Subsea 7 S.A. Announces First Quarter 2022 Results

Luxembourg – 28 April 2022 – Subsea 7 S.A. (the Group) (Oslo Børs: SUBC, ADR: SUBCY, ISIN: LU0075646355) announced today results for the first quarter which ended 31 March 2022.

First quarter highlights

- Revenue up 20% year-on-year to $1.2 billion
- Adjusted EBITDA of $86 million
- Order intake of $1.2 billion, equating to a book-to-bill of 1.0 times
- Backlog of $7.3 billion, of which 14% is in Renewables, with $3.2 billion to be executed in 2022
- Cash and cash equivalents of $500 million and net debt (including lease liabilities) of $98 million
- Floating wind strategy progresses with Ørsted acquisition of 80% stake in Salamander development

	Three Months Ended	
For the period (in $ millions, except Adjusted EBITDA margin and per share data)	**31 Mar 2022 Unaudited**	31 Mar 2021 Unaudited
Revenue	**1,194**	996
Adjusted EBITDA(a)	**86**	102
Adjusted EBITDA margin(a)	**7%**	10%
Net operating loss	**(31)**	(9)
Net (loss)/income	**(12)**	1
Earnings per share – in $ per share		
Basic	**(0.05)**	0.01
Diluted(b)	**(0.05)**	0.01

At (in $ millions)	**31 Mar 2022 Unaudited**	31 Dec 2021 Audited
Backlog(c)	**7,295**	7,212
Book-to-bill ratio – year-to-date(c)	**1.0**	1.2
Cash and cash equivalents	**500**	598
Borrowings	**(379)**	(422)
Net cash excluding lease liabilities(d)	**121**	176
Net debt including lease liabilities(d)	**(98)**	(55)

(a) For explanations and reconciliations of Adjusted EBITDA and Adjusted EBITDA margin refer to Note 8 'Adjusted EBITDA and Adjusted EBITDA margin' to the Condensed Consolidated Financial Statements.

(b) For the explanation and a reconciliation of diluted earnings per share refer to Note 7 'Earnings per share' to the Condensed Consolidated Financial Statements.

(c) Backlog is a non-IFRS measure and is unaudited. Book-to-bill ratio represents total order intake, (excluding amounts related to business combinations), divided by revenue recognised in the year-to-date. Comparative figure is for the full year ended 31 December 2021.

(d) Net cash/(debt) is a non-IFRS measure and is defined as cash and cash equivalents less borrowings.

John Evans, Chief Executive Officer, said:

In the first quarter of 2022, Subsea 7 delivered revenue and EBITDA in line with management's expectations and guidance for the full year is unchanged. Our backlog remains stable at $7.3 billion, implying high visibility on revenue for the remainder of the year. Tendering activity remains high and we are collaborating with our clients and supply chain partners to navigate the bottlenecks in the global supply chain. The risk to our awarded projects is reduced through back-to-back contracts and index-linked mechanisms with our suppliers. Overall, we believe the long-term outlook remains positive for both the subsea and offshore wind industries with several large awards to the market expected in the remainder of 2022.

Operational highlights

In line with the guidance given by management last quarter, our vessel activity in the first quarter included planned maintenance and dry docking, equivalent to around 250 days of downtime. Nevertheless, active vessel utilisation was 72% in the first quarter, compared with 66% in the prior year period, and is expected to improve over the course of the year as the level of dry docking normalises.

In the first quarter the Subsea and Conventional business unit made good progress on our portfolio of projects. In the Gulf of Mexico, *Seven Navica, Seven Oceans* and *Seven Oceanic* were active on the King's Quay project, which is substantially complete, while *Seven Arctic* continued offshore activities for Mad Dog 2. In Africa, *Seven Borealis* and *Seven Pacific* completed our work scope on the Jubilee project, while good progress was made on the fabrication scope for the Sanha Lean Gas project. In Norway, *Seven Vega* experienced several weeks of standby time due to adverse weather but completed its pipelay scope for Johan Sverdrup Phase 2 with support from *Seven Falcon.* In Saudi Arabia, *Seven Champion* was fully utilised during the quarter on the 28 Jackets project (CPRO 48 and 49). Engineering and fabrication activities continued on the Bacalhau, Mero-3 and Barossa projects, while in Turkey, the first vessels began mobilising for seabed preparation work for the Sakarya project.

In the Renewables business unit we continued work on the Seagreen project and laid inner-array cables associated with the first 21 jackets. In Taiwan, we commenced operations on our remaining scope of the Formosa 2 project, but the pace of execution remained slower than expected due to operational challenges and the impact of Covid-19 restrictions. Towards the end of the quarter, *Seaway Strashnov* installed the foundations for the Kaskasi project, offshore Germany.

First quarter financial review

First quarter revenue of $1.2 billion increased by 20% compared to the prior year period, reflecting strong growth in the Subsea and Conventional business unit. Adjusted EBITDA of $86 million was in line with the prior year period after adjusting for an $18 million restructuring credit recognised in Q1 2021. During the quarter there was a high level of planned vessel maintenance and dry docking. A net operating loss of $31 million was recognised, which included depreciation and amortisation charges of $117 million. The net loss for the quarter was $12 million, after a tax credit of $15 million and other gains and losses of $7 million, including net foreign exchange gains of $2 million.

Net cash generated from operations was $39 million including a $38 million adverse movement in net working capital that reflects the timing of milestones on certain large EPCI projects. Net cash used in investing activities was $51 million. Net cash used in financing activities was $90 million which included $37 million repayment of Seaway 7 ASA's Revolving Credit Facility and $21 million of share repurchases. Overall, cash and cash equivalents decreased by $98 million from 31 December 2021 to $500 million with net debt of $98 million, including lease liabilities of $219 million.

Order intake

Order intake was $1.2 billion comprising new awards of $630 million and escalations of approximately $530 million, resulting in a book-to-bill ratio of 1.0. Backlog at the end of March 2022 was $7.3 billion, of which $3.2 billion is expected to be executed during the remainder of 2022.

Outlook for full year 2022

We continue to expect that revenue will be broadly in line with 2021 and that Adjusted EBITDA and net operating income will be in line with or better than 2021. Tendering in both the subsea and fixed offshore wind markets remains high and the underlying pricing environment continues to gradually improve. We are establishing new mechanisms for supply chain pricing to enable contract awards to occur in a volatile environment for raw material prices and we are confident that our strong pipeline of prospects will translate into new orders during the remainder of the year.

Conference Call Information

Date: 28 April 2022

Time: 12:00 UK Time

Access the webcast at subsea7.com or https://edge.media-server.com/mmc/p/ckwxo8tt

Register for the conference call at http://emea.directeventreg.com/registration/5236026

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Special Note Regarding Forward-Looking Statements

Certain statements made in this announcement 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. 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 third 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 announcement. We undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

First Quarter 2022

Income Statement

Revenue

Revenue for the first quarter was $1.2 billion, an increase of $197 million or 20% compared to Q1 2021. This was driven by increased revenue in the Subsea and Conventional business unit, with significant activity on the Sakarya project in Turkey. In the Renewables business unit offshore work progressed on the Seagreen project.

Adjusted EBITDA

Adjusted EBITDA was $86 million resulting in Adjusted EBITDA margin of 7%, compared to $102 million and 10% respectively for the prior year period.

Net operating income

Net operating loss for the quarter was $31 million compared to net operating loss of $9 million in Q1 2021. The prior year period benefitted from a credit of $18 million, recognised in the Corporate business unit, related to a downward revision to the Group's restructuring provision.

Net operating loss in the quarter was driven by:

- net operating loss of $15 million in the Subsea and Conventional business unit (Q1 2021: net operating loss of $7 million) which was adversely impacted by a high level of planned vessel maintenance and dry docking; and
- net operating loss of $17 million in the Renewables business unit (Q1 2021: net operating loss of $20 million). The net operating loss in Q1 2022 reflected continued delays on the Formosa 2 project in Taiwan where the pace of execution remained slower than expected due to operational challenges and the impact of Covid-19 restrictions.

Net income

Net loss was $12 million in the quarter, compared to net income of $1 million in Q1 2021.

The year-on-year movement was primarily due to:

- an increase in net operating loss of $22 million;
- a net gain of $7 million within other gains and losses, which included net foreign currency gains of $2 million, compared to net gain of $16 million in the prior year period

partly offset by:

- a credit of $15 million related to taxation, equivalent to an effective tax rate of 55%.

Earnings per share

Diluted loss per share was $0.05 compared to diluted earnings per share of $0.01 in Q1 2021, calculated using a weighted average number of shares of 295 million and 299 million respectively.

Business Unit Highlights

Subsea and Conventional

Revenue for the first quarter was $902 million, an increase of $167 million or 23% compared to the prior year period.

During the quarter the King's Quay and Colibri projects, in the Gulf of Mexico and the Jubilee project, Ghana, were substantially completed.

Work progressed on the Sangomar project, Senegal, the Sanha Lean Gas project, Angola, the Berri-Zuluf and 28 Jackets projects, Saudi Arabia, the Sakarya project, Turkey, the Mad Dog 2 and Jack St Malo 4 projects in the Gulf of Mexico, the Johan Sverdrup Phase 2 project, Norway, and the ACE project, Azerbaijan.

In Brazil, there were high levels of utilisation of the PLSVs and *Seven Waves* completed dry-docking prior to commencing its new contract with Petrobras. Work progressed well on the Bacalhau project.

Net operating loss was $15 million compared to net operating loss of $7 million in Q1 2021. Net operating loss was adversely impacted by a high level of planned vessel maintenance and dry docking, in addition to net costs of $11 million related to the Covid-19 pandemic.

Renewables

Revenue was $266 million compared to $241 million in Q1 2021. Work continued with the offshore phase of the Seagreen project, UK and the Kaskasi project, Germany. Net operating loss was $17 million in Q1 2022 compared to net operating loss of $20 million in Q1 2021. The results of the Renewables business unit include costs recognised in relation to a project in Taiwan whose economic interest was retained by Subsea 7 S.A., although it is being executed by Seaway 7 ASA. Net Covid-19 costs of $2 million were incurred in the quarter.

Corporate

Revenue, which was driven by the Group's autonomous wholly-owned subsidiaries Xodus and 4Subsea, was $26 million compared to $20 million in Q1 2021. Net operating income was $nil compared to net operating income of $18 million in the prior year period. The net operating income in Q1 2021 benefitted from a credit of $18 million related to a downward revision to the Group's restructuring provision.

Vessel utilisation and fleet

Active Vessel Utilisation for the first quarter was 72% compared with 66% for Q1 2021. Total Vessel Utilisation was 68% compared to 62% in Q1 2021.

At 31 March 2022 there were 38 vessels in the Group's fleet, comprising 34 active vessels, 2 stacked vessels and 2 vessels under construction.

Cash flow

Cash flow statement

Cash and cash equivalents were $500 million at 31 March 2022, a decrease of $98 million in the quarter. The movement in cash and cash equivalents during the quarter was mainly attributable to:

- net cash generated from operating activities of $39 million, which included unfavourable movements of $38 million in net working capital;
- net cash used in investing activities of $51 million, which included purchases of property, plant and equipment and intangible assets of $53 million; and
- net cash used in financing activities of $90 million, which included repayment of borrowings of $43 million, payments related to lease liabilities of $25 million and share repurchases of $21 million.

Free cash flow

During the first quarter, the Group generated negative free cash flow of $14 million (Q1 2021: free cash flow of $47 million) which is defined as cash generated from operations of $39 million (Q1 2021: $71 million) less purchases of property, plant and equipment and intangible assets of $53 million (Q1 2021: $24 million).

Balance Sheet

Non-current assets

Non-current assets were $4.6 billion (Q4 2021: $4.7 billion). The movement of $56 million was mainly due to a decrease in the carrying amount of property, plant and equipment of $32 million driven by depreciation charges of $86 million partly offset by additions of $56 million.

Non-current liabilities

Non-current liabilities were $635 million (Q4 2021: $638 million). The decrease of $3 million was mainly driven by a decrease in non-current lease liabilities of $15 million as a result of payments made in the quarter, partly offset by an increase in non-current derivative financial instruments of $14 million.

Net current assets

Current assets were $2.3 billion (Q4 2021: $2.3 billion) and current liabilities were $1.9 billion (Q4 2021: $1.9 billion), resulting in net current assets of $482 million (Q4 2021: $467 million). The increase of $16 million in the quarter was driven by:

- increase in construction contract assets of $83 million and an increase in derivative financial instruments of $16 million;
- decrease in current borrowings of $37 million, following repayment of the Seaway 7 ASA Revolving Credit Facility of $37 million, and a decrease in construction contract liabilities of $10 million

partly offset by:

- decrease in cash and cash equivalents of $98 million mainly driven by purchases of property, plant and equipment and intangible assets of $53 million and $43 million repayment of borrowings; and
- increase in trade and other liabilities of $58 million.

Equity

Total equity was $4.5 billion (Q4 2021: $4.5 billion). The decrease of $38 million reflects:

- share repurchases of $21 million;
- net foreign currency translation losses of $17 million;
- net loss of $12 million

partly offset by:

- an increase in commodity cash flow hedging reserve of $13 million.

Borrowings, lease liabilities, net cash/(debt) and liquidity

Borrowings

Borrowings were $379 million (Q4 2021: $422 million). The decrease in borrowings of $43 million was driven by repayment of the Seaway 7 ASA Revolving Credit Facility of $37 million and scheduled repayments of $6 million related to the Group's South Korean Export Credit Agency facility.

A summary of the borrowing facilities available to the Group at 31 March 2022 is as follows:

(in $ millions)	Total facility	Drawn	Undrawn	Maturity Date
The multi-currency revolving credit and guarantee facility	656.0	–	656.0	September 2023
UK Export Finance (UKEF) facility	500.0	(200.0)	300.0	December 2026
South Korean Export Credit Agency (ECA) facility	178.7	(178.7)	–	July 2027
Total	**1,334.7**	**(378.7)**	**956.0**	

Lease liabilities

Lease liabilities were $219 million, a decrease of $12 million compared with 31 December 2021.

Net cash/(debt)

At 31 March 2022:

- net cash (excluding lease liabilities) was $121 million compared to net cash of $176 million at 31 December 2021; and
- net debt (including lease liabilities) was $98 million, compared to net debt of $55 million at 31 December 2021.

Gearing

At 31 March 2022, gross gearing (borrowings divided by total equity) was 8.5% (Q4 2021: 9.4%).

Liquidity

At 31 March 2022, the Group's liquidity, represented by cash and cash equivalents and undrawn borrowing facilities was $1.5 billion (Q4 2021: $1.6 billion).

Shareholder distributions

Share repurchase programme

During the quarter, 2,500,910 shares were repurchased for a consideration of $21 million in accordance with the Group's share repurchase programme authorised on 24 July 2019, extended on 15 April 2021. At 31 March 2022, the Group had cumulatively repurchased 6,853,050 shares for a total consideration of $52 million under this programme. At 31 March 2022, the Group directly held 7,035,017 shares (Q4 2021: 4,534,107) as treasury shares, representing 2.35% (Q4 2021: 1.51%) of the total number of issued shares.

Backlog

At 31 March 2022 backlog was $7.3 billion (Q4 2021: $7.2 billion). Order intake was $1.2 billion in the first quarter, representing a book-to-bill ratio of 1.0. Order intake included new awards of approximately $630 million, which included the Shenandoah project, Gulf of Mexico and escalations of approximately $530 million. Favourable foreign exchange movements of approximately $120 million were recognised during the quarter.

$6.2 billion of the backlog at 31 March 2022 related to the Subsea and Conventional business unit (which included $0.7 billion related to long-term day-rate contracts for PLSVs in Brazil) and $1.0 billion related to the Renewables business unit. $3.2 billion of the backlog is expected to be executed in 2022, $2.6 billion in 2023 and $1.5 billion in 2024 and thereafter. Backlog related to associates and joint ventures, which is not significant to the Group, is excluded from these amounts.

Subsea 7 S.A.
Condensed Consolidated Income Statement

(in $ millions)	Three Months Ended 31 Mar 2022 Unaudited	Three Months Ended 31 Mar 2021 Unaudited
Revenue	**1,193.8**	996.4
Operating expenses	**(1,163.5)**	(949.0)
Gross profit	**30.3**	47.4
Administrative expenses	**(60.4)**	(56.4)
Share of net (loss)/income of associates and joint ventures	**(0.8)**	0.1
Net operating loss	**(30.9)**	(8.9)
Finance income	**0.9**	0.7
Other gains and losses	**7.2**	16.2
Finance costs	**(4.8)**	(5.5)
(Loss)/income before taxes	**(27.6)**	2.5
Taxation	**15.2**	(1.7)
Net (loss)/income	**(12.4)**	0.8
Net (loss)/income attributable to:		
Shareholders of the parent company	**(14.9)**	2.0
Non-controlling interests	**2.5**	(1.2)
	(12.4)	0.8

Earnings per share	**$ per share**	$ per share
Basic	**(0.05)**	0.01
Diluted[a]	**(0.05)**	0.01

(a) For the explanation and a reconciliation of diluted earnings per share refer to Note 7 'Earnings per share' to the Condensed Consolidated Financial Statements.

Subsea 7 S.A.
Condensed Consolidated Statement of Comprehensive Income

(in $ millions)	Three Months Ended 31 Mar 2022 Unaudited	Three Months Ended 31 Mar 2021 Unaudited
Net (loss)/income	**(12.4)**	0.8
Items that may be reclassified to the income statement in subsequent periods:		
Net foreign currency translation (losses)/gains	**(17.0)**	11.0
Commodity cash flow hedges	**12.8**	–
Tax relating to components of other comprehensive income	**(1.2)**	(0.5)
Items that will not be reclassified to the income statement in subsequent periods:		
Fair value adjustment on other financial assets	**–**	1.2
Other comprehensive (loss)/income	**(5.4)**	11.7
Total comprehensive (loss)/income	**(17.8)**	12.5
Total comprehensive (loss)/income attributable to:		
Shareholders of the parent company	**(19.1)**	14.3
Non-controlling interests	**1.3**	(1.8)
	(17.8)	12.5

Subsea 7 S.A.
Condensed Consolidated Balance Sheet

	31 Mar 2022 Unaudited	31 Dec 2021 Audited
Assets		
Non-current assets		
Goodwill	**160.0**	160.5
Intangible assets	**34.3**	37.3
Property, plant and equipment	**4,049.5**	4,081.0
Right-of-use assets	**197.0**	206.4
Interest in associates and joint ventures	**28.2**	28.6
Advances and receivables	**62.9**	57.4
Derivative financial instruments	**8.9**	24.7
Construction contracts – assets	**3.1**	4.4
Other financial assets	**1.3**	1.3
Deferred tax assets	**59.3**	58.7
	4,604.5	4,660.3
Current assets		
Inventories	**42.5**	40.3
Trade and other receivables	**655.9**	655.9
Derivative financial instruments	**51.4**	35.8
Construction contracts – assets	**871.2**	788.2
Other accrued income and prepaid expenses	**211.3**	204.5
Restricted cash	**4.8**	5.7
Cash and cash equivalents	**499.5**	597.6
	2,336.6	2,328.0
Total assets	**6,941.1**	6,988.3
Equity		
Issued share capital	**600.0**	600.0
Treasury shares	**(53.6)**	(32.9)
Paid in surplus	**2,504.9**	2,503.9
Translation reserve	**(597.6)**	(582.5)
Other reserves	**(3.3)**	(14.2)
Retained earnings	**1,694.6**	1,709.5
Equity attributable to shareholders of the parent company	**4,145.0**	4,183.8
Non-controlling interests	**306.7**	305.4
Total equity	**4,451.7**	4,489.2
Liabilities		
Non-current liabilities		
Borrowings	**354.2**	360.3
Lease Liabilities	**128.0**	142.9
Retirement benefit obligations	**12.3**	12.3
Deferred tax liabilities	**46.5**	46.0
Provisions	**59.3**	58.8
Contingent liabilities recognised	**6.0**	5.5
Derivative financial instruments	**19.7**	5.7
Other non-current liabilities	**8.9**	6.1
	634.9	637.6
Current liabilities		
Trade and other liabilities	**1,410.9**	1,352.5
Derivative financial instruments	**17.6**	23.7
Tax liabilities	**34.2**	41.5
Borrowings	**24.6**	61.6
Lease liabilities	**90.8**	88.0
Provisions	**79.0**	87.6
Construction contracts – liabilities	**196.2**	205.7
Deferred revenue	**1.2**	0.9
	1,854.5	1,861.5
Total liabilities	**2,489.4**	2,499.1
Total equity and liabilities	**6,941.1**	6,988.3

Subsea 7 S.A.
Condensed Consolidated Statement of Changes in Equity
For the three months ended 31 March 2022

(in $ millions)	Issued share capital	Treasury shares	Paid in surplus	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2022	**600.0**	**(32.9)**	**2,503.9**	**(582.5)**	**(14.2)**	**1,709.5**	**4,183.8**	**305.4**	**4,489.2**
Comprehensive loss									
Net (loss)/income	–	–	–	–	–	(14.9)	(14.9)	2.5	(12.4)
Net foreign currency translation losses	–	–	–	(15.8)	–	–	(15.8)	(1.2)	(17.0)
Commodity cash flow hedges	–	–	–	–	12.8	–	12.8	–	12.8
Tax relating to components of other comprehensive income	–	–	–	0.7	(1.9)	–	(1.2)	–	(1.2)
Total comprehensive (loss)	**–**	**–**	**–**	**(15.1)**	**10.9**	**(14.9)**	**(19.1)**	**1.3**	**(17.8)**
Transactions with owners									
Shares repurchased	–	(20.7)	–	–	–	–	(20.7)	–	(20.7)
Share-based payments	–	–	1.0	–	–	–	1.0	–	1.0
Total transactions with owners	**–**	**(20.7)**	**1.0**	**–**	**–**	**–**	**(19.7)**	**–**	**(19.7)**
Balance at 31 March 2022	**600.0**	**(53.6)**	**2,504.9**	**(597.6)**	**(3.3)**	**1,694.6**	**4,145.0**	**306.7**	**4,451.7**

Subsea 7 S.A.
Condensed Consolidated Statement of Changes in Equity
For the three months ended 31 March 2021

(in $ millions)	Issued share capital	Treasury shares	Paid in surplus	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2021	**600.0**	**(17.8)**	**2,505.2**	**(582.0)**	**(25.0)**	**1,747.4**	**4,227.8**	**27.3**	**4,255.1**
Comprehensive income/(loss)									
Net income/(loss)	–	–	–	–	–	2.0	2.0	(1.2)	0.8
Net foreign currency translation gains/(losses)	–	–	–	11.6	–	–	11.6	(0.6)	11.0
Fair value adjustment on other financial assets	–	–	–	–	1.2	–	1.2	–	1.2
Tax relating to components of other comprehensive income	–	–	–	(0.5)	–	–	(0.5)	–	(0.5)
Total comprehensive loss	**–**	**–**	**–**	**11.1**	**1.2**	**2.0**	**14.3**	**(1.8)**	**12.5**
Transactions with owners									
Share-based payments	–	–	0.9	–	–	–	0.9	–	0.9
Shares reallocated relating to share-based payments	–	0.2	–	–	–	–	0.2	–	0.2
Transfer on disposal of other financial assets	–	–	–	–	(1.2)	1.2	–	–	–
Loss on reallocation of treasury shares	–	–	–	–	–	(0.2)	(0.2)	–	(0.2)
Total transactions with owners	**–**	**0.2**	**0.9**	**–**	**(1.2)**	**1.0**	**0.9**	**–**	**0.9**
Balance at 31 March 2021	**600.0**	**(17.6)**	**2,506.1**	**(570.9)**	**(25.0)**	**1,750.4**	**4,243.0**	**25.5**	**4,268.5**

Subsea 7 S.A.
Condensed Consolidated Cash Flow Statement

(in $ millions)	Three Months Ended 31 Mar 2022 Unaudited	Three Months Ended 31 Mar 2021 Unaudited
Operating activities		
(Loss)/income before taxes	**(27.6)**	2.5
Adjustments for non-cash items:		
Impairment of property, plant and equipment and intangible assets	**–**	1.3
Depreciation and amortisation charges	**116.7**	109.9
Adjustments for investing and financing items:		
Share of net loss/(income) of associates and joint ventures	**0.8**	(0.1)
Net gain on disposal of property, plant and equipment	**(0.4)**	–
Net gain on maturity of lease liabilities	**(1.9)**	–
Release of contingent consideration related to business combinations – post measurement period	**2.6**	–
Finance income	**(0.9)**	(0.7)
Finance costs	**4.8**	5.5
Adjustments for equity items:		
Share-based payments	**1.0**	0.9
	95.1	119.3
Changes in working capital:		
Increase in inventories	**(2.2)**	(5.2)
Decrease in trade and other receivables	**16.2**	58.2
Increase in construction contract – assets	**(32.0)**	(46.6)
Decrease/(increase) in other working capital assets	**3.8**	(17.5)
Increase in trade and other liabilities	**35.1**	84.8
Decrease in construction contract – liabilities	**(56.2)**	(68.4)
Increase/(decrease) in other working capital liabilities	**(3.1)**	(30.2)
Net increase in working capital	**(38.4)**	(24.9)
Income taxes paid	**(17.8)**	(23.5)
Net cash generated from operating activities	**38.9**	70.9
Cash flows used in investing activities		
Proceeds from disposal of property, plant and equipment	**0.5**	–
Purchases of property, plant and equipment	**(52.2)**	(20.6)
Purchases of intangible assets	**(0.5)**	(3.4)
Interest received	**0.9**	0.7
Proceeds from sale of other financial assets	**–**	2.8
Net cash used in investing activities	**(51.3)**	(20.5)
Cash flows used in financing activities		
Interest paid	**(1.6)**	(3.6)
Repayment of borrowings	**(43.2)**	(6.2)
Cost of share repurchases	**(20.7)**	–
Payments related to lease liabilities	**(24.7)**	(23.6)
Net cash used in financing activities	**(90.2)**	(33.4)
Net (decrease)/increase in cash and cash equivalents	**(102.6)**	17.0
Cash and cash equivalents at beginning of year	**597.6**	511.6
Decrease in restricted cash	**0.9**	2.5
Effect of foreign exchange rate movements on cash and cash equivalents	**3.6**	(4.1)
Cash and cash equivalents at end of period	**499.5**	527.0

1. General information
Subsea 7 S.A. is a company registered in Luxembourg whose common shares trade on the Oslo Børs and over-the-counter as American Depositary Receipts (ADRs) in the US. The address of the registered office is 412F, route d'Esch, L-2086 Luxembourg. The Condensed Consolidated Financial Statements were authorised for issue by the Board of Directors on 27 April 2022.

2. Basis of preparation
The Condensed Consolidated Financial Statements for the period from 1 January 2022 to 31 March 2022 for Subsea 7 S.A. have been prepared on a going concern basis and in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU).

The Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements for the year ended 31 December 2021 which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The Condensed Consolidated Financial Statements are unaudited.

Covid-19 pandemic
As the global economy remains impacted by the unprecedented global health and economic crisis following the outbreak of the Covid-19 pandemic, management continued, during the first quarter of 2022, to monitor the operational and financial impacts to the Group. Despite the uncertainty regarding the potential impacts of the Covid-19 pandemic, management considers that there are no significant doubts over the application of the going concern assumption and no disclosable material uncertainties which cast doubt upon the Group's ability to continue as a going concern.

3. Accounting policies
Basis of accounting
The accounting policies adopted in the preparation of the Condensed Consolidated Financial Statements are consistent with the Consolidated Financial Statements for the year ended 31 December 2021.

No new International Financial Reporting Standards (IFRSs) were adopted by the Group for the financial year beginning 1 January 2022. Amendments to existing IFRSs, issued with an effective date of 1 January 2022 but not yet endorsed by the EU, will be adopted by the Group following their adoption by the EU.

4. Critical accounting judgements and key sources of estimation uncertainty
In the application of the Group's accounting policies which are described in the Consolidated Financial Statements for the year ended 31 December 2021, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other assumptions that management believes to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Management makes accounting judgements on the following aspects of the business as described in full in the Consolidated Financial Statements for the year ended 31 December 2021:

- Revenue recognition on long-term construction contracts
- Revenue recognition on variable consideration
- Goodwill carrying amount
- Property, plant and equipment
- Recognition of provisions and disclosure of contingent liabilities
- Measurement of fair value adjustments in business combinations
- Measurement of onerous fixed-price contract provisions in business combinations
- Taxation

5. Seasonality
A significant portion of the Group's revenue is generated from work performed offshore. During certain periods of the year, the Group may be affected by adverse weather conditions such as hurricanes, tropical storms and rough seas, which may cause delays. In the Northern Hemisphere seasonally adverse weather occurs typically during the period from October to March, whereas in the Southern Hemisphere it typically occurs during the period from May to September. Depending on project execution, each can affect the Group's offshore operations. Periods of adverse weather conditions usually result in low levels of activity.

6. Segment information

For management and reporting purposes, the Group is organised into three business units; Subsea and Conventional, Renewables and Corporate. These business units represent the Group's operating segments and are defined as follows:

Subsea and Conventional

The Subsea and Conventional business unit includes:

- Subsea Umbilicals, Risers and Flowlines (SURF) activities related to the engineering, procurement, installation and commissioning of highly complex subsea oil and gas systems in deep waters, including the long-term contracts for PLSVs in Brazil;
- Conventional services including the fabrication, installation, extension and refurbishment of fixed and floating platforms and associated pipelines in shallow water environments;
- Activities associated with the provision of inspection, repair and maintenance (IRM) services, integrity management of subsea infrastructure and remote intervention support; and
- Activities associated with heavy lifting operations and decommissioning of redundant offshore structures.

This segment includes costs, including depreciation, amortisation and impairment charges, related to owned and long-term leased vessels, equipment and offshore personnel deployed in Subsea and Conventional activities. Specific services are provided to the Group's Renewables business unit, which includes the Group's non-wholly owned subsidiary Seaway 7 ASA, on an arm's length basis.

Renewables

The Renewables business unit comprises activities related to the delivery of fixed offshore wind farm projects. Following the business combination with OHT ASA (renamed Seaway 7 ASA) on 1 October 2021, the Group's fixed offshore wind farm activities are executed by Seaway 7 ASA, a non-wholly owned subsidiary of the Group from that date. Activities include the procurement and installation of offshore wind turbine foundations and inner-array cables as well as heavy lifting operations and heavy transportation services for renewables structures. This segment includes costs, including depreciation, amortisation and impairment charges, related to owned and long-term leased vessels, equipment and offshore personnel deployed in Renewables activities.

Corporate

The Corporate business unit includes group-wide activities, and associated costs, including captive insurance activities, operational support, corporate services and costs associated with discrete events such as restructuring. The Corporate business unit also includes the results of the Group's autonomous subsidiaries, Xodus and 4Subsea, and its non-wholly owned subsidiary Nautilus Floating Solutions. A significant portion of the Corporate business unit's costs are allocated to the Subsea and Conventional business unit based on a percentage of external revenue. The Corporate business unit provides specific services to the Renewables business unit, which includes the Group's non-wholly owned subsidiary Seaway 7 ASA, on an arm's length basis.

6. Segment information continued

Summarised financial information relating to each operating segment is as follows:

For the three months ended 31 March 2022

(in $ millions) Unaudited	Subsea and Conventional	Renewables	Corporate	Total
Revenue				
Fixed-price projects	**764.6**	**266.4**	**3.2**	**1,034.2**
Day-rate projects	**137.0**	**–**	**22.6**	**159.6**
	901.6	**266.4**	**25.8**	**1,193.8**
Net operating (loss)/income	**(14.6)**	**(16.6)**	**0.3**	**(30.9)**
Finance income				**0.9**
Other gains and losses				**7.2**
Finance costs				**(4.8)**
Loss before taxes				**(27.6)**
Adjusted EBITDA[(a)]	***75.6***	***5.4***	***4.8***	***85.8***
Adjusted EBITDA margