



Fourth Quarter and Full Year 2020 Earnings Presentation

25 February 2021

Forward-looking statements

This document may contain 'forward-looking statements' (within the meaning of the safe harbour provisions of the U.S. Private Securities Litigation Reform Act of 1995). These statements relate to our current expectations, beliefs, intentions, assumptions or strategies regarding the future and are subject to known and unknown risks that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements may be identified by the use of words such as 'anticipate', 'believe', 'estimate', 'expect', 'future', 'goal', 'intend', 'likely', 'may', 'plan', 'project', 'seek', 'should', 'strategy', 'will', and similar expressions. The principal risks which could affect future operations of the Group are described in the 'Risk Management' section of the Group's Annual Report and Consolidated Financial Statements for the year ended 31 December 2019. Factors that may cause actual and future results and trends to differ materially from our forward-looking statements include (but are not limited to): (i) our ability to deliver fixed price projects in accordance with client expectations and within the parameters of our bids, and to avoid cost overruns; (ii) our ability to collect receivables, negotiate variation orders and collect the related revenue; (iii) our ability to recover costs on significant projects; (iv) capital expenditure by oil and gas companies, which is affected by fluctuations in the price of, and demand for, crude oil and natural gas; (v) unanticipated delays or cancellation of projects included in our backlog; (vi) competition and price fluctuations in the markets and businesses in which we operate; (vii) the loss of, or deterioration in our relationship with, any significant clients; (viii) the outcome of legal proceedings or governmental inquiries; (ix) uncertainties inherent in operating internationally, including economic, political and social instability, boycotts or embargoes, labour unrest, changes in foreign governmental regulations, corruption and currency fluctuations; (x) the effects of a pandemic or epidemic or a natural disaster; (xi) liability to Fourth parties for the failure of our joint venture partners to fulfil their obligations; (xii) changes in, or our failure to comply with, applicable laws and regulations (including regulatory measures addressing climate change); (xiii) operating hazards, including spills, environmental damage, personal or property damage and business interruptions caused by adverse weather; (xiv) equipment or mechanical failures, which could increase costs, impair revenue and result in penalties for failure to meet project completion requirements; (xv) the timely delivery of vessels on order and the timely completion of ship conversion programmes; (xvi) our ability to keep pace with technological changes and the impact of potential information technology, cyber security or data security breaches; and (xvii) the effectiveness of our disclosure controls and procedures and internal control over financial reporting;. Many of these factors are beyond our ability to control or predict. Given these uncertainties, you should not place undue reliance on the forward-looking statements. Each forward-looking statement speaks only as of the date of this document. We undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



Fourth Quarter and Full Year 2020

John Evans, CEO

Ricardo Rosa, CFO

- Highlights
- Financial performance
- Outlook
- Q&A

Fourth quarter 2020 results

FINANCIAL HIGHLIGHTS

- Revenue \$1,014 million
- Adjusted EBITDA \$165 million
- Adjusted EBITDA margin 16%
 - After incurring net Covid-19 costs of approximately \$5 million
- Cash and cash equivalents \$512 million
- Net cash \$49 million
- Board recommends dividend of NOK 2.00 per share

OPERATIONAL HIGHLIGHTS

- Active fleet vessel utilisation: 82%
- High PLSV and Life of Field utilisation
- Zinia progressing on schedule
- Seagreen making good progress
- Yunlin restrictions in Taiwan resolved

STRATEGIC HIGHLIGHTS

- Bacalhau FEED completed
- *Seven Vega* mobilised to GoM
- Launch of Subsea 7 Carbon Estimator

Fourth quarter operational highlights



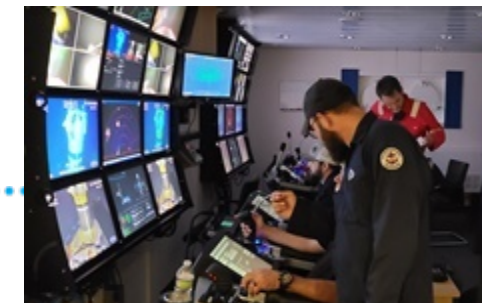
Penguins (UK)



Blythe (UK)



Lapa (Brazil)



Mad Dog II (GoM)



Zinia (Angola)



Life of Field



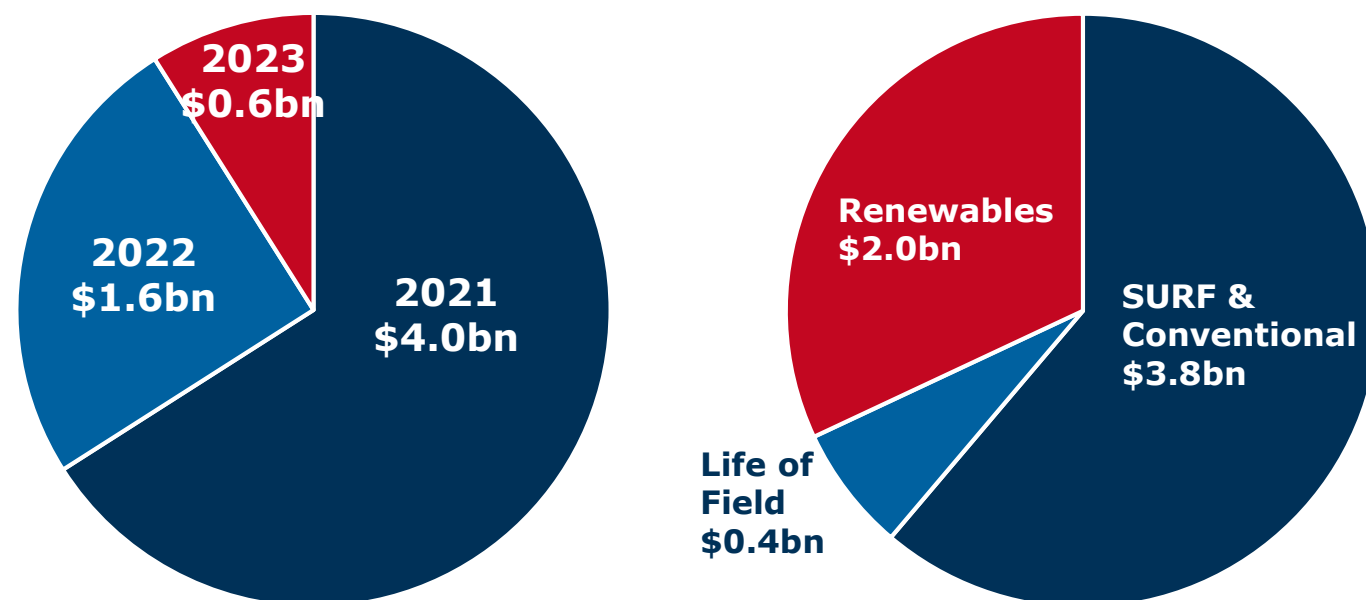
PLSVs (Brazil)



