT, wireline, construction support, production support and dive support operations
- **OSVs** – six OSVs and one crew boat with combined utilization of 86% in Q3

Energy Services

- **P&A Systems** – 542 days utilization, or 29%, on 20 P&A systems in Q3
- **CT Systems** – 65 days utilization, or 12%, on six CT systems in Q3

Diving & Heavy Lift

- **Epic Hedron** – 88% utilized in Q3
- **DSVs** – three DSVs with combined utilization of 91% in Q3



¹ Systems utilization includes six CT systems; 14 P&A systems during Q3 2022, 15 P&A systems from Q4 2022 to August 2023 and 20 P&A systems beginning September 2023

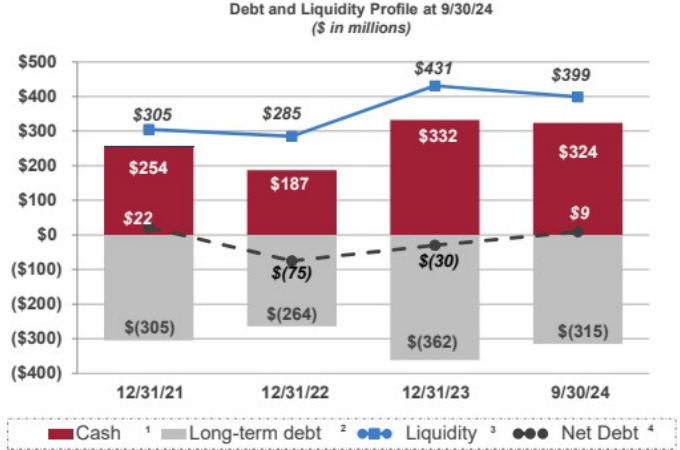
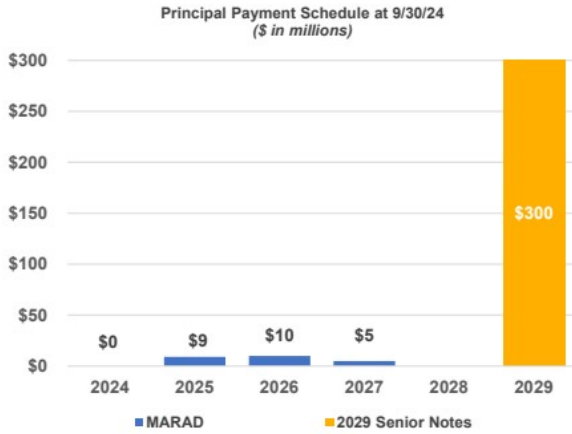
² Liftboat utilization includes ten liftboats during Q3-Q4 2022 and nine liftboats beginning Q1 2023



Key Financial Metrics



Debt Instrument Profile



Total funded debt† of \$324 million at 9/30/24

- \$300 million Senior Notes due 2029 – 9.75%
- \$24 million MARAD Debt – 4.93%
 - Semi-annual amortization payments through maturity in Q1 2027

- ¹ Cash includes cash and cash equivalents but excludes restricted cash at December 31, 2021 of \$74 million and December 31, 2022 of \$3 million
- ² Long-term debt net of debt issuance costs
- 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

† Excludes \$9 million of remaining unamortized debt discount and issuance costs

Amounts may not add due to rounding



2024 Outlook



Forecast

Key Financial Metrics

(\$ in millions)	2024 Outlook	2023 Actual
Revenues	\$ 1,300 - 1,365	\$ 1,290
Adjusted EBITDA ¹	280 - 310	273
Free Cash Flow ^{1,2}	120 - 150	134
Capital Additions ³	55 - 70	90
Revenue Split:		
Well Intervention	\$ 815 - 850	\$ 733
Robotics	275 - 290	258
Shallow Water Abandonment	190 - 200	275
Production Facilities	85 - 90	88
Eliminations	(65)	(64)
Total Revenue	\$ 1,300 - 1,365	\$ 1,290

Key Forecast Drivers

Our remainder of the year outlook will be affected by the timing and extent of the winter weather seasonal impact to our operations in addition to the following expected key drivers:

Well Intervention

- GOM – Q4000 Nigeria six-month campaign that began October 2024
- North Sea – seasonal utilization on the *Well Enhancer* and *Seawell*
- Brazil – *Siem Helix 2* transition to new Petrobras contract

Robotics

- Seasonal utilization in the North Sea and Asia Pacific on chartered vessels

Shallow Water Abandonment

- Seasonal utilization of shallow water operations on the GOM shelf

Production Facilities

- Thunder Hawk and Droshky duration of well shut-ins

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

² Free Cash Flow in 2024 includes \$58 million paid in Q2 related to the Alliance acquisition earn-out

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



Capital Additions, Cash Flow & Balance Sheet

2024 Capital additions are forecasted at approximately \$55 – \$70 million:

- Capital additions¹ during Q3 included approximately \$4 million for regulatory certification costs for our vessels and systems, which are reported in operating cash flows, and approximately \$3 million for capital expenditures
- Year-to-date capital additions of approximately \$39 million
- Capital additions during the remainder of 2024 are expected to be approximately \$15 – \$30 million for regulatory recertification costs of our vessels and systems and for capital expenditures

Free Cash Flow²

- Free Cash Flow outlook includes approximately \$55 – \$70 million of capital spending, \$58 million of the Alliance earn-out, \$24 million of cash interest, and cash taxes expected between \$15 - \$20 million
- Working capital expected to be impacted by seasonality and the timing of payments related to extended mobilizations

Balance Sheet

- No share repurchases during Q3; targeting share repurchases of \$20 - \$30 million in 2024 under our share repurchase program; year to date repurchases of \$10 million
- No significant debt maturities until 2029

¹ Capital additions represents total accrued capital additions; total cash capital spending was approximately \$12 million during Q3 and \$40 million year-to-date

² Free Cash Flow is a non-GAAP financial measure; see non-GAAP reconciliations below



Segments Outlook

Well Intervention

- **Q4000 (Gulf of Mexico / West Africa)** – contracted work in Nigeria commenced mid-October and expected into Q2 2025
- **Q5000 (Gulf of Mexico)** – contracted work through Q4 2024 with high expected utilization
- **Well Enhancer (North Sea)** – contracted work through November, seasonal slowdown and scheduled maintenance expected during December
- **Seawell (North Sea)** – expected to remain utilized to mid November followed by seasonal slowdown
- **Q7000 (Asia Pacific / Brazil)** – Australia campaign expected through end of October; vessel subsequently scheduled to transit to Brazil for multi-well decommissioning contract expected to commence Q1 2025
- **Siem Helix 1 (Brazil)** – under decommissioning contract for Trident Energy through late November 2025
- **Siem Helix 2 (Brazil)** – contracted decommissioning and production enhancement work for Petrobras through mid-December 2024 followed by expected idle period through remainder of year preparing for new three-year Petrobras contract anticipated to begin January 2025
- **IRS rental units (Global)** – 15K IRS expected to be idle in Q4; 10K IRS operating offshore Australia expected through Q4 2024; second IRS expected to be available in 2025

Shallow Water Abandonment

- **Liftboats** – expect utilization on five to seven liftboats during remainder of year
- **OSVs** – expect utilization on four to six OSVs during remainder of year
- **P&A Systems** – expect utilization on five to seven P&A systems remainder of year
- **CT Systems** – expect utilization on one to three CT systems during remainder of year
- **DSVs** – expect utilization on all three diving vessels through November
- **Epic Hedron** – expected seasonal utilization into November

Robotics

- **Grand Canyon II (Asia Pacific)** – vessel expected to be fully utilized providing ROV support on oil and gas project offshore Malaysia through early December 2024
- **Grand Canyon III (North Sea)** – vessel expected to be fully utilized for remainder of year performing trenching for oil and gas and renewables projects
- **Shelia Bordelon (US)** – vessel working for renewables windfarm customer on US East Coast expected into November; further spot opportunities identified for remainder of year once vessel transits back to Gulf of Mexico
- **Siem Topaz (Taiwan)** – vessel working on offshore windfarm project utilizing T1400-1 trencher and contracted to remain in Taiwan through end of trenching season mid-December
- **North Sea Enabler (North Sea)** – vessel expected to be fully utilized during remainder of year performing trenching work
- **Glomar Wave (North Sea)** – vessel expected to complete renewables site clearance work end of October and subsequently pursue ROV support opportunities over remainder of Q4
- **Trenchers (Global)** – six trenchers with expected three ongoing working trencher spreads: two in the North Sea and one in Asia Pacific; remaining trenchers currently available in spot market
- **ROVs (Global)** – expect strong ROV utilization in the Gulf of Mexico and seasonal slowdown in the North Sea and Asia Pacific during Q4

Production Facilities

- **Thunder Hawk** – wells expected to be shut in into 2025
- **Droshky** – unplanned shut in expected to be approximately six weeks through mid-November



Beyond 2024

We continue execution of our Energy Transition business strategy: Production Maximization, Decommissioning and Renewables

- Increasing cash generation expected in this current environment
- Annual maintenance capex anticipated to average approximately \$70 – \$80 million for foreseeable future

Well Intervention

Rate increases expected to increase EBITDA \$60 - \$100 million in 2025 vs. 2024

- Q7000 under decommissioning contract with Shell in Brazil expected into 2026 with options at improved rates
- Three-year contracts with Petrobras on the SH1 and SH2
 - SH1 on contract with Trident at improved rates through late November 2025, followed by Petrobras at improved rates through 2028 with options
 - SH2 on contract with Petrobras through 2028 with options
- Q4000 and Q5000 expected strong utilization: multi-year Shell GOM contract on the Q5000 at improved rates, committed 175 days per year with options beginning 2025; Nigeria contract on the Q4000 into 2025
- Seawell and Well Enhancer expected seasonal utilization in the North Sea; winter North Sea utilization or campaigns in the Mediterranean Sea providing upside potential

Robotics

- Anticipate continued strong renewables trenching market
- Expect continued renewables site clearance project opportunities and deployment of second boulder grab and second dedicated site-clearance chartered vessel, *Trym*
- Expect continued tight ROV market, with some winter seasonality in the North Sea and Asia Pacific regions

Shallow Water Abandonment

- Expect seasonal Gulf of Mexico shallow water decommissioning market
- Lower activity in 2024 as producers plan work on boomerang wells; increasing activity levels expected in 2025

Production Facilities

- HP I evergreen contract; annual near-term renewals expected
- HWCG contract through at least Q1 2026 with expected renewals

Balance Sheet

- Currently no significant debt maturities until 2029
- \$120 million revolving credit facility in place through 2029
- Expect continued execution of share repurchase program



Non-GAAP Reconciliations



NON-GAAP RECONCILIATIONS

Non-GAAP Reconciliations

	Three Months Ended			Nine Months Ended		Year Ended
	9/30/24	9/30/23	6/30/24	9/30/24	9/30/23	12/31/23
<i>(\$ in thousands, unaudited)</i>						
Reconciliation from Net Income (Loss) to Adjusted EBITDA:						
Net income (loss)	\$ 29,514	\$ 15,560	\$ 32,289	\$ 35,516	\$ 17,495	\$ (10,838)
Adjustments:						
Income tax provision	9,520	8,337	14,725	22,547	9,631	18,352
Net interest expense	5,689	4,152	5,891	17,057	12,567	17,338
Other expense, net	49	8,257	382	2,647	10,553	3,590
Depreciation and amortization	42,904	43,249	43,471	132,728	120,013	164,116
EBITDA	87,676	79,555	96,758	210,495	170,259	192,558
Adjustments:						
(Gain) loss on disposition of assets	(100)	-	-	50	(367)	(367)
Acquisition and integration costs	-	-	-	-	540	540
Change in fair value of contingent consideration	-	16,499	-	-	31,319	42,246
Losses related to convertible senior notes	-	-	-	20,922	-	37,277
General provision for current expected credit losses	45	331	137	39	1,020	1,149
Adjusted EBITDA	\$ 87,621	\$ 96,385	\$ 96,895	\$ 231,506	\$ 202,771	\$ 273,403
Free Cash Flow:						
Cash flows from operating activities	\$ 55,731	\$ 31,611	\$ (12,164)	\$ 108,051	\$ 57,720	\$ 152,457
Less: Capital expenditures, net of proceeds from asset sales and insurance recoveries	(3,086)	(8,245)	(3,989)	(10,317)	(15,800)	(18,659)
Free Cash Flow	\$ 52,645	\$ 23,366	\$ (16,153)	\$ 97,734	\$ 41,920	\$ 133,798
Net Debt:						
Long-term debt and current maturities of long-term debt	\$ 314,673	\$ 227,257	\$ 318,629	\$ 314,673	\$ 227,257	\$ 361,722
Less: Cash and cash equivalents and restricted cash	(324,120)	(168,370)	(275,066)	(324,120)	(168,370)	(332,191)
Net Debt	\$ (9,447)	\$ 58,887	\$ 43,563	\$ (9,447)	\$ 58,887	\$ 29,531



Non-GAAP Definitions

Non-GAAP Financial Measures

We define EBITDA as earnings before income taxes, net interest expense, 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 gains or losses on disposition of assets, acquisition and integration costs, gains or losses related to convertible senior notes, the change in fair value of 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 asset sales and insurance recoveries (related to property and equipment), 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 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. We have not provided reconciliations of forward-looking non-GAAP financial measures to comparable GAAP measures due to the challenges and impracticability with estimating some of the items without unreasonable effort, which amounts could be significant.

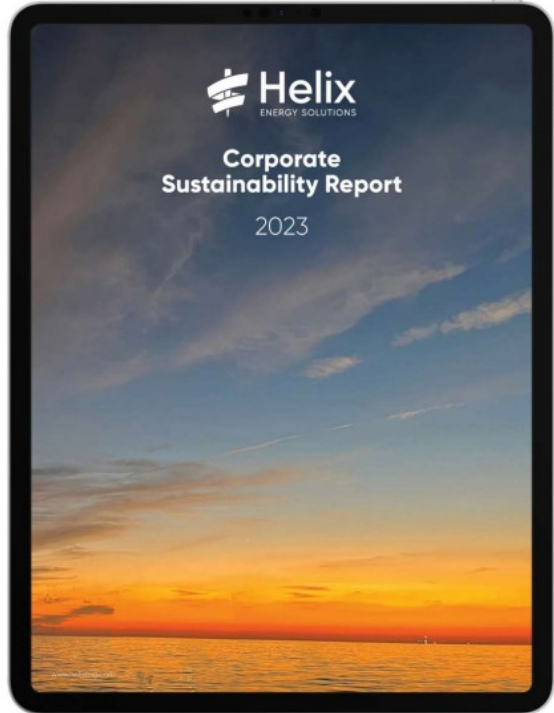




2023 Corporate Sustainability Report

Sustainability continues to drive our business strategy and decision-making with a renewed focus on our commitment to energy security and participation in the world's energy transition. Through maximizing existing reserves, decommissioning, and renewable energy support, our services lay the foundation for this transformation. Our 2023 Corporate Sustainability Report details our Greenhouse Gas Emissions and reduction targets and is designed to align and be guided by the Task Force for Climate-Related Financial Disclosure (TCFD) voluntary reporting framework, the Applicable Value Reporting Foundation's Sustainability Accounting Standards Board (SASB) - Oil and Gas Services Standard, Institutional Shareholder Services (ISS), Sustainalytics and the Global Reporting Initiative (GRI).

Read our [2023 Corporate Sustainability Report](#)





Thank You

