

CHAIR'S STATEMENT

**KRISTIAN SIEM****CHAIRMAN**

This reaffirms our long-standing strategy to focus on the economically attractive deepwater subsea market. The renewed emphasis on exploration and appraisal to replenish deepwater reserves supports our confidence in the long-term outlook for both greenfield and tie-back developments. While some offshore wind markets have undergone restructuring, the need and drive for renewable energy remains clear.

Our worldwide operations can be affected by factors which are subject to change every day, including politics and regulatory regimes, war and terrorism, epidemics and natural catastrophes, as well as the economy and foreign exchange rates. Some of these are beyond our control and, historically, complete stability has never occurred in the energy sector. Such risks are shared with our clients and suppliers as best we can through protection in our contracts. Our ability to anticipate and manage these possible risks, and to adapt to new challenges as they occur, is important to our success.

A transformative merger

Subsea7 has been an active consolidator, bringing together the skills and experience of around 30 companies, through mergers, acquisitions and joint ventures, to create a leading player in the subsea industry. In 2025, we announced the next phase of this journey: the proposed merger of equals with Saipem to create Saipem7. Our vision is simple – to create a global leader in energy services, equipped with the scale and resources to address our clients' requirements for larger and more complex deepwater development projects in the coming decades. By combining the complementary strengths of both companies, Saipem7 will offer its clients a fleet of approximately 60 specialist vessels, the expertise of over 40,000 people across more than 60 countries incorporating a comprehensive range of offshore and onshore services, and the financial capacity to deliver multi-billion dollar developments.

The Board's confidence in the proposed merger was validated by our shareholders, who voted emphatically in support of the transaction at our Extraordinary General Meeting in September 2025, with 99% of votes in favour. This included approval of the return of €555 million in special dividends before merger completion. Shareholders will also benefit from annualised synergies of over €300 million from 2029, a more efficient capital expenditure programme, and greater scale in both equity and debt markets.

Leveraging technology for enhanced project delivery

While we navigate the process of obtaining regulatory clearances for the transaction, the Board remains focused on the successful delivery of projects. In 2025, the Group completed 80 projects valued at \$22 billion covering a range of complex developments in challenging offshore environments. With this momentum continuing into 2026, the Group will continue to push performance by leveraging innovation to optimise solutions and ensure reliability for clients.

Subsea7 delivered strong results in 2025, with Group revenue of \$7.1 billion, up 4% year-on-year, and Adjusted EBITDA of \$1.5 billion, up 36%. The improvement in margin to 21% from 16% in the prior year was driven by both excellent operational performance in executing our portfolio of projects, and the continued shift in the composition of our backlog towards contracts won in a more favourable environment.

In 2025, the Group continued to emphasise the importance of cash generation and balance sheet strength, ensuring we retain the flexibility and agility to seize opportunities, while safeguarding shareholder value through the cycle. I was pleased with the cash conversion of 1.1 times in 2025 and, with net cash at year end of \$21 million, the Group's financial position is robust.

In 2025, the Group maintained its selective approach to bidding for new work in order to preserve our future financial performance. With the strong demand for our services, our backlog touched a new record high of nearly \$14 billion during the year.

Positioning for the next decade in energy

Over the past year, society at large and energy stakeholders specifically have adopted an approach to the energy transition which is more in line with the underlying realities. This has been reflected in our clients' strategies which acknowledge the need to continue developing hydrocarbon resources as part of the broad mix to meet the growth in global energy demand.

At the same time, our clients remain committed to capital discipline, balance sheet strength, and their own shareholder returns. Thus recent volatility in commodity prices and cash flow generation has driven greater selectivity from our clients, prioritising developments that offer the strongest returns.

Subsea7 has long fostered a culture of innovation, demonstrated by its portfolio of nearly 2,000 patents. While many represent incremental enhancements in the continued evolution of our offering, others have a more significant impact on the outcomes for our clients. Among the most notable successes in 2025 was the introduction of advanced software that extends the window of operability of our vessels, allowing us to offer greater availability and flexibility to our clients. Increasing the uptime of our flagship deepwater pipelay vessel, *Seven Vega*, by over 10%, this software is just one example of our drive for continued performance enhancement.

Evolution of sustainability reporting

The Annual Report for 2025 represents the Group's second year of disclosures within the Corporate Sustainability Reporting Directive (CSRD) framework. While the first year of reporting naturally required a huge effort from our senior management team, as well as our strategy, sustainability and finance functions, the process remained onerous this year. Representing an extra 60 pages of disclosures, the 2025 sustainability statements have involved an incremental 12,000 manhours across the organisation. I welcome the EU's current initiative to streamline European Sustainability Reporting Standards (ESRS), aiming to help companies produce sustainability statements that are clearer, more concise and easier for investors and stakeholders to relate to, while reducing the burden on the industry.

Shareholder returns

Subsea7 returned \$376 million in the form of ordinary cash dividends to shareholders in 2025 and intends to return \$400 million in 2026. In addition, before merger completion, the Group will return the aforementioned €555 million of special dividends. Together these represented approximately 13% of the market capitalisation of Subsea7 as at 25 February 2026.

The \$3 billion already returned since 2012 underscores our consistent focus on creating long-term shareholder value and the strong alignment between the Board and our owners.

My thanks

I would like to express my appreciation to the 14,000 colleagues whose efforts and expertise were key to achieving another year of strong operational and financial performance. I am also thankful for the relationships we maintain with our clients that, above all, are crucial to the safe delivery of complex projects in challenging offshore environments. Finally, I would like to express my appreciation for the support of our shareholders, both as we continue to execute the strategy of Subsea7, and for their strong endorsement of our vision for the creation of a new global leader in energy services. We look forward to an exciting future for Subsea7.

Kristian Siem
Chairman

25 February 2026

Our values



Safety

Our goal is an incident-free workplace. We work every day, everywhere to make sure all our people are safe.



Integrity

We apply the highest ethical standards in everything we do. We treat clients, our people, partners and suppliers fairly and with respect.



Sustainability

We take a proactive approach towards our social responsibilities, mitigate the impact of our activities on our planet's environment and respond to the effects of climate change.



Performance

We are driven to achieve the outcomes our clients want. We are trusted to achieve superior performance from every project.



Collaboration

We work closely and openly together with clients, partners and suppliers at a local and global level to deliver safer and stronger results for all.



Innovation

We create smarter and simpler solutions to meet the industry's needs. We combine technology, expertise, assets and partnerships to deliver projects in new ways.