



# 2Q 2025 Earnings Release

July 10, 2025

# 2Q'25 Summary and outlook

- Order intake of USD 173 million in the quarter.
- EBITDA<sup>1)</sup> of USD 36 million in the quarter, down 14% year-on-year, with 17.7% EBITDA margin impacted by product mix and reduced pressure control spares volume due to current offshore rig market conditions.
- Unlevered Free Cash Flow<sup>2)</sup> was negative USD 10 million in the quarter.
- Productivity and cost-efficiency initiatives began yielding tangible results in the second quarter, reflecting the company's proactive response to evolving market conditions.
- HMH continues to take strategic steps to mitigate the impact of tariffs, actively collaborating with supply chain partners to secure positive outcomes.



1) EBITDA adjusted for non-recurring expenses or costs defined as outside of normal company operations (USD 2 million adjustment in 2Q25).

2) Free Cash Flow (unlevered) defined as cash generated from operating activities, less capex and development costs, and presented before interest payments

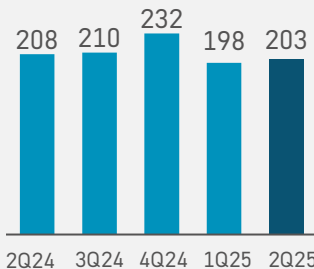
# HMM Highlights | 2Q'25

- Revenues** declined 2% year-on-year, primarily due to lower Spares volume, partly offset by growth in Projects and Aftermarket Services; quarter-on-quarter, revenues increased 3% driven by stronger Aftermarket performance despite continued softness in Spares.
- EBITDA** down 14% year-on-year, primarily due to lower Spares volume, partly offset by stronger Aftermarket Services and cost reductions; results improved 10% quarter-on-quarter driven by volume and improved indirect cost performance.
- Order intake** down 4% year-on-year driven by Projects, Products & Other and down 13% quarter-on-quarter driven by Aftermarket Services.
- Unlevered Free Cash Flow** negative USD 10 million in the quarter due to timing of annual employee incentive payments and back-end weighted projects. USD 38 million cash & cash equivalent at end of 2Q 2025.

Proforma financials, IFRS

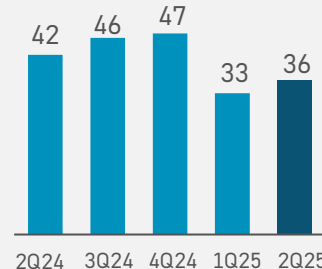
## REVENUE

USD millions



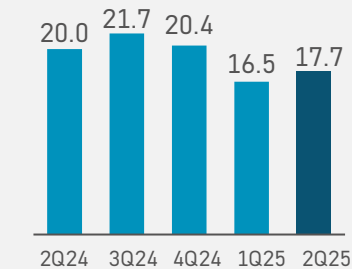
## EBITDA <sup>1)</sup>

USD millions



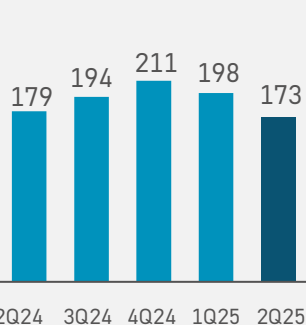
## EBITDA MARGIN (Adj.)

%



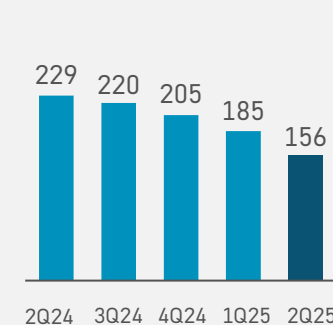
## ORDER INTAKE

USD millions



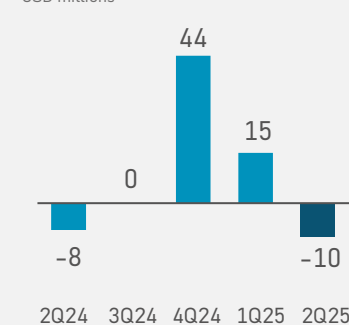
## EQUIPMENT BACKLOG <sup>2)</sup>

USD millions



## FREE CASH FLOW <sup>3)</sup>

USD millions



<sup>1)</sup> EBITDA adjusted for non-recurring expenses or costs defined as outside of normal company operations (USD 2 million adjustment in 2Q25).

<sup>2)</sup> Equipment backlog defined as order backlog within Projects, Products and Other.

<sup>3)</sup> Free Cash Flow (unlevered) defined as cash generated from operating activities, less capex and development costs, and presented before interest payments.

# Product Line Highlights

## Aftermarket Services

- Revenue up 6% year-on-year driven by increase in overhaul and repair activity and digital technology, and up 11% quarter-on-quarter driven by higher overhaul and repair activity.
- Order intake for 2Q 25 was USD 79 million, down 3% year-on year driven by overhaul and repair and field service partially offset by digital technology orders and down 22% quarter-on-quarter driven by delayed offshore activity in repairs and field service.

## Spares

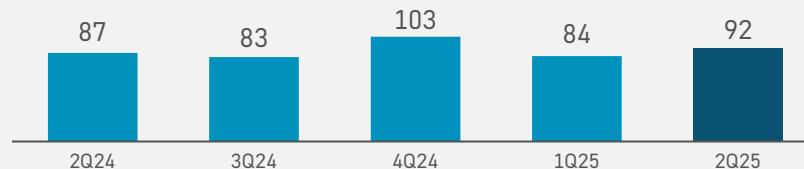
- Revenue down 26% year-over-year and down 13% quarter-over-quarter, mainly due to lower pressure control spares volumes, reflecting current offshore rig market conditions.
- Order intake for 2Q25 was USD 64 million, down 3% year-on-year and up 5% quarter-on-quarter driven by continued spare part purchasing restraint from offshore customers while they work through the white space in the quarter.

## Projects, Products & Other

- Revenue up 17% year-on-year and up 8% quarter-on-quarter driven by projects.

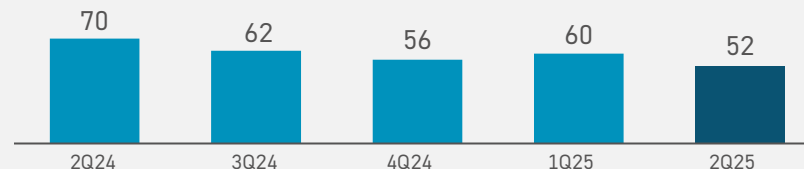
### AFTERMARKET SERVICES <sup>1)</sup>

Revenue, USD millions



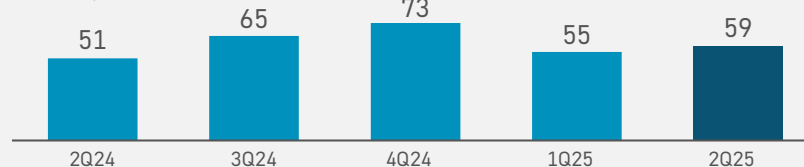
### SPARES <sup>2)</sup>

Revenue, USD millions



### PROJECTS, PRODUCTS & OTHER <sup>3)</sup>

Revenue, USD millions



1) Aftermarket Services: Includes services provided on installed drilling equipment and integrated digital solutions

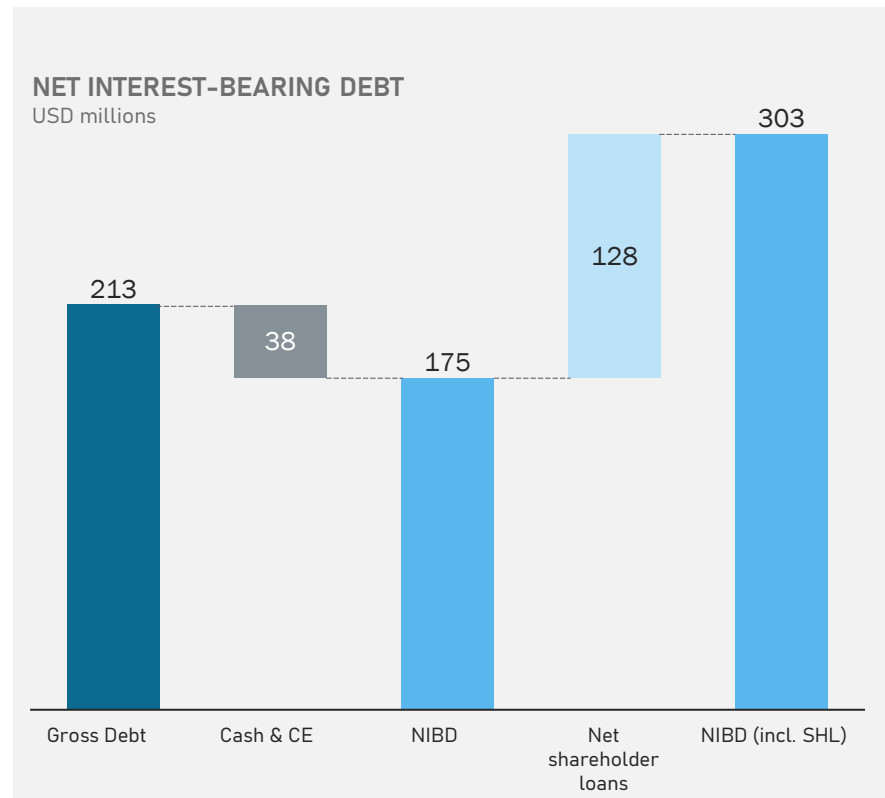
2) Spares: Comprises replacement parts for installed equipment

3) Projects, Products & Other: Includes drilling equipment packages for new or reactivated rigs, standalone drilling products, and equipment for mining and other industries

# Net interest-bearing debt

- Net debt of USD 175 million as per end of period (excl. shareholder loans).
- Leverage, NIBD/LTM EBITDA (adj.), at 1x per 2Q 2025.
- USD 13 million drawn on the RCF per Q2 2025.

IBD as per end of period	Amount	Key terms
Senior Secured Bond	200	Nordic Bond raised in 4Q 2023. Maturity November 2026. Fixed rate 9.875%.
Super Senior Secured RCF	13	USD 50M facility, maturity May 2026. Margin 350 – 425 bps.
<b>Gross Interest-Bearing Debt</b>	<b>213</b>	
Net shareholder loans <sup>1)</sup>	128	Subordinated, 8% PIK interest



1) Gross shareholder loan of USD 137 million net of a USD 9 million interest bearing receivable towards shareholders

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