



# 1H 2024 Results

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30 September 2024

# Message from the CEO



Giovanni Ranieri, CEO of NextGeo

*"The results achieved in the first half of 2024 confirm the solidity of our business model, the strong operational capabilities, and the high quality of services offered by NextGeo. The sustained growth of the main economic indicators allows us to look forward with confidence to future developments. We are ready to face the activities of the coming months, supported by a robust backlog and a growing pipeline.*

*During the first half of 2024, we continued to pursue our strategy of innovation and continuous investment, expanding our fleet of "Work Class" ROVs and broadening our range of nearshore and environmental services, thanks too the acquisition of Subonica S.r.l. Furthermore, as stated during our IPO, we are further enhancing our fleet with the arrival of the NG Surveyor, a new strategic vessel that will be operational in the early months of 2025.*

*We are in a phase of solid growth, ready to further accelerate our development and expand our presence in new markets and geographical areas. Through plans for both organic and inorganic growth, we aim to strengthen our position and fully seize the opportunities the market offers".*





# NextGeo at a Glance

# A Green-born Survey Company For Offshore Market Development

## WHO WE ARE



**A LEADING EUROPEAN PLAYER**

IN **MARINE GEOSCIENCE**

**SURVEY** AND OFFSHORE

CONSTRUCTION **SUPPORT**

**SERVICES**



### Offshore expertise

**110+**

years of heritage in the shipping market



Highly skilled management team with

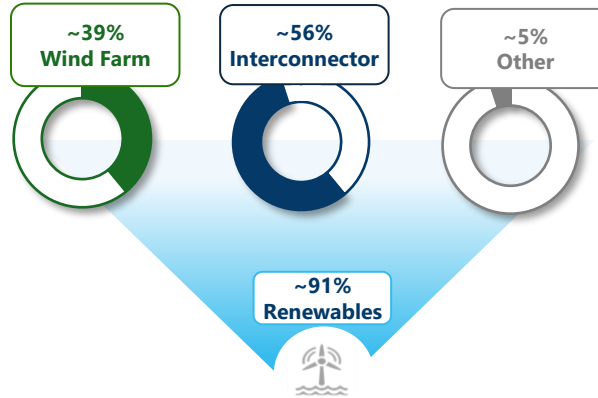
**30+**

years of success in the offshore industry

### Key Financials 1H 2024

**€104.1m**  
Total Revenues

**45.7%**  
Total Revenues  
YoY Growth



**€28.4m**  
EBITDA

**27.3%**  
EBITDA  
Margin<sup>1</sup>

**€25.5m**  
EBIT

**24.5%**  
EBIT  
Margin<sup>2</sup>

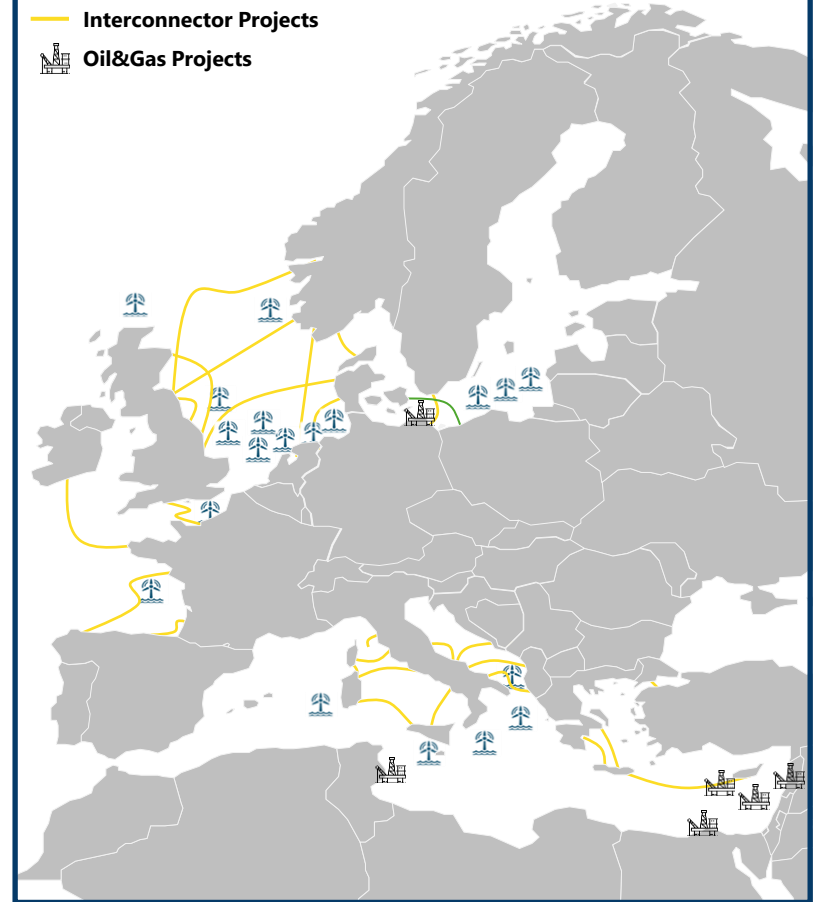
### Backlog<sup>4</sup>

**~€275m**  
31.12.2023

**~€305m**  
30.06.2024

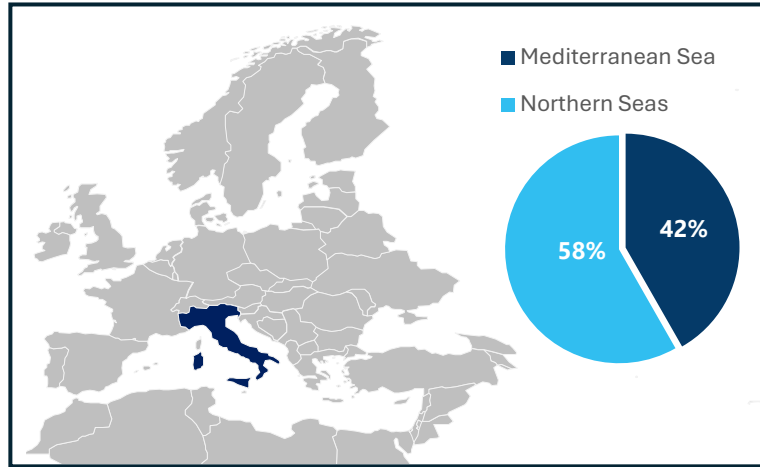
### NextGeo Main Projects 2015-2024

- OWF Subsea Cables Projects
- Interconnector Projects
- Oil&Gas Projects

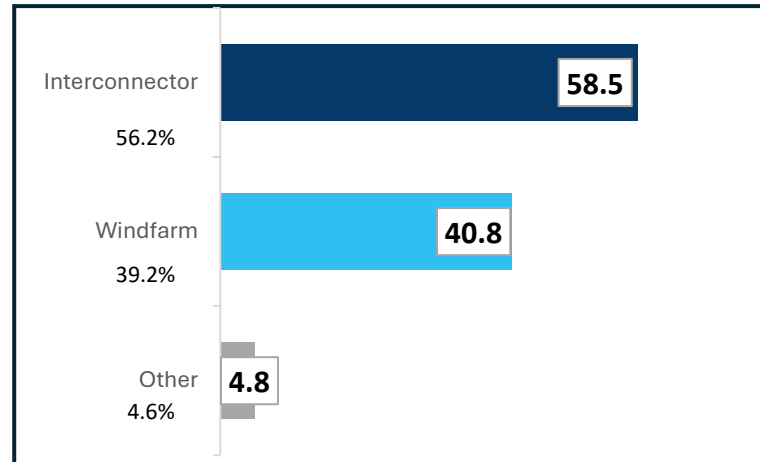


# 1H 2024 Revenues by Area & Market

## Geographic Area

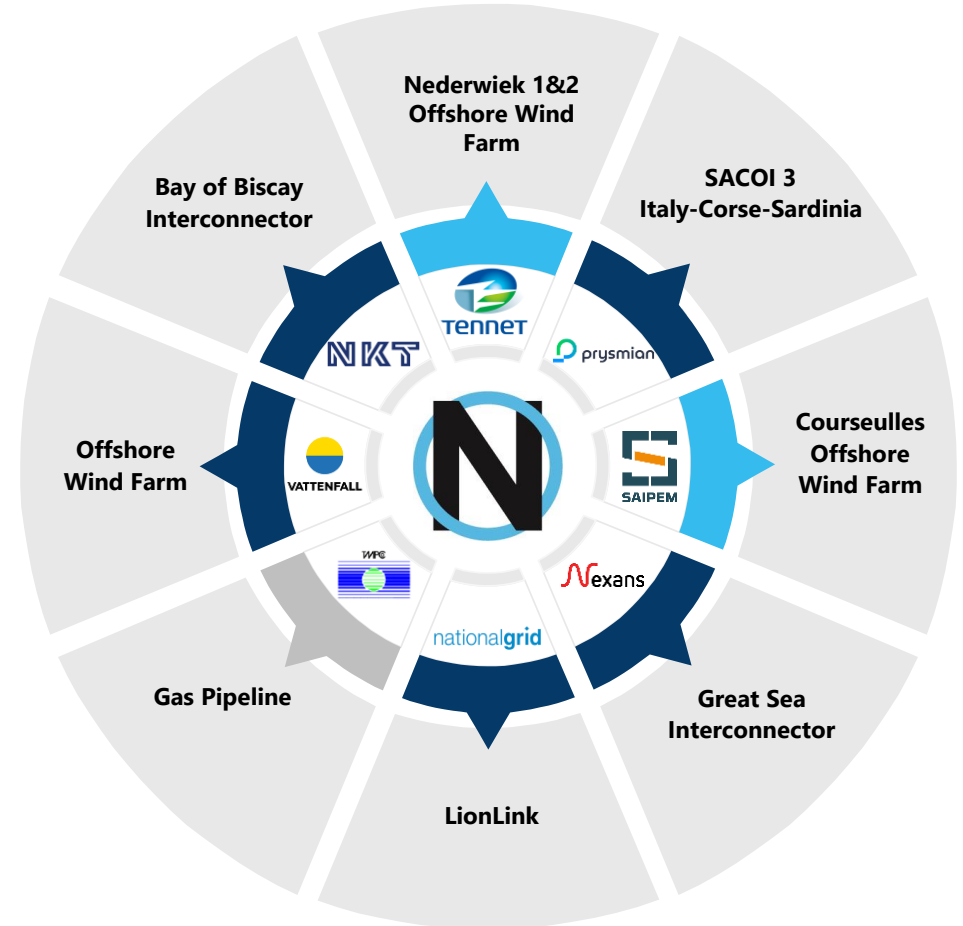


## Market segment

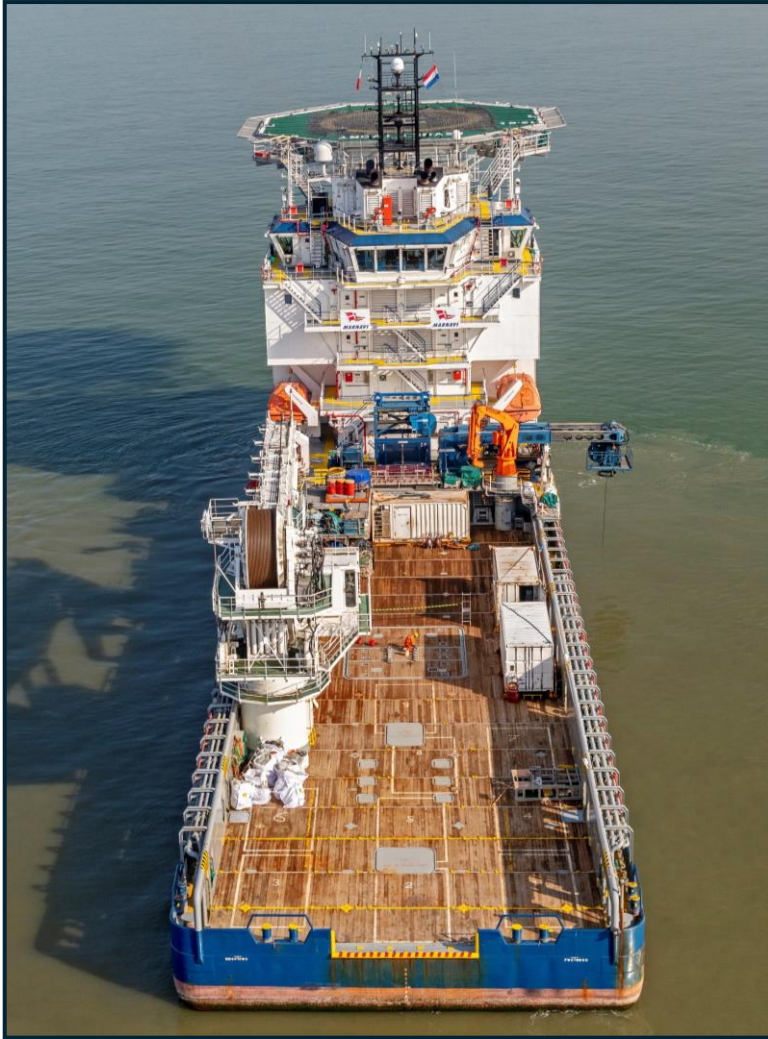


Value expressed in millions of Euro

## Main Projects of 1H 2024



# Backlog



## HARD BACKLOG

**~Euro 305 M**

30.06.2024

**2028**

Last year covered

## SOFT BACKLOG & PIPELINE

**~Euro 98 M**

Soft backlog as of  
30.06.2024

**~Euro 443 M**

Pipeline as of  
30.06.2024

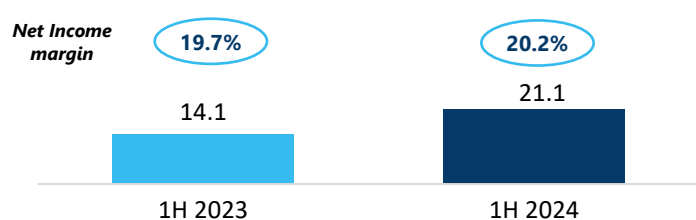
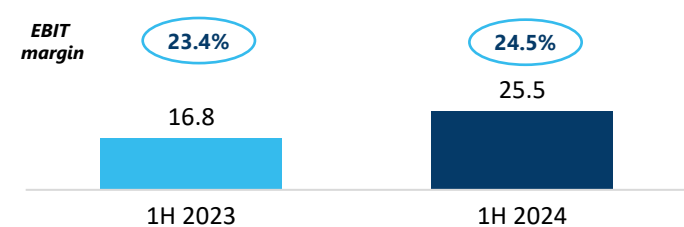
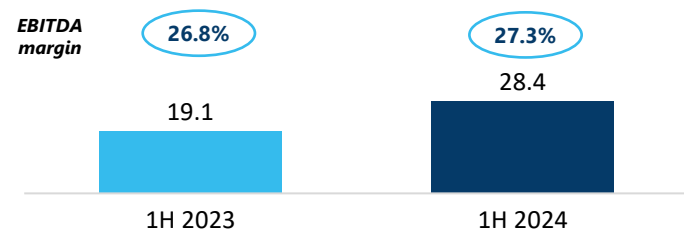
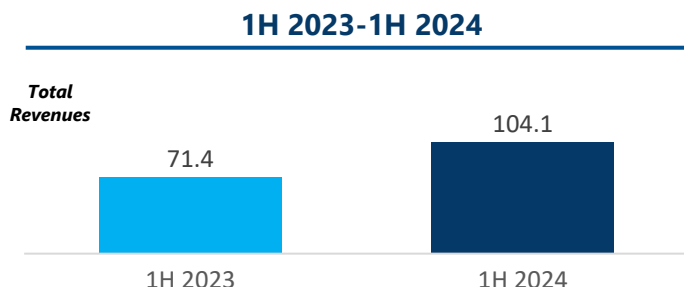


# 1H 2024 Financial Results

TARE 5500 KG  
PAYLOAD 12125 LBS  
MGW 11000 KG  
16500 LBS  
16500 KG  
36375 LBS

# Economics

1H 2023-1H 2024  
Growth



- **Total revenues growth** (+45.7%) driven by:
  - The ability to be awarded projects with **higher size**;
  - **Increased number of projects**;
  - **Favorable market trends** (both for Interconnector and OWF markets) driven by the focus on the energy transition.
- **Impressive marginality** (EBITDA margin at 27.3% and EBIT margin at 24.5%) thanks to:
  - **Economies of scale** from larger project size;
  - **Optimization of personnel costs**, also through internalization of specific competencies;
  - **Efficient management of vessels** reducing mobilization or other inactivity costs;
  - **Strong investments** (around 15.7% of total revenues) allowing **cost savings** and **new technologies** enable the Group to operate **effectively and efficiently**.
- **ROI** is equal to 32.7%.
- **Net income** (after 0.7 millions of net financial expenses and 3.7 millions of taxes) amounts to 21.1 millions (20.2%).
- **ROE** is equal to 17.5%.

Value expressed in millions of Euro

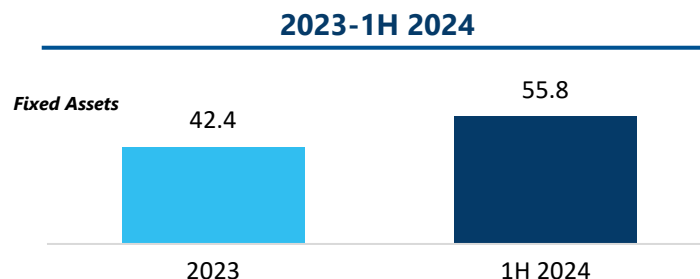


# Financials

2023-1H 2024  
Growth

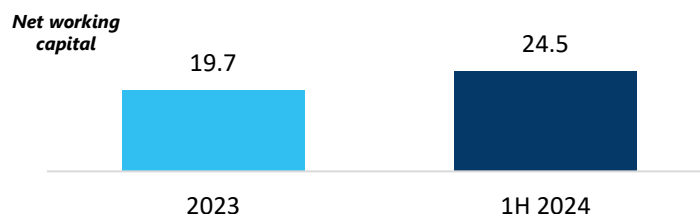
Fixed  
Assets

13.5 M  
HY Growth



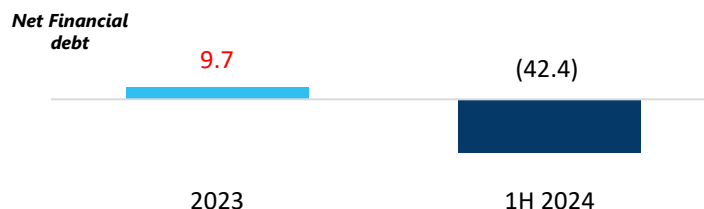
Net  
Working  
Capital  
(NWC)

4.7 M  
HY Growth



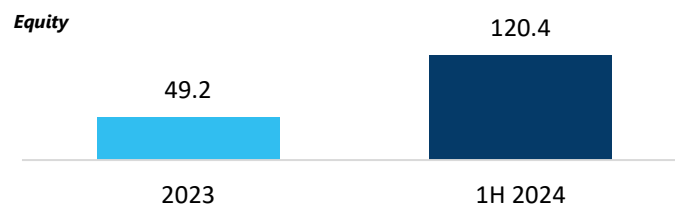
Net  
Financial  
Debt  
(NFD)

-52.1 M  
HY Decrease



Equity

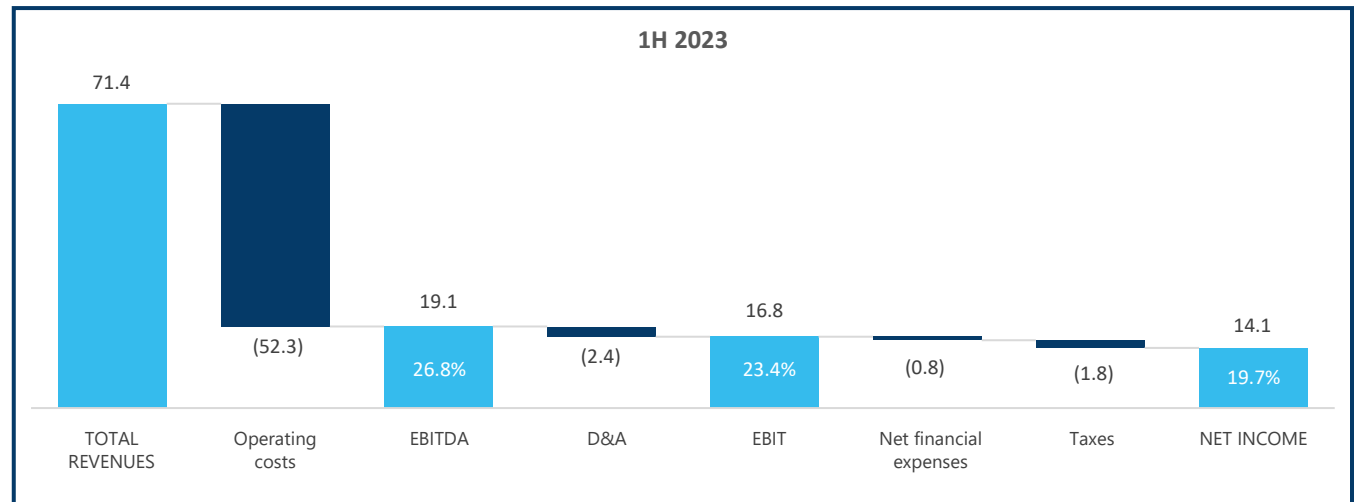
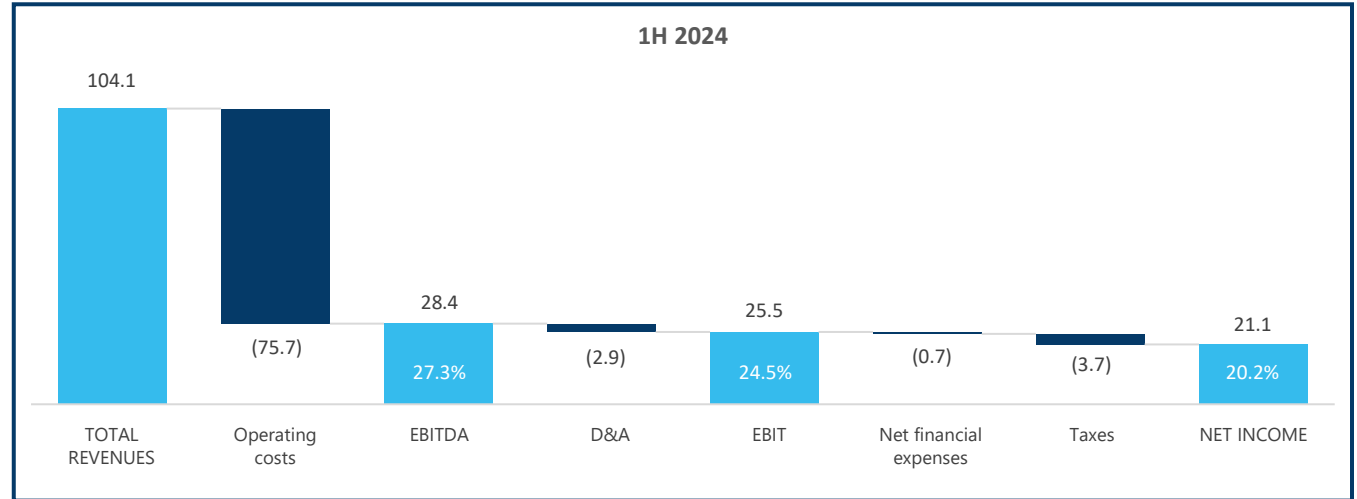
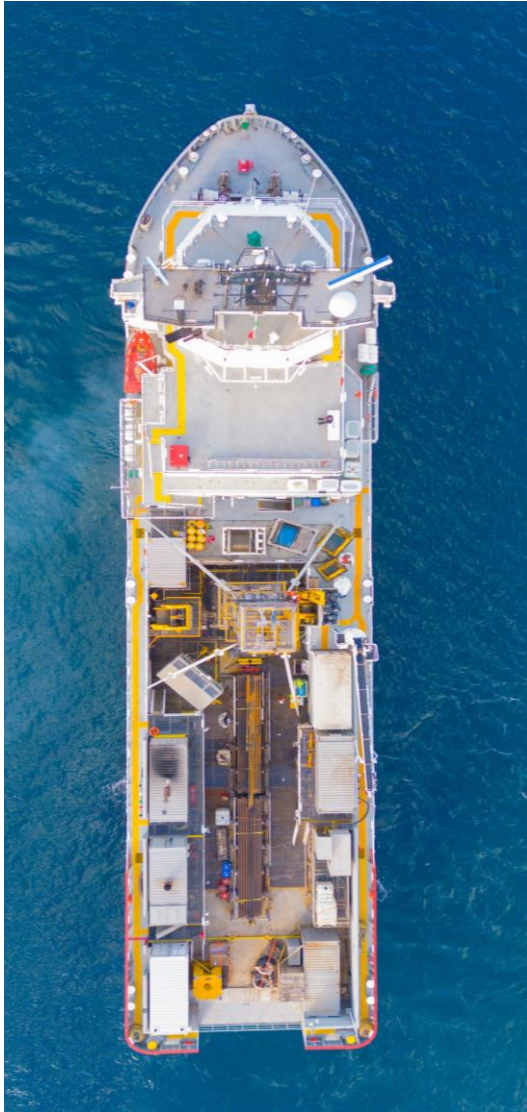
71.2 M  
HY Growth



- **Fixed assets** increases of 13.5 millions due to the **significant capex** (16.4 millions, 15.8% of Total revenues), mainly in vessels and equipment made in the first half of 2024.
- **Net Working Capital** growth (+4.7 millions) due to the **increase in business volume**, primarily driven by the dynamics related to project progress:
  - **DSO** reduced from 96 days in 2023 to 72 days in 1H 2024;
  - **DPO** are essentially in line with the comparative period.
- **NFD** decreases significantly, despite significant investments, due to **strong profitability, careful management of working capital** and the liquidity raised through the listing process.
- **Equity** has **more than doubled** thanks to the significant net income (20.2% of Total revenues) and the capital increase carried out through the IPO.

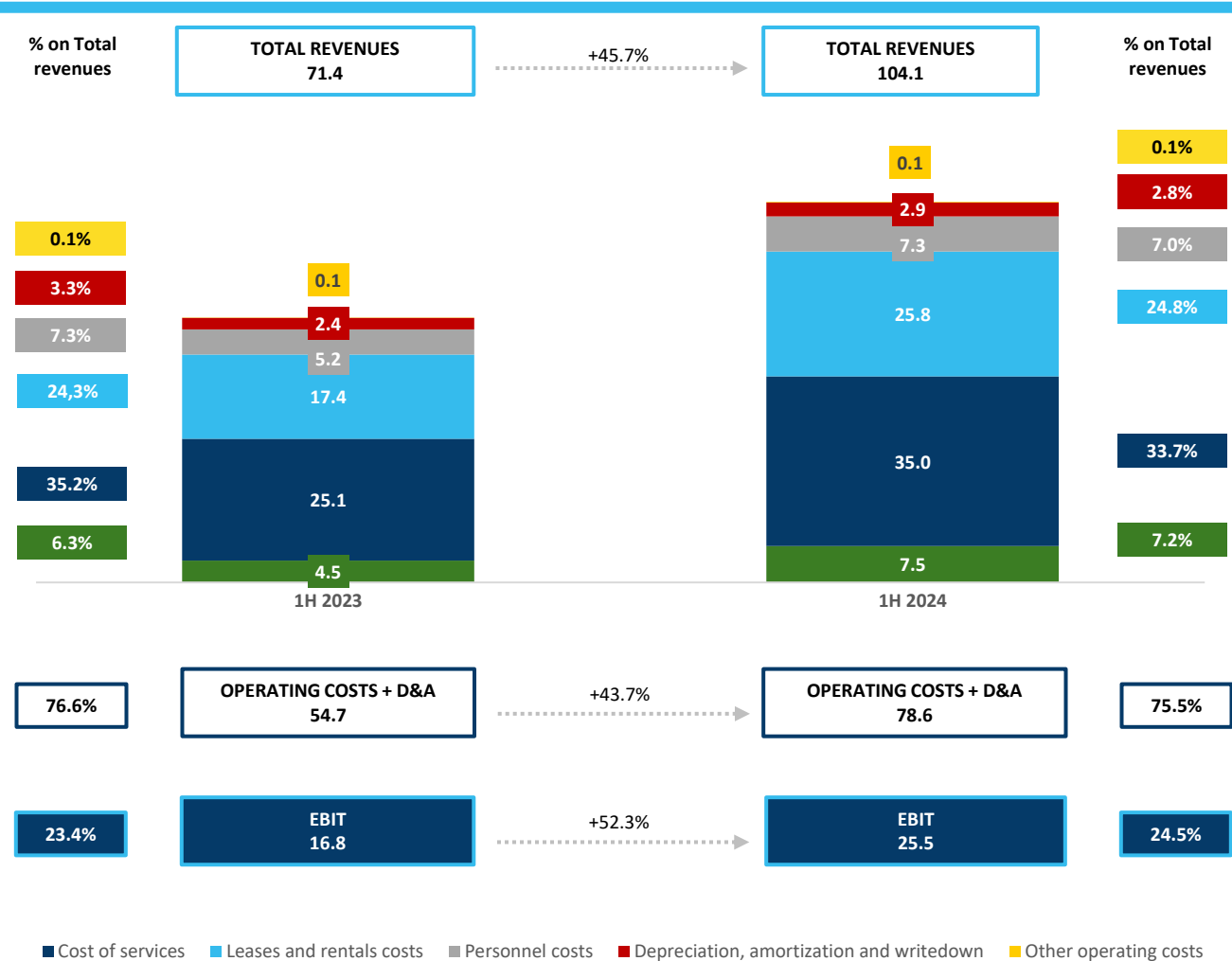
Value expressed in millions of Euro

# Focus on income statement



# Costs details

## Costs details (expressed in millions of Euro and as % of total revenues)

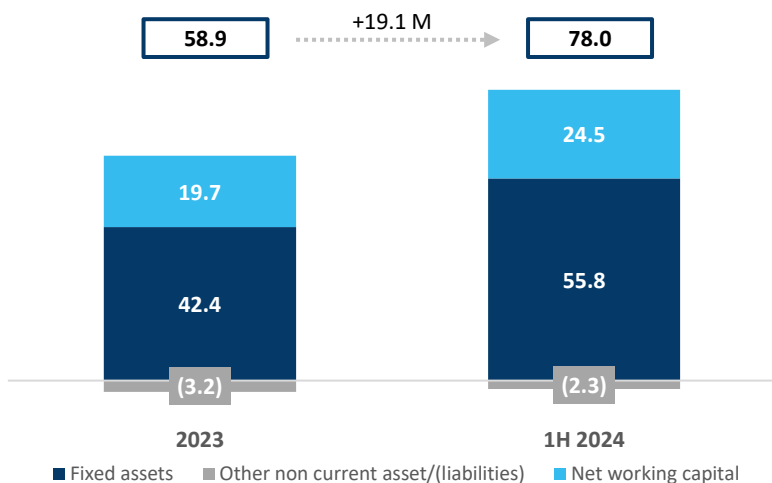


- **Pay-per-use** strategy guaranteeing **high-cost flexibility** and keeping the **D&A costs** relatively low.
- Cost structure shows **substantial stability** in the two compared half year periods. Around half of operating costs are related to services. In particular, they mainly refer to costs of services carried out by **subcontractors** and **external specialized personnel** costs.
- **Leases** and **rental costs** mainly refers to **vessels** from third parties and **equipment**. Investment strategies contributed to the slight reduction of their weight on total revenues compared to first half 2023.
- **Personnel costs** are increasing due to business growth and the **internalization** of specialized staff.

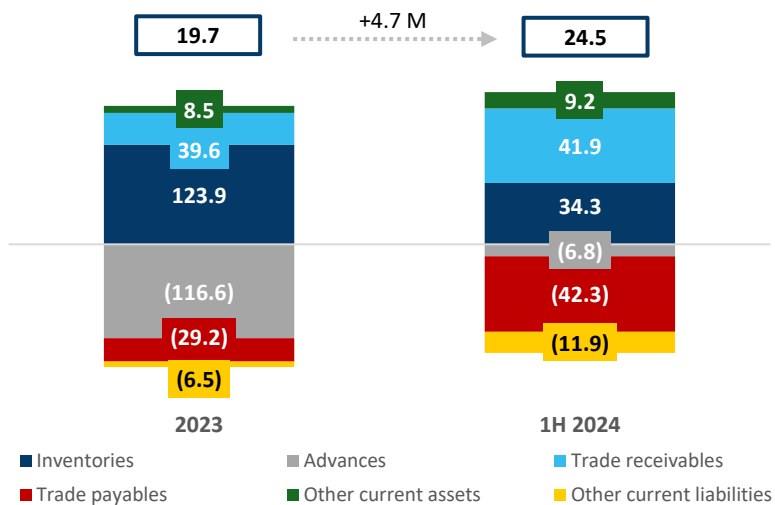
Value expressed in millions of Euro

# Financials

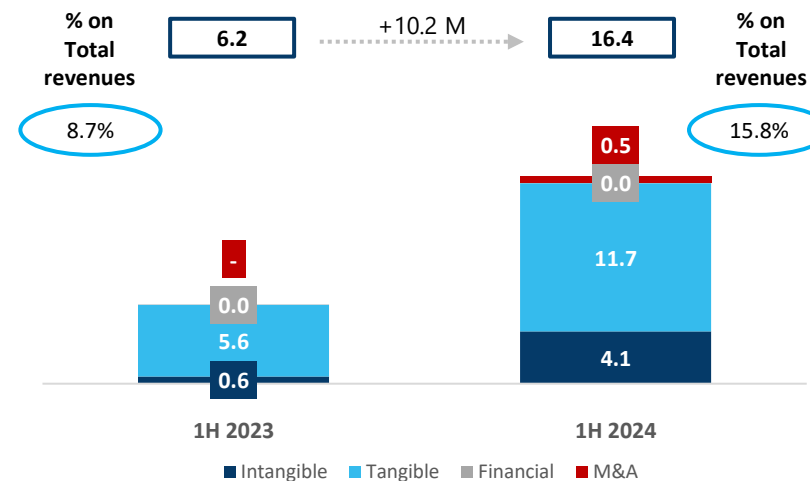
## NET INVESTED CAPITAL



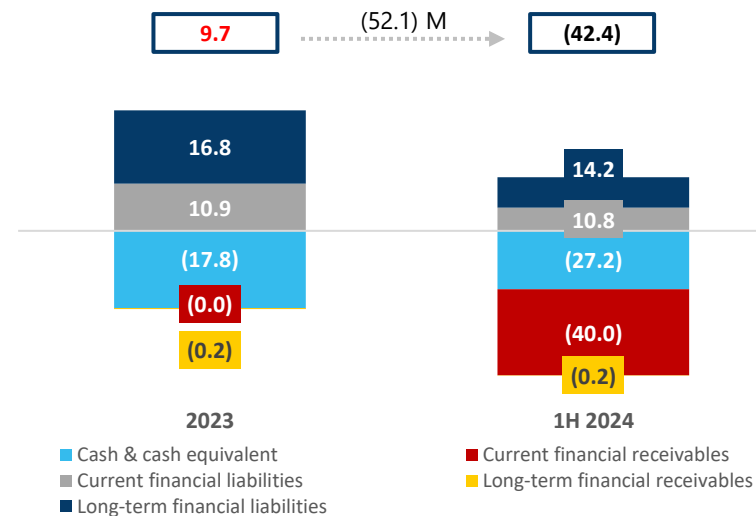
## NET WORKING CAPITAL



## CAPEX EVOLUTION



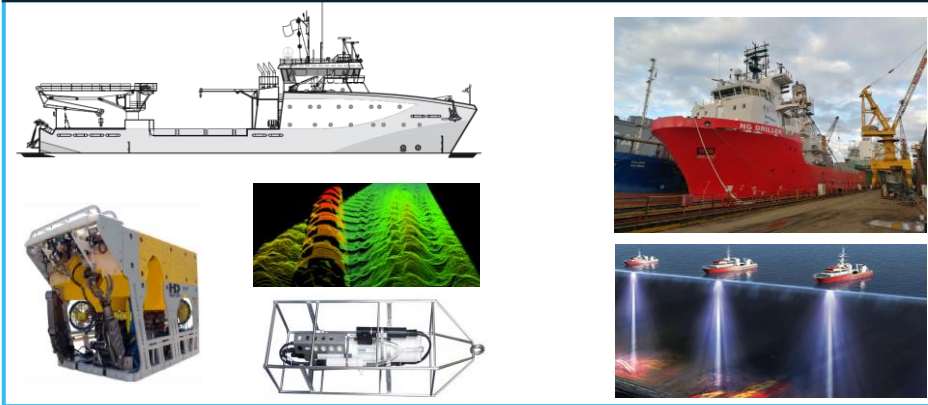
## NET FINANCIAL DEBT EVOLUTION



Value expressed in millions of Euro

# 1H 2024 CAPEX of Euro 16.4 million focused on vessel and equipment

## TANGIBLE ASSET



### Breakdown

- NG Surveyor 3.2 Eur M
- Vessel Upgrade 4.5 Eur M
- Equipment 1.1 Eur M
- ROV 3.0 Eur M

Total as of 30.06.2024

**Eur 11.8 M**

## INTANGIBLE ASSET



### Breakdown

- Leasehold imprvm. & ICT 0.4 Eur M
- Cost for IPO process 3.7 Eur M

Total as of 30.06.2024

**Eur 4.1 M**

## FINANCIAL ASSETS



### Subonica Srl

- Acquisition of 100% of Subonica Srl 0.5 Eur M

Total as of 30.06.2024

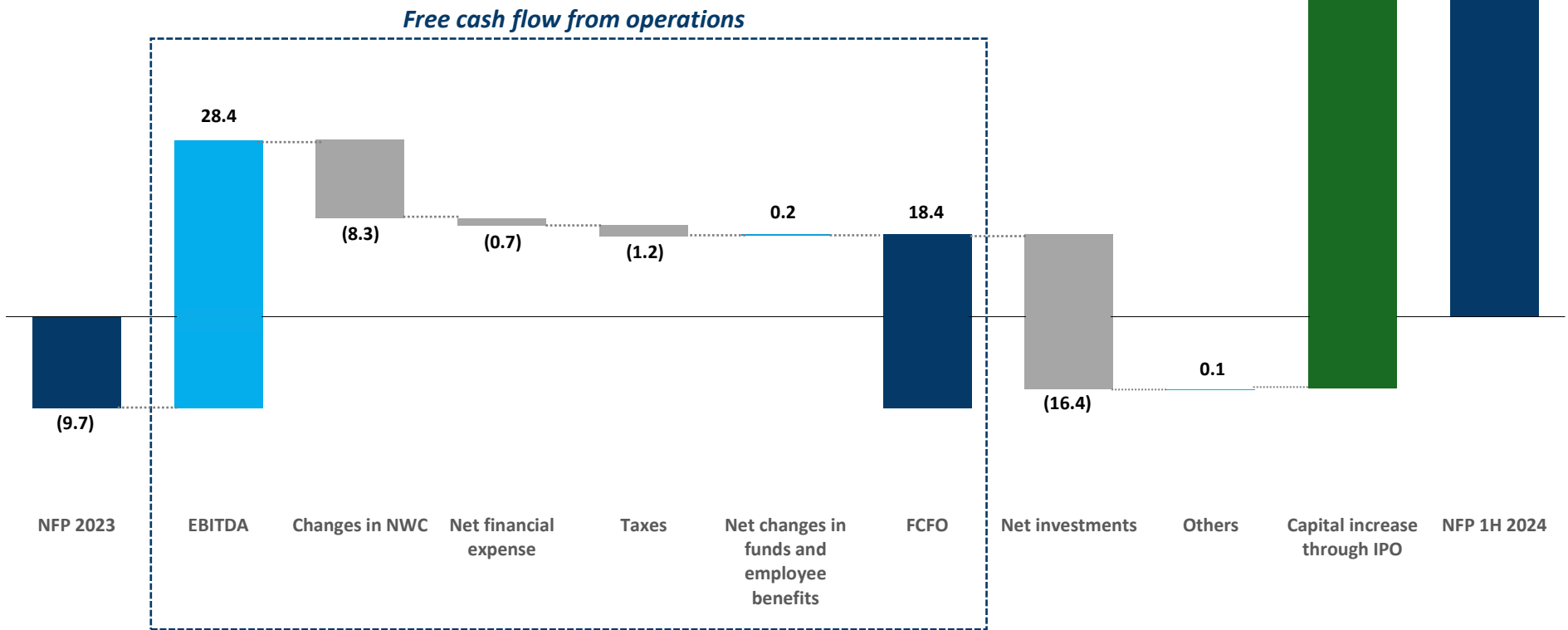
**Eur 0.5 M**

The images above are illustrative. They are intended only to facilitate the presentation of capex

# Detail of changes in NFP

*Impressive EBITDA, superior investments and excellent capital collection through successful IPO*

NFP 2023	(9.7)
Changes in NFP	52.1
NFP 1H2024	42.4




Value expressed in millions of Euro



**Sustainability**

# Sustainability - Reporting




**Sustainability Report 2023 published**

It was prepared using the “Sustainability Reporting Standards” of the **Global Reporting Initiative** published in 2021 (GRI Standards) as a technical methodological reference, according to the “with reference to” reporting method.



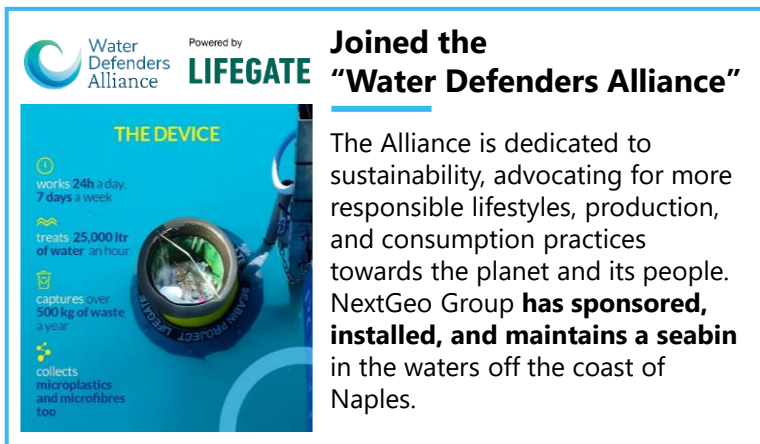
**Received the “EcoVadis Gold Medal”**

In 2024, NextGeo, improving its previous score, was awarded the **EcoVadis Gold Medal**, ranking in the Top 5% of companies evaluated in the past 12 month.




**Next Steps**

NextGeo is preparing for **2024 Sustainability Report**, with the objective of aligning with the latest regulatory requirements. The forthcoming report, although remaining voluntary, will be prepared in accordance with the guidelines set forth by the CSRD, basing on the **European Sustainability Reporting Standards (ESRS)**.



**Joined the “Water Defenders Alliance”**

The Alliance is dedicated to sustainability, advocating for more responsible lifestyles, production, and consumption practices towards the planet and its people. NextGeo Group **has sponsored, installed, and maintains a seabin** in the waters off the coast of Naples.



**Three-Year Strategic Gender Equality Plan**

NextGeo issued its **Three-year Gender Equality Strategic Plan (2024-2026)**. The document, in addition to outlining the company’s action plan, formalizes the appointments to the **Company’s Gender Equality Steering Committee**.





# Market trends & Outlook

# Explosive Offshore Wind Market Trends...

## Market Outlook as of 1H 2024

### Offshore Wind Farm

#### - Market overview



At **Q2 2024**, almost  
**73 GW** is fully commissioned  
worldwide

**Cumulative 116.2 GW** passed the *Final Investment Decision* (post-FID includes operational projects)



**~25 GW** of **Exclusive seabed right**  
have been reached  
at **Q2 2024**



### Interconnector

#### - Market overview



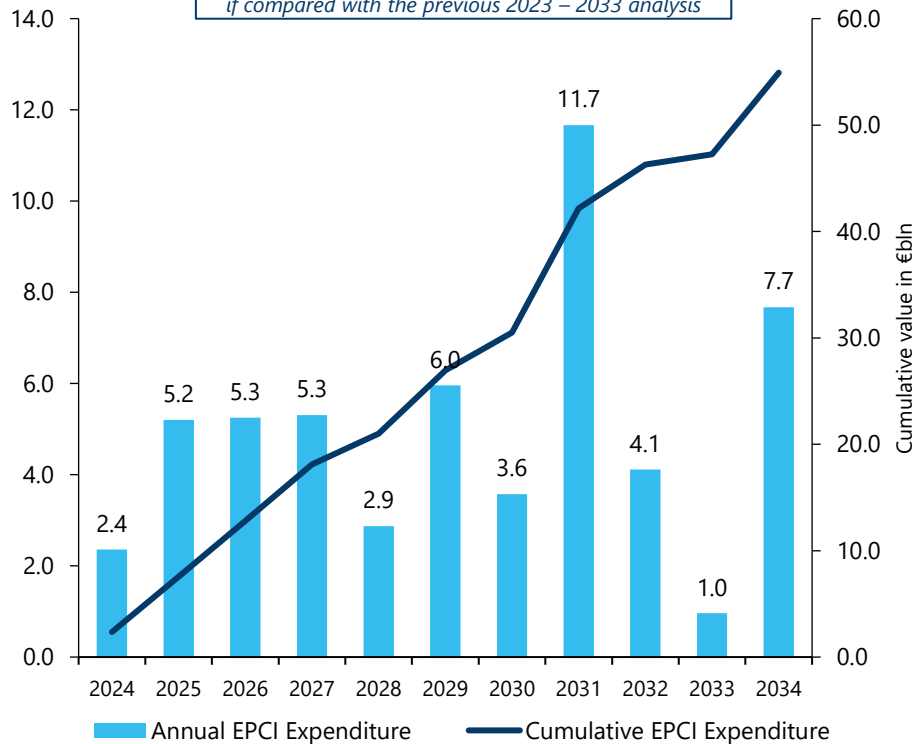
**Over 77,000 km** of Cables Length  
to be installed worldwide **until 2035**

# Market Trends

## Interconnector Market – Europe (in € bln)

The total amount of **EPCI expenditure** for Interconnectors cables between 2024-2034 estimated to be **~55€ bln**

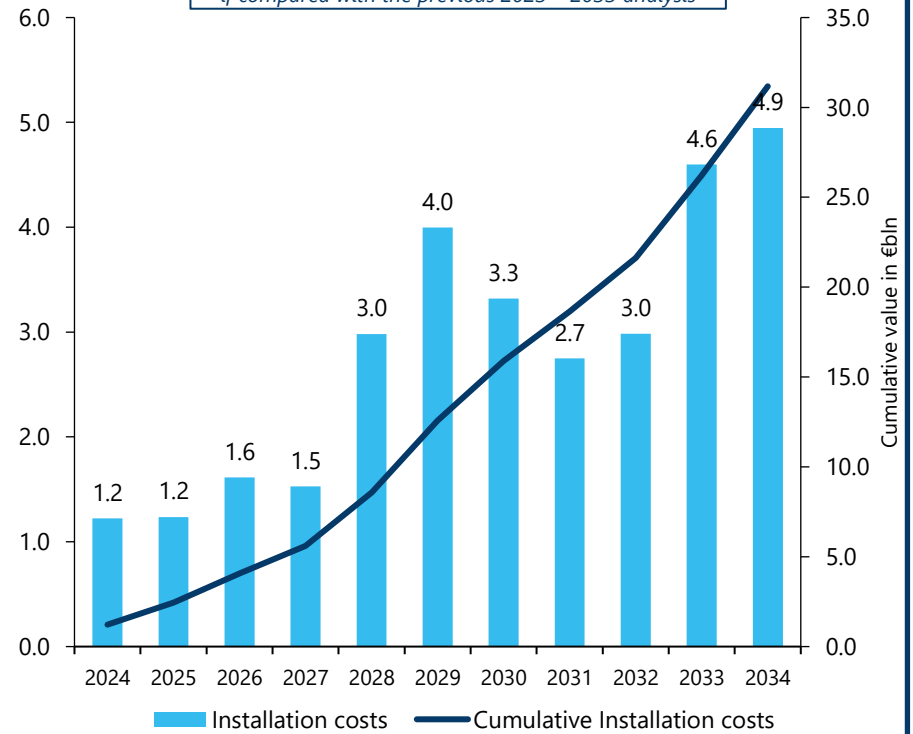
Increase from 31.12.2023 estimation is of approx. **12€ bln**, if compared with the previous 2023 – 2033 analysis



## OWF Cables Market – Europe (in € bln)

Cumulative installation costs for **OWF subsea cables** Between 2024-2034 estimated to be **31.2€ bln**

Increase from 31.12.2023 estimation is of approx. **7.2€ bln**, if compared with the previous 2023 – 2033 analysis

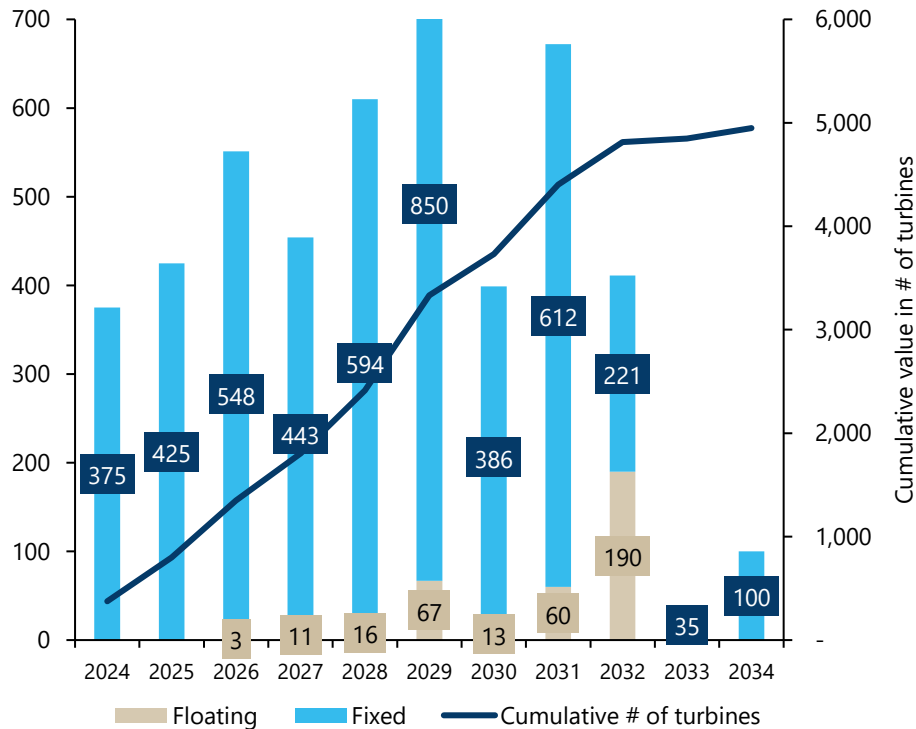


# Market Trends

## OWF Drilling Market - Europe (in # of turbines)

Between 2024-2034 there're **-5.000 offshore turbines** to be installed  
( approx. 90% fixed – 10% floating)

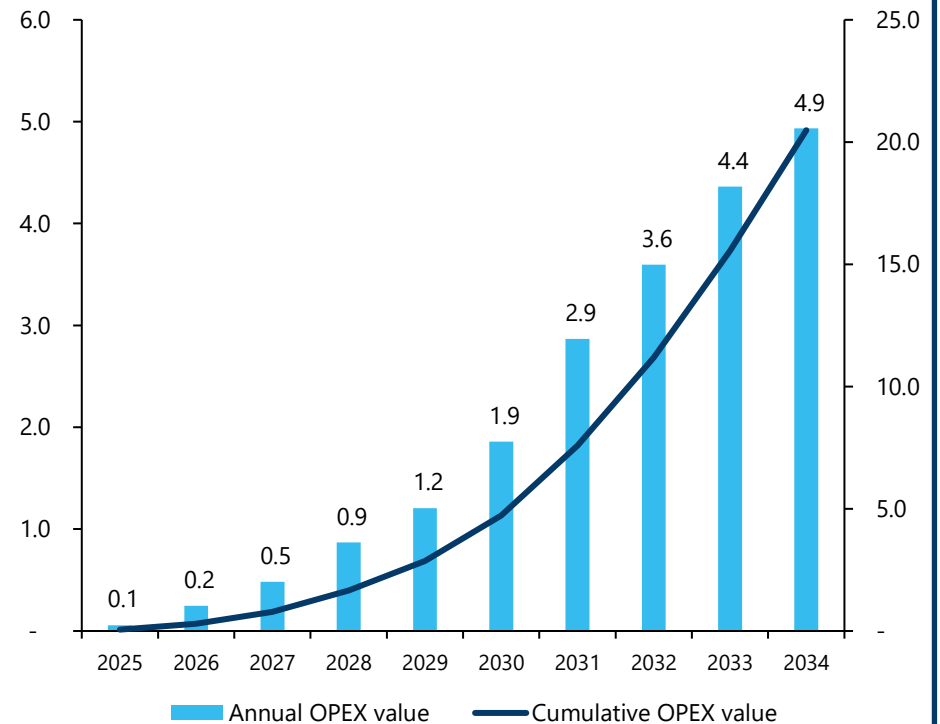
From 31.12.2023 estimation the amount of **offshore turbines** to be installed remains quite similar compared with the previous 2023 – 2033 analysis



## OWF Opex Market – Europe (in € bln)

The total value of **OWF OPEX expenditure** between 2025-2034 estimated to be **20.5€ bln**

Increase from 31.12.2023 estimation is of approx. **1.5€ bln**, if compared with the previous 2024 – 2033 analysis



# Fleet & Geographic Expansion Through Organic and Inorganic Growth

## ORGANIC EXPANSION

FOLLOWING THE PURCHASE OF:

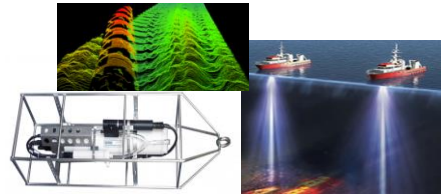
- GEOPHYSICAL VESSEL «**NG SURVEYOR**»  
(TOT. INVESTMENT VALUE 21 EUR MLN)



- ROV **HD SCHILLING & OTHER EQUIPEMENT**  
(TOT. INVESTMENT VALUE 7.6 EUR MLN)



- OTHER RELEVANT **EQUIPEMENT**  
(TOT. INVESTEMENT VALUE 1.6 EUR MLN)



THE STRATEGY AIMS TO CONTINUE  
THE **FLEET EXPANSION**

MAINTAINING THE FLEXIBILITY OF  
AN **ASSET LIGHT COMPANY**  
BALANCING  
**OWNED AND LEASED VESSELS**



## INORGANIC EXPANSION

**NEXT GEO** HAS IDENTIFIED **FEW EUROPEAN AND  
WORLDWIDE TARGET COMPANIES  
FOR INORGANIC EXPANSION**



**DIFFERENT DUE DILIGENCE** ARE CURRENTLY  
ONGOING.



# Appendix

# Income Statement

<i>Value expressed in millions of Euro</i>	<b>1H 2023</b>	<b>1H 2024</b>
Operating revenues	28.8	190.8
Changes in contract work in progress	40.7	(90.3)
Other revenues	1.9	3.6
<b>Total Revenues</b>	<b>71.4</b>	<b>104.1</b>
Raw materials	(4.5)	(7.5)
Cost of services	(25.1)	(35.0)
Leases and rentals	(17.4)	(25.8)
Personnel expenses	(5.2)	(7.2)
Other operating expenses	(0.1)	(0.1)
<b>EBITDA</b>	<b>19.1</b>	<b>28.4</b>
<i>EBITDA Margin %</i>	<i>26.8%</i>	<i>27.3%</i>
D&A	(1.3)	(2.9)
Writedown on receivables	(1.1)	0.0
<b>EBIT</b>	<b>16.8</b>	<b>25.5</b>
<i>EBIT Margin %</i>	<i>23.4%</i>	<i>24.5%</i>
Interest (expense)/income	(0.7)	(0.6)
Foreign exchange gain / (loss)	(0.1)	(0.1)
Revaluations/Write downs of financial assets	0.0	0.0
<b>EBT</b>	<b>15.9</b>	<b>24.8</b>
Taxes	(1.8)	(3.7)
	2.6%	3.5%
<b>Net Income</b>	<b>14.1</b>	<b>21.1</b>
<i>Net Income Margin %</i>	<i>19.7%</i>	<i>20.2%</i>

# Balance Sheet

<i>Value expressed in millions of Euro</i>	<b>2023</b>	<b>1H 2024</b>
Tangible assets	39.2	49.2
Intangible assets	3.1	6.6
Financial assets	0.0	0.0
<b>Fixed Assets</b>	<b>42.3</b>	<b>55.8</b>
Inventories	123.9	34.3
Trade receivables	39.6	41.9
Trade payables	(29.2)	(42.3)
Advances	(116.6)	(6.8)
<b>Trade Working Capital</b>	<b>17.7</b>	<b>27.2</b>
<i>TWC on Total Revenues</i>	<i>11.9%</i>	<i>26.1%</i>
Other current assets	8.5	9.2
Other current payables	(6.5)	(11.9)
<b>Net Working Capital</b>	<b>19.7</b>	<b>24.5</b>
<i>Net Working Capital on Total Revenues</i>	<i>13.3%</i>	<i>23.5%</i>
Other long term receivables / (payables)	(1.2)	(1.0)
Deferred tax assets & tax receivables	1.0	0.8
Severance indemnity fund	(1.4)	(1.5)
Other funds	(1.6)	(0.6)
<b>Net Invested Capital</b>	<b>58.9</b>	<b>78.0</b>
Short-term financial debt	10.9	10.8
Long-term financial debt	16.8	14.2
Cash & Cash Equivalent	(17.8)	(27.2)
Other financial receivables	(0.2)	(40.2)
<b>Net Debt</b>	<b>9.7</b>	<b>(42.4)</b>
<i>Net Debt/EBITDA (x)</i>	<i>0.2x</i>	<i>(1.5x)</i>
<b>Equity</b>	<b>49.2</b>	<b>120.4</b>



# Cash Flow Statement

<i>Value expressed in millions of Euro</i>	1H 2023	1H 2024
<b>A) Cash flow from operating activities</b>		
Net Income	14.1	21.1
Taxes	1.8	3.7
Financial expenses (income)	0.7	0.6
<b>1) Profit before income taxes, interest, dividends and capital gains / losses on disposal</b>	<b>16.7</b>	<b>25.4</b>
Provision to funds	0.2	0.2
Depreciation of fixed assets	1.3	2.9
<b>2) Cash flow before changes in net working capital</b>	<b>18.1</b>	<b>28.5</b>
Decrease / (Increase) in inventories	(40.6)	90.2
Decrease / (Increase) in trade receivables	(5.0)	(1.8)
Increase / Decrease ) in trade payables	(1.5)	7.7
Decrease / (Increase) in accruals and prepaid expenses	1.7	1.9
Increase / (decrease) in accruals liabilities and deferred income	(0.5)	(0.0)
Other decreases / (Other increases) in net working capital	28.3	(106.0)
<b>Total changes in net working capital</b>	<b>(17.5)</b>	<b>(8.2)</b>
<b>3) Cash flow after changes in net working capital</b>	<b>0.6</b>	<b>20.4</b>
Interest received / (paid)	(0.7)	(0.7)
(Taxes paid)	(0.0)	(1.2)
Dividends	-	-
Use of funds	(0.1)	(0.1)
<b>Cash flow from operating activities (A)</b>	<b>(0.2)</b>	<b>18.4</b>
<b>B) Cash flow of investment activity</b>		
(Investments) Tangible assets	(5.6)	(11.7)
(Investments) Intangible assets	(0.6)	(4.1)
Financial assets	0.0	(40.0)
Investments	(0.0)	(40.0)
Divestments	0.0	0.0
Acquisition of subsidiaries net of cash and cash equivalents	-	(0.5)
<b>Cash flow of investment activity (B)</b>	<b>(6.2)</b>	<b>(56.4)</b>
<b>C) Cash flow from financing activities</b>		
Increase (decrease) in short term payables to banks	6.9	(0.2)
New debts	5.0	-
Reimbursement of debts	(2.7)	(2.5)
Capital Increase	-	50.0
<b>Cash flow from financing activities (C)</b>	<b>9.2</b>	<b>47.3</b>
<b>Change in cash and cash equivalents (A ± B ± C)</b>	<b>2.8</b>	<b>9.3</b>
Effect of exchange rate changes on cash and cash equivalents	0.0	0.2

# De-Risking Subsea Infrastructure Projects...

## WHAT WE DO

Concept & Planning

4-10  
Years

EPC, installation and  
commissioning

2-3  
Years

Operations &  
maintenance

20-25  
Years

Decommissioning

1-2  
Years

Client Capex

Client Opex

~81%

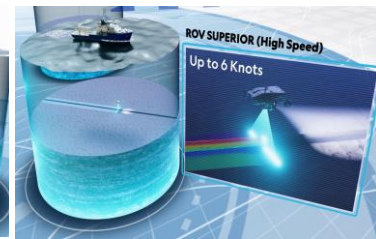
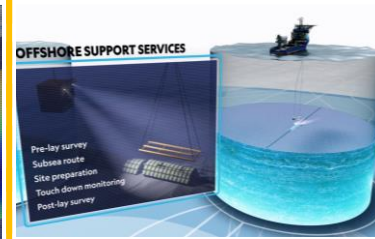
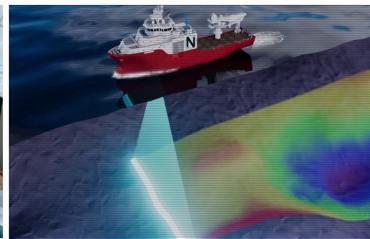
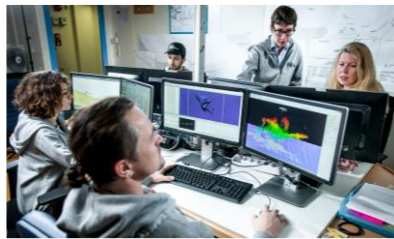
Concept Phase

Design & Engineering

Installation & Construction

Asset in Service

Decommissioning



Provision of a wide range of integrated desktop studies and survey services to assist in the planning and efficient execution of the next stages of the project

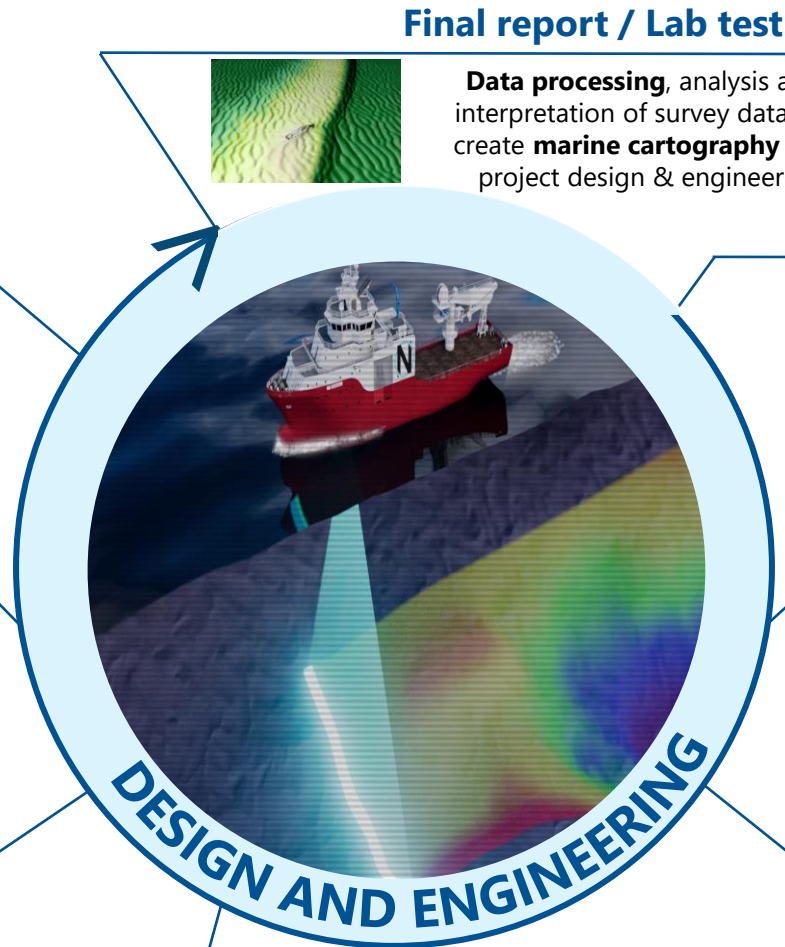
Marine onshore, nearshore and offshore preliminary survey activities are performed in the design & engineering phase to provide high quality data and technical assistance

Offshore construction and installation support in order to optimise costs and reduce risk during this critical phase of the process,

Inspection, repair and maintenance services to ensure customers' projects experience minimal downtime during operations

Support in latest stage of project development ensuring full compliance with QHSE policies and environmental responsibilities

# ...by Analyzing Seabed and Marine Subsea Data



## Final report / Lab test



**Data processing**, analysis and interpretation of survey data to create **marine cartography** for project design & engineering

## Desktop studies



Existing **data review** and **information assessment** on the marine site

## Mobilization



**Set-up** of the vessels with **equipment** and **personnel**

## Geophysics



**Marine survey** activities for the **bathymetry**, **morphology** and **stratigraphy** of the **seabed**

## Environmental



**Marine habitat** characterization and/or **environmental** protection activities

## Demobilization



**End of marine activities** and **removal** of marine spread release

## UXO



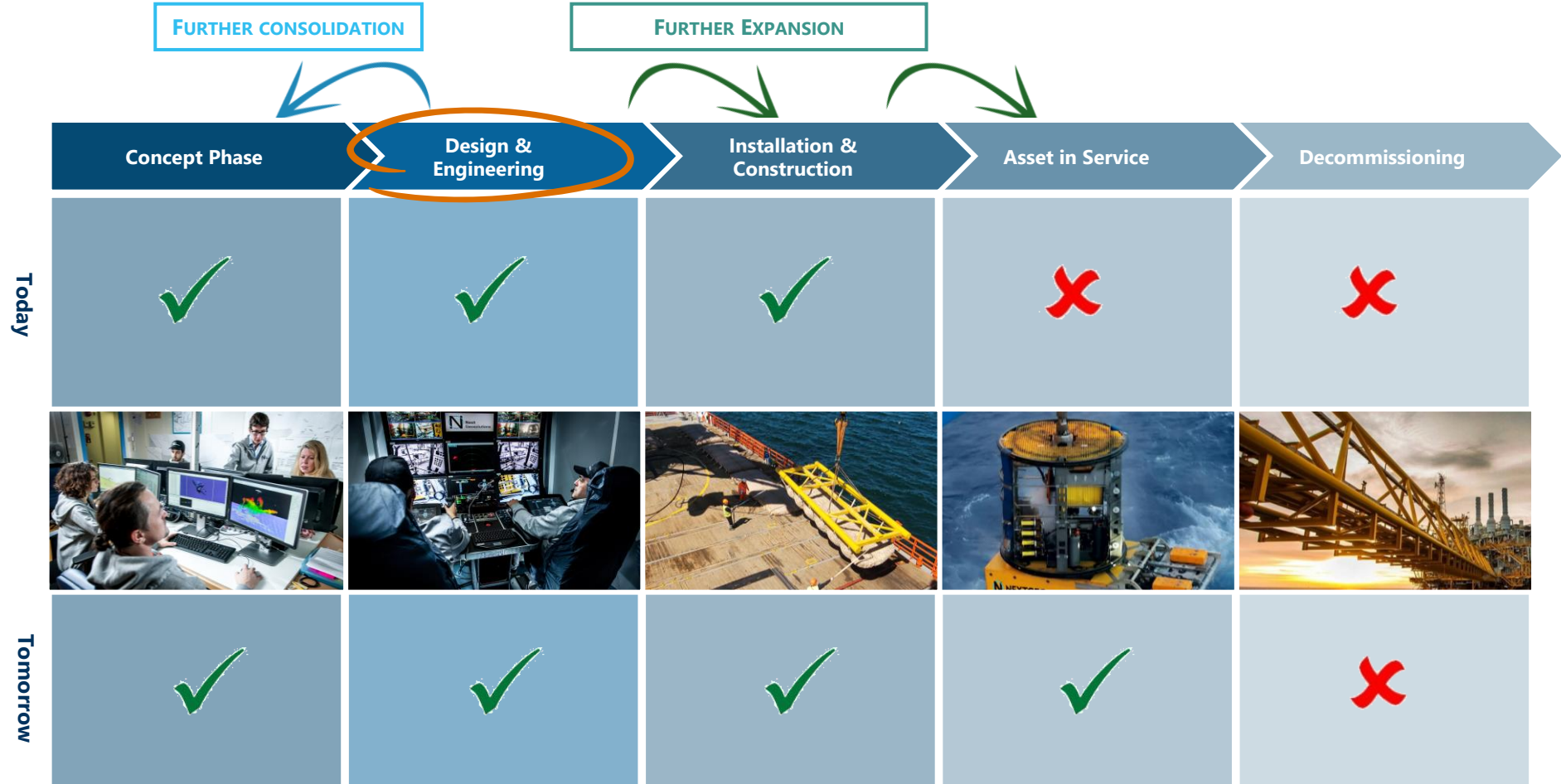
**Investigation, Identification** and **Clearance** of **unexploded ordnance** objects present on the seabed

## Geotechnics



**Measuring** of the mechanical **characteristics** of the **subsoil** with geotechnical drilling, coring and CPT

# Value Chain Integration Widening the Spectrum of Services Offered



EXPANDING THE BUSINESS MODEL TO CATCH OTHER VALUE CHAIN SEGMENTS WILL SECURE NEXTGEO BACKLOG IN THE LONG-RUN

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The presentation contains the interim economic, financial and equity data as of June 30, 2024 compared with the same data for the previous financial year. The figures in absolute value and percentage are calculated on the basis of precise financial data. Some of the differences found in this presentation are due to the rounding of the values, expressed in millions of Euro. It is declared that the information contained in this press release corresponds to the results of the books and accounting records.