Seagreen (UK)

Year end 2020 backlog

Backlog of \$6.2 billion, as at 31 December 2020



- Order intake
 - \$0.2 billion in Q4
 - \$4.4 billion in FY 2020
- 1.3 book-to-bill in FY 2020
- Since year end
 - SLGC \$150-\$300m
 - Northern Lights approximately \$50m

Order backlog includes:

- \$0.4 billion relating to long-term contracts for PLSVs in Brazil
- approximately \$190 million favourable foreign exchange movement in the fourth quarter and \$90 million in the full year

Income statement summary - Q4 and FY 2020

	Three months ended		Twelve months ended	
	31 December 2020 Unaudited	31 December 2019 Unaudited	31 December 2020 Audited	31 December 2019 Audited
In \$ millions, unless otherwise indicated				
Revenue	1,014	889	3,466	3,657
Net operating (loss)/income excluding goodwill impairment	(35)	(16)	(428)	77
Impairment of goodwill	(27)	(100)	(605)	(100)
Net operating loss ⁽¹⁾⁽²⁾	(62)	(116)	(1,034)	(23)
Loss before taxes	(89)	(131)	(1,072)	(53)
Taxation	(14)	2	(33)	(30)
Net loss	(103)	(129)	(1,105)	(82)
Adjusted EBITDA ⁽³⁾	165	168	337	631
Adjusted EBITDA margin	16%	19%	10%	17%
Diluted earnings per share \$	(0.35)	(0.45)	(3.67)	(0.27)
Weighted average number of shares (millions)	298	299	298	305

(1) FY 2020 net operating loss includes goodwill impairment charges of \$605m (2019: \$100m) and asset impairment charges of \$323m (2019: \$70m).

(2) Q4 2020 net operating loss includes goodwill impairment charges of \$27m (2019: \$100m) and asset impairment charges of \$94m (2019: \$70m).

(3) Adjusted EBITDA defined in Note 8 of the Condensed Consolidated Financial Statements.

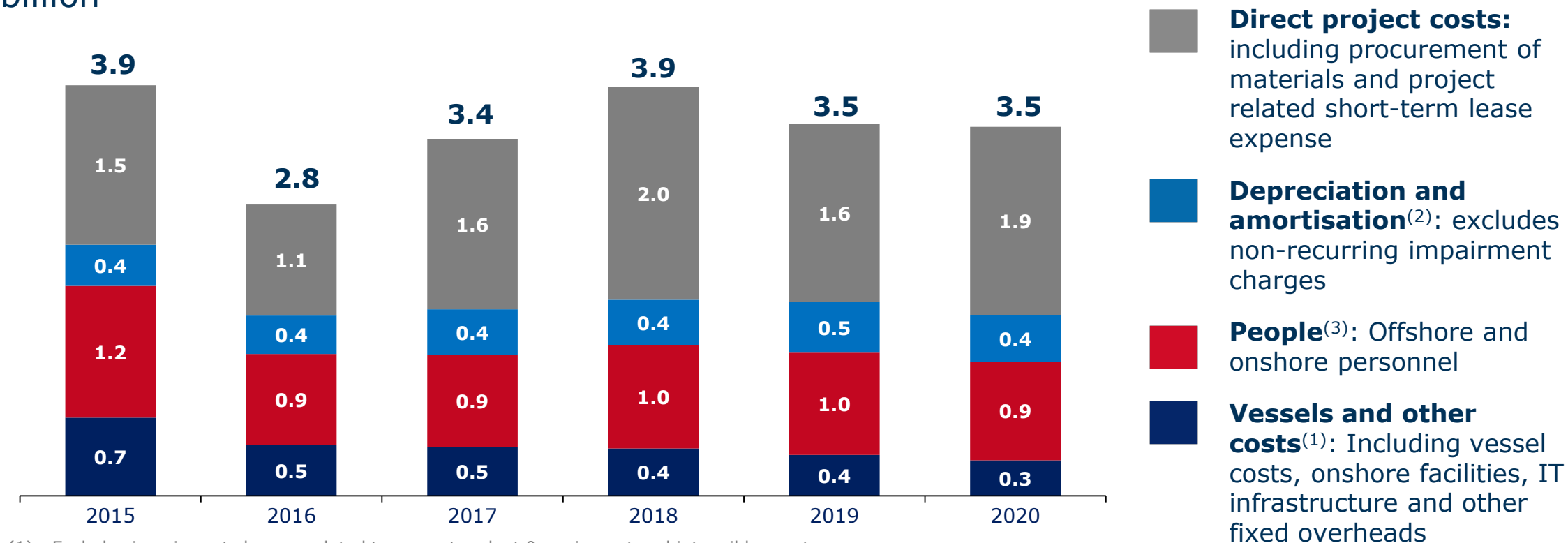
Supplementary details - Q4 and FY 2020

In \$ millions	Three months ended		Twelve months ended	
	31 December 2020 Unaudited	31 December 2019 Unaudited	31 December 2020 Audited	31 December 2019 Audited
Administrative expenses	(62)	(76)	(241)	(268)
Share of net income/(loss) of associates and joint ventures	5	5	(1)	(1)
Depreciation and amortisation	(105)	(115)	(442)	(484)
Impairment of property plant and equipment and intangibles	(95)	(70)	(323)	(70)
Impairment of goodwill	(27)	(100)	(605)	(100)
Net operating loss	(62)	(116)	(1,034)	(23)
Net finance cost	(8)	(3)	(20)	(12)
Other gains and losses	(20)	(11)	(18)	(18)
Loss before taxes	(89)	(131)	(1,072)	(53)
Taxation	(14)	2	(33)	(30)
Net loss	(103)	(129)	(1,105)	(82)
Net (loss)/income attributable to:				
Shareholders of the parent company	(103)	(136)	(1,093)	(83)
Non-controlling interests	-	7	(12)	1

2015 - 2020 costs overview

Maintaining cost discipline as the activity levels recover

\$ billion



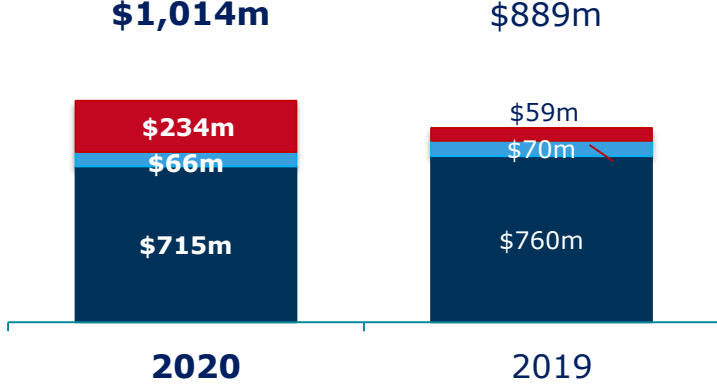
(1) Excludes impairment charges related to property, plant & equipment and intangible assets

(2) Reflects the adoption of IFRS 16 effective from 1 January 2019

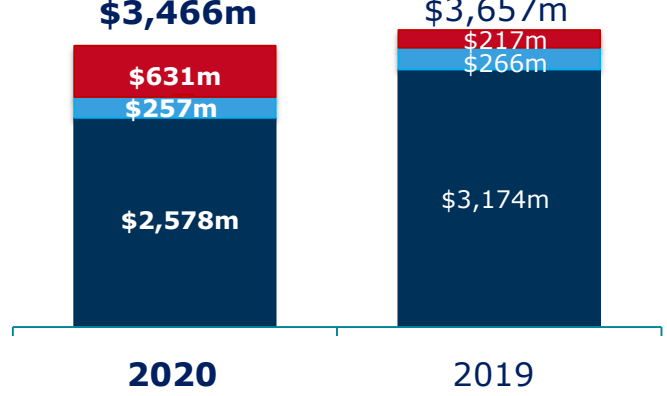
(3) Excludes restructuring charges in 2015, 2016 and 2020

Business unit performance

Fourth Quarter Revenue



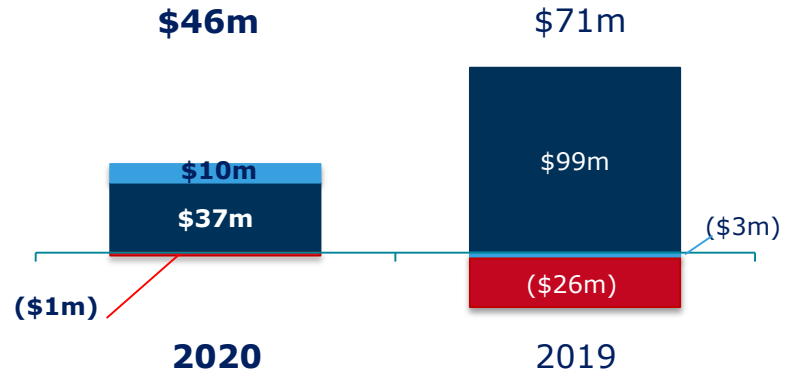
Full Year Revenue



- Renewables & Heavy Lifting
- Life of Field
- SURF & Conventional

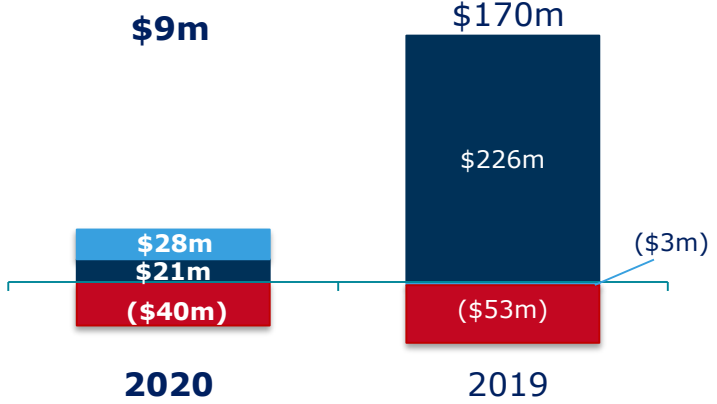
Fourth Quarter NOI (1)

(excluding impairment charges)



Full Year NOI (2)

(excluding impairment charges)

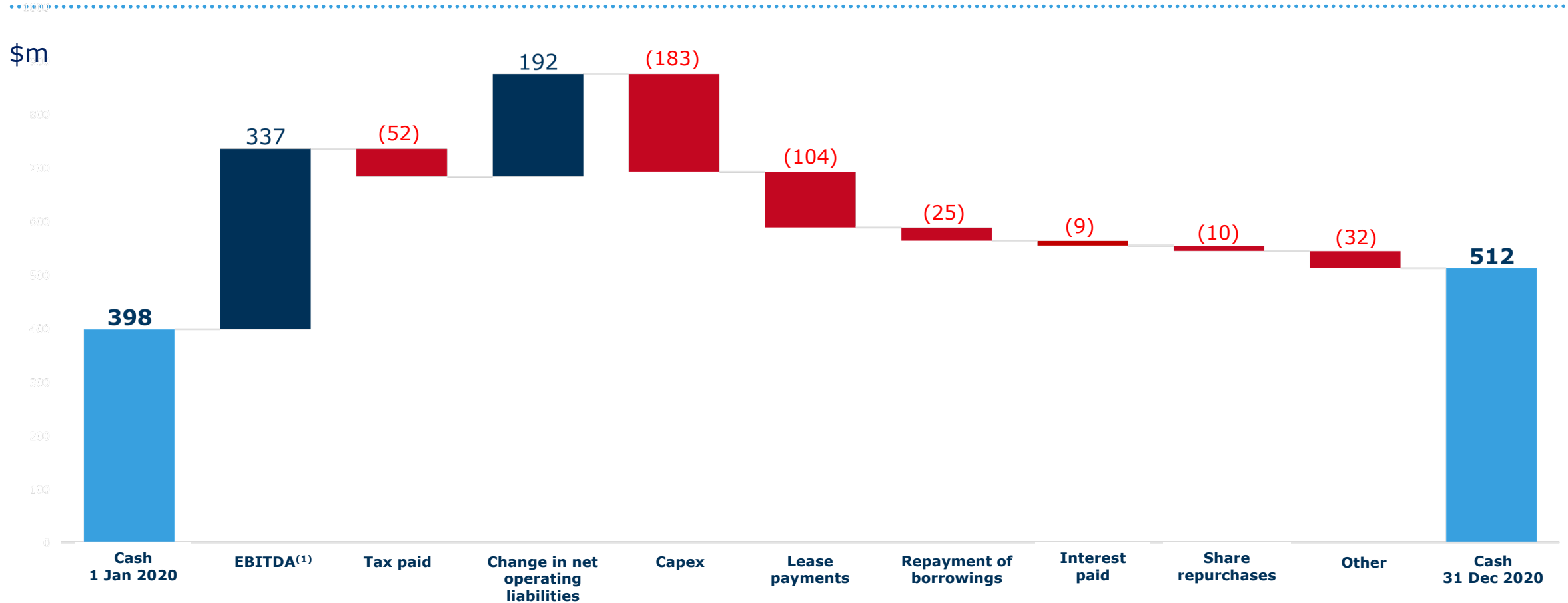


(1) Q4 2020 NOI excludes goodwill impairment charges of \$27m (2019: \$100m) and impairment charges related to other assets of \$94m (2019: \$70m)

(2) Full Year 2020 NOI excludes goodwill impairment charges of \$605m (2019: \$100m) and impairment charges related to other assets of \$323m (2019: \$70m)

Excludes results of the Corporate segment: Q4 2020 NOI \$4m (2019: NOL \$18m); Full Year 2020 NOL \$143m (2019: NOL \$24m)

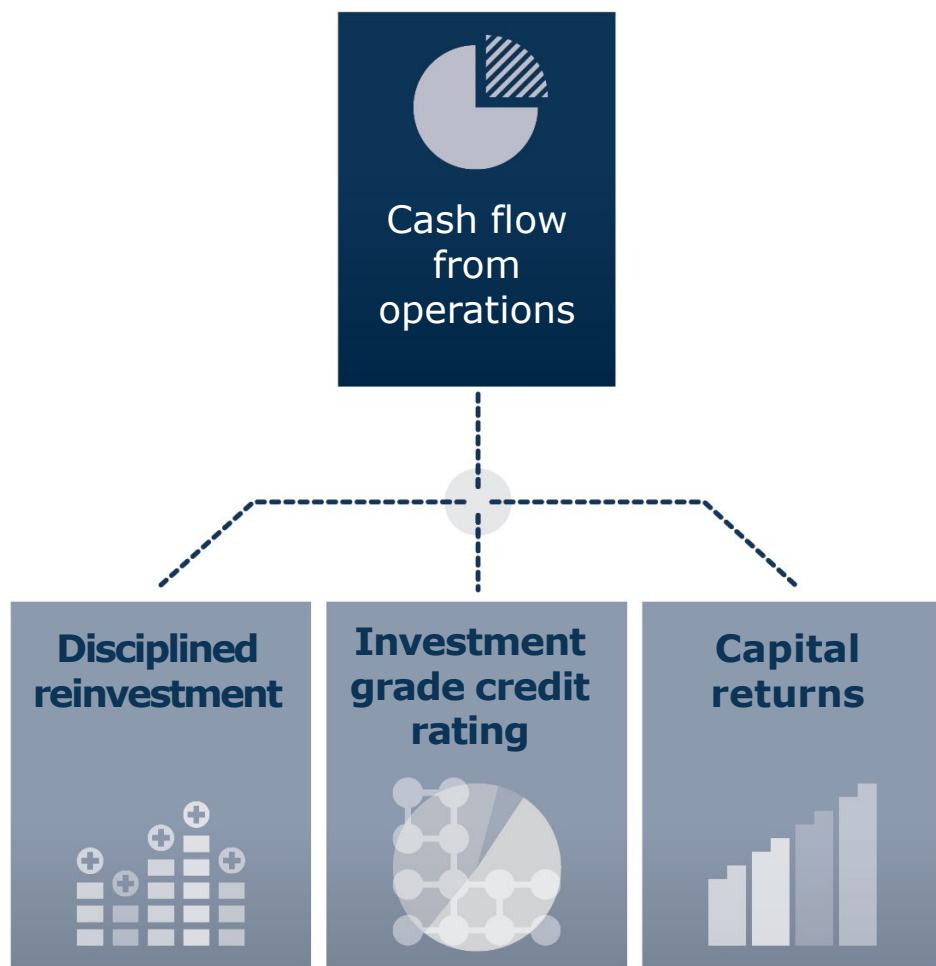
Summary of 2020 cash flow



- Net cash (excluding lease liabilities) of \$303 million at 31 December 2020

(1) After incurring \$70 million net costs associated with Covid-19 and \$86 million restructuring charges

Capital allocation framework



- Balanced capital allocation strategy to protect and drive growth in shareholder value
- Re-investment in a disciplined manner
 - Investment in technology and digitalisation remains a priority
 - Sufficient cash to fund working capital requirements, to enable growth
- Prudent management of the balance sheet
 - Support the business through-cycle
 - Maintain flexibility to seize opportunities
- Return excess cash to shareholders
 - Approximately \$2 billion returned in the last ten years through special dividends and share repurchases
 - Annual evaluation by Board based on outlook and strategic priorities

Financial guidance

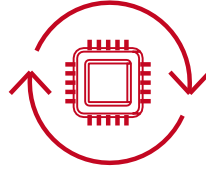
2021 Guidance

Revenue	.....	Higher than 2020
Adjusted EBITDA	.....	Higher than 2020
Net operating income	.....	Positive
Administrative expense	.....	\$220 million - \$240 million
Net finance cost	.....	\$15 million - \$20 million
Depreciation and amortisation	.....	\$430 million - \$450 million
Tax charge	.....	\$20 million - \$30 million
Capital expenditure	.....	\$120 million - \$140 million

- New business units from 1 January 2021:
 - **Subsea and Conventional:** comprising SURF and Conventional, and Life of Field
 - **Renewables:** excluding oil and gas activities (negligible in 2020)
 - **Corporate:** including Xodus and 4Subsea

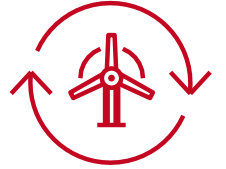
Strategic focus areas

Subsea Field of the Future: Systems and Delivery

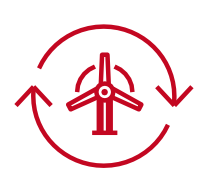


- Early engagement and partnerships
- Systems innovation and enabling products
- Integrated SPS and SURF
- Digital delivery of projects and services

Energy Transition: Proactive Participation



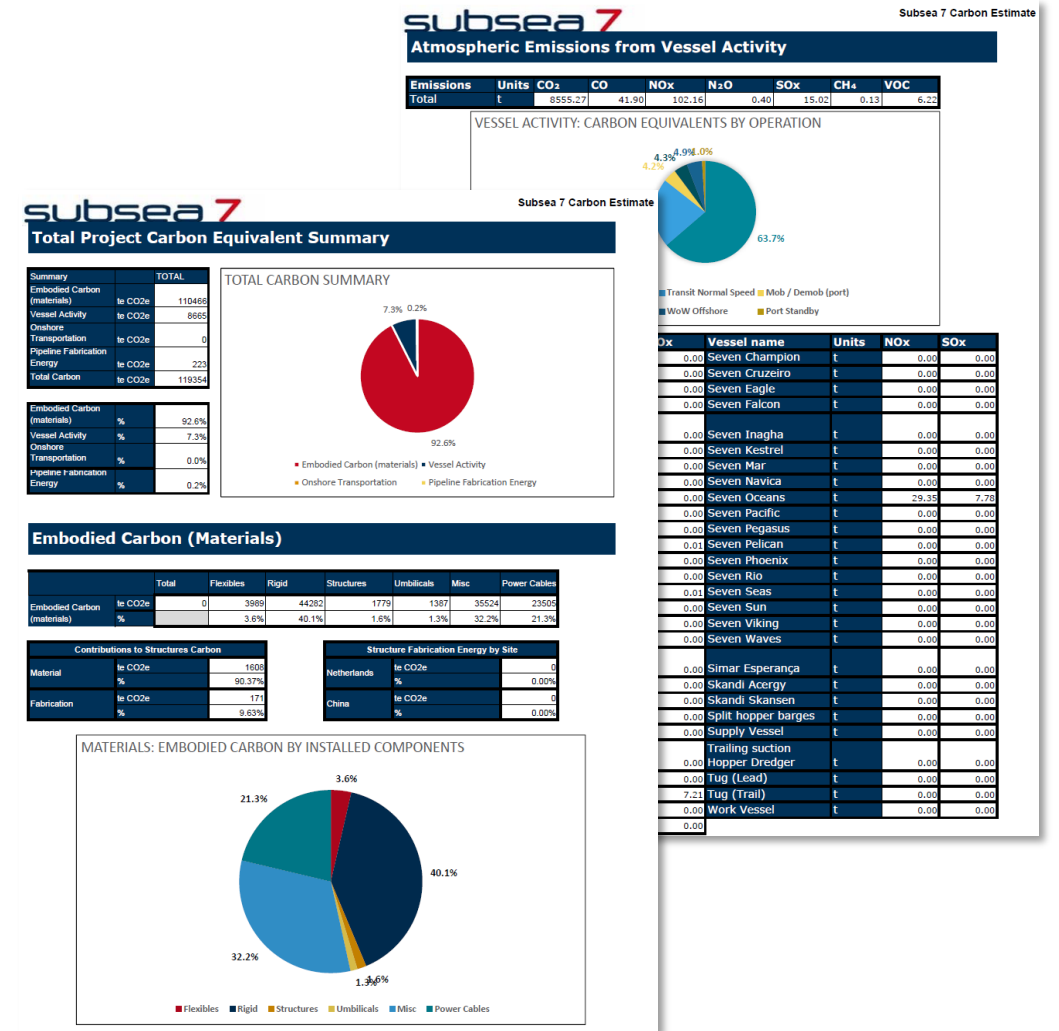
- Renewables – offshore wind
- Oil and gas – lower carbon developments
- Emerging energy – new markets and opportunities
- Operations – sustainable and efficient

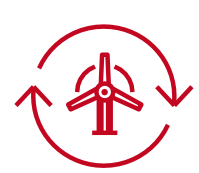


Oil and Gas – Lower Carbon Developments

Subsea 7 Carbon Estimator

- Estimation of CO₂e emissions associated with Subsea 7's project delivery
 - Procurement: materials, equipment, products fabrication & assembly
 - Pipeline fabrication at Subsea 7 sites
 - Vessels: owned, chartered and third party
- Supporting our own Sustainability objectives as well as those of our clients
 - Allowing refinement across the value chain to reduce emissions
 - Assessment of potential improvements to Subsea 7's operations such as vessel hybridisation, digitalisation, remote operations





Renewables – offshore wind

- Seagreen making good progress
 - 18% complete at year end
 - Fabrication of jackets and array cables under way in the Middle East, China and Greece
- In 2020, progress in Taiwan hampered by restricted access and weather
 - Plan agreed to recommence work on Yunlin
- *Seven Phoenix* conversion on track for delivery by mid-year 2021
- 748 foundations and 816km cables installed to date
 - Backlog includes 1,881 km of cables and 339 foundations to be installed in 2021-23
- Tendering activity high for awards to the market expected in nine to twelve months' time
- Building a robust Renewables business



Sustainability: enhanced disclosure

- Building a sustainable business founded on our long-established company policies
- Sustainability Steering Committee formed within the Executive Committee
 - Engagement at every Board meeting
- Good progress across our six Sustainability Priorities
 - Development of material and impactful metrics
 - Improved ratings at DJSI and ISS
- Our second Sustainability Report
 - To be published in March 2021

What makes us who we are



Outlook

- SURF and Conventional
 - Greater activity in Gulf of Mexico, Norway, Brazil
 - Lower activity in the UK, Africa, Middle East and Asia
- Renewables
 - Active tendering in the 3 main regions
 - Prospects emerging in floating wind

Canada and USA

- **Ørsted** Ocean Wind, Skipjack (w)
- **Shell & EDPR** Mayflower (w)
- **Equinor** Empire (w)
- **Dominion Energy** Coastal Virginia (w)
- **Shell** Whale
- **Equinor** Bay du Nord

Europe

- **Iberdrola** East Anglia Hub (w)
- **Red Rock** Inch Cape (w)
- **EDPR** Moray West (w)
- **Shell** Jackdaw, Ormen Lange Phase III (i)
- **AkerBP** Kobra East/Gekko
- **OKEA** Hasselmus (i)

Africa

- **Aker Energy** Pecan (i,f)
- **ENI** Rovuma (f)
- **Total** CLOV 3

Middle East & Asia

- **RWE** Chu Feng (w)
- **NOC Qatar** Gallaf

South America

- **Petrobras** Mero 3; Buzios 6,7,8; PLSVs
- **Equinor** Bacalhau (i,f); BMC 33

Australia

- **Woodside** Scarborough (i,f)
- **Chevron** Jansz-Io Compression

(i) Integrated SURF-SPS, (w) offshore wind, (f) FEED already awarded, Subsea 7 is preferred EPCI supplier

Summary: well-positioned across energy markets

- Resilient backlog of \$6.2 billion, with \$4.0 billion for execution in 2021
 - Backlog growth of 20% in 2020 despite challenging conditions
 - Preferred contractor on a number of key greenfield subsea projects
- Focused on oil and gas markets with favourable breakevens
- Continued momentum in offshore wind markets
- Covid-19 remains a challenge in 2021
- Strong balance sheet and liquidity
 - Financial stability and flexibility
 - Dividend of NOK 2.00 per share recommended by the Board



ANY QUESTIONS?



Appendix

Major project progression

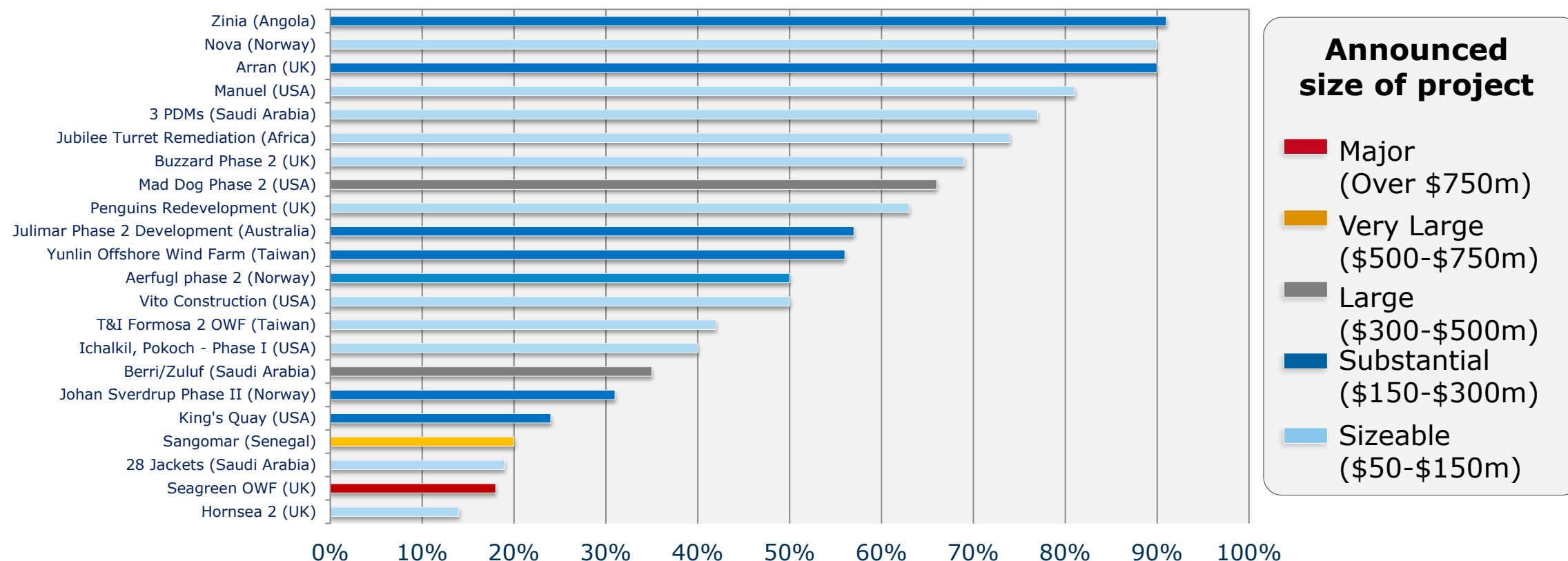
Track Record

Fleet

Financial summaries

Major project progression

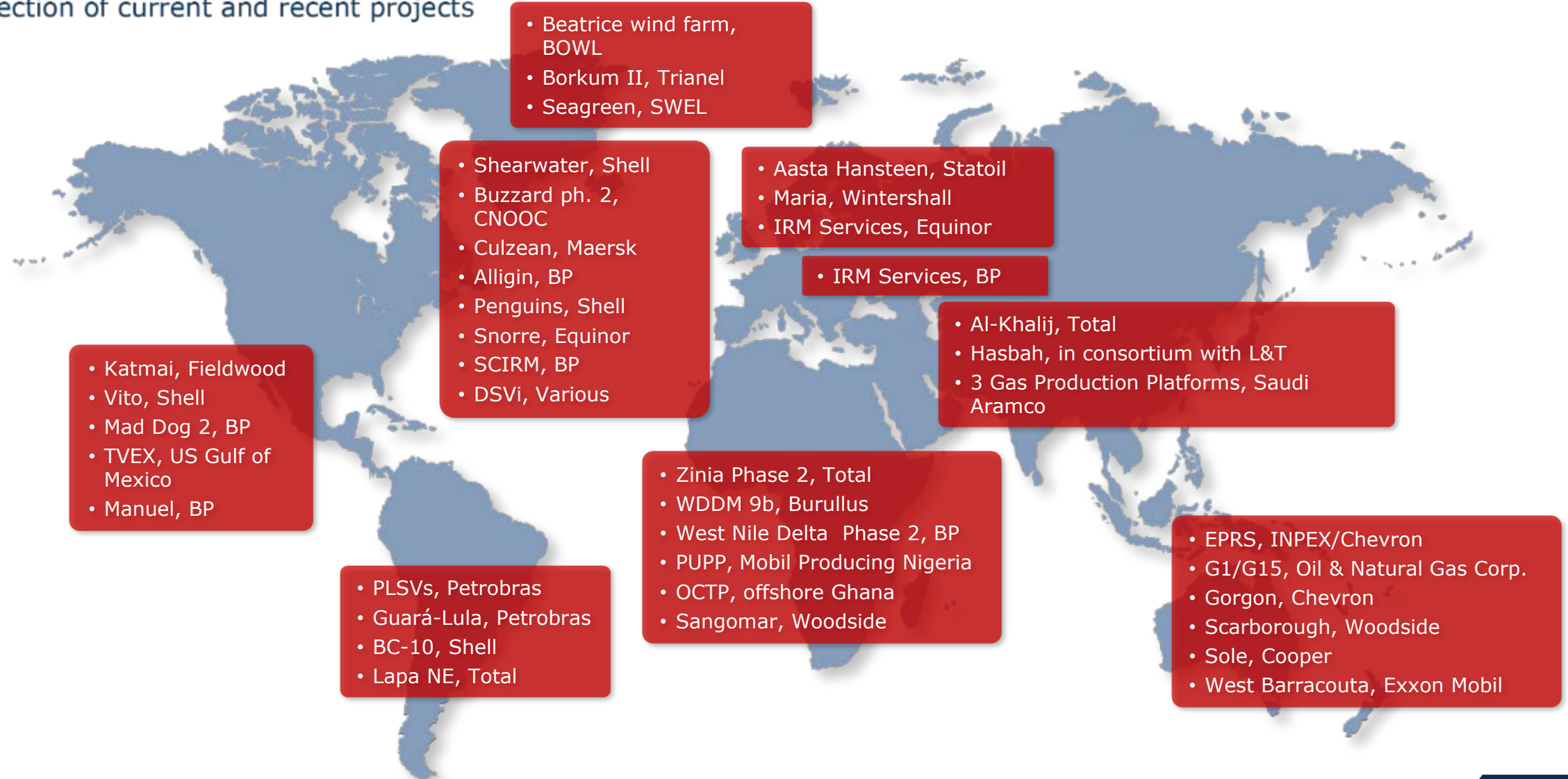
- Continuing projects >\$100m between 5% and 95% complete as at 31 December 2020 excluding PLSV and Life of Field day-rate contracts



TRACK RECORD

Over 1,000 projects delivered for our clients worldwide

- A selection of current and recent projects



Fleet - 30 active vessels at end Q4 '20

RIGID PIPELAY/HEAVY LIFT VESSELS



CONSTRUCTION/HORIZONTAL FLEX-LAY VESSELS



DIVING SUPPORT VESSELS



RENEWABLES AND HEAVY LIFTING VESSELS







LIFE OF FIELD VESSELS



LIFT/HOOK-UP



-  Long-term charter from a vessel-owning joint venture
-  Stacked
-  Chartered from a third party
-  Under conversion to cable lay

Seven Antares and Seven Inagha are owned by Subsea 7's Nigerian joint venture. Harvey Intervention was released on 23 January 2021

Segmental analysis

For the three months ended 31 December 2020

In \$ millions (Unaudited)	SURF & Conventional	Life of Field	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	715	66	234	-	1,014
Net operating (loss)/income excluding goodwill impairment	(47)	10	(1)	4	(35)
Impairment of goodwill	(13)	(14)	-	-	(27)
Net operating (loss)/income	(60)	(4)	(1)	4	(62)
Finance income					1
Other gains and losses					(20)
Finance costs					(9)
Loss before taxes					(89)

For the three months ended 31 December 2019

In \$ millions (Unaudited)	SURF & Conventional	Life of Field	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	760	70	59	-	889
Net operating income/(loss) excluding goodwill impairment	33	(3)	(29)	(18)	(16)
Impairment of goodwill	-	-	(100)	-	(100)
Net operating income/(loss)	33	(3)	(129)	(18)	(116)
Finance income					3
Other gains and losses					(11)
Finance costs					(6)
Loss before taxes					(131)

Segmental analysis

For the year ended 31 December 2020

In \$ millions (Audited)	SURF & Conventional	Life of Field	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	2,578	257	631	-	3,466
Net operating (loss)/income excluding goodwill impairment	(259)	13	(40)	(143)	(428)
Impairment of goodwill	(591)	(14)	-	-	(605)
Net operating loss	(850)	(1)	(40)	(143)	(1,034)
Finance income					5
Other gains and losses					(18)
Finance costs					(25)
Loss before taxes					(1,072)

For the year ended 31 December 2019

In \$ millions (Audited)	SURF & Conventional	Life of Field	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	3,174	266	217	-	3,657
Net operating income/(loss) excluding goodwill impairment	160	(3)	(56)	(24)	77
Impairment of goodwill	-	-	(100)	-	(100)
Net operating income/(loss)	160	(3)	(156)	(24)	(23)
Finance income					13
Other gains and losses					(18)
Finance costs					(25)
Loss before taxes					(53)

Summary balance sheet

In \$ millions	31 December 2020 Audited	31 December 2019 Audited
Assets		
Non-current assets		
Goodwill	85	705
Property, plant and equipment	3,983	4,422
Right-of-use assets	213	328
Other non-current assets	181	160
Total non-current assets	4,462	5,615
Current assets		
Trade and other receivables	591	605
Construction contracts - assets	471	398
Other accrued income and prepaid expenses	198	169
Cash and cash equivalents	512	398
Other current assets	63	39
Total current assets	1,835	1,609
Total assets	6,297	7,224

In \$ millions	31 December 2020 Audited	31 December 2019 Audited
Equity & Liabilities		
Total equity	4,255	5,363
Non-current liabilities		
Non-current portion of borrowings	184	209
Non-current lease liabilities	169	251
Other non-current liabilities	138	136
Total non-current liabilities	491	596
Current liabilities		
Trade and other liabilities	982	858
Current portion of borrowings	25	25
Current lease liabilities	85	94
Construction contracts – liabilities	280	162
Other current liabilities	179	126
Total current liabilities	1,551	1,265
Total liabilities	2,042	1,861
Total equity & liabilities	6,297	7,224

Reconciliation of Adjusted EBITDA

Net operating income to Adjusted EBITDA

For the period (in \$millions)	Three Months Ended 31 Dec 2020 Unaudited	Three Months Ended 31 Dec 2019 Unaudited	Year Ended 31 Dec 2020 Audited	Year Ended 31 Dec 2019 Audited
Net operating loss	(62)	(116)	(1,034)	(23)
Depreciation, amortisation, mobilisation and impairment (excl. goodwill)	199	185	765	554
Impairment of goodwill	27	100	605	100
Adjusted EBITDA	165	168	337	631
Revenue	1,014	899	3,466	3,657
Adjusted EBITDA %	16%	19%	10%	17%

Net (loss)/income to Adjusted EBITDA

For the period (in \$millions)	Three Months Ended 31 Dec 2020 Unaudited	Three Months Ended 31 Dec 2019 Unaudited	Year Ended 31 Dec 2020 Audited	Year Ended 31 Dec 2019 Audited
Net loss	(103)	(129)	(1,105)	(82)
Depreciation, amortisation, mobilisation and impairment (excl. goodwill)	199	185	765	554
Impairment of goodwill	27	100	605	100
Finance income	(1)	(3)	(5)	(13)
Other gains and losses	19	11	18	18
Finance costs	9	6	25	25
Taxation	14	(2)	33	30
Adjusted EBITDA	165	168	337	631
Revenue	1,014	899	3,466	3,657
Adjusted EBITDA %	16%	19%	10%	17%

Summary of 2020 cash flows

\$ millions

Cash and cash equivalents at 1 January 2020	398	
Net cash generated from operating activities	447	Includes net increase in operating liabilities of \$192 million
Net cash used in investing activities	(165)	Includes capital expenditure of \$183m and net proceeds from recognition of assets related to business combinations of \$17m
Net cash used in financing activities	(158)	Includes \$104m of payments related to lease liabilities and repayment of borrowings of \$25m
Other movements	(10)	Includes \$8m adverse movement related to foreign exchange
Cash and cash equivalents at 31 December 2020	512	

- Net cash (after lease liabilities) of \$303 million at 31 December 2020 compared to \$164 million at 31 December 2019
- Borrowings totalled \$209 million at 31 December 2020 compared to \$234 million at 31 December 2019

THANK YOU



subsea 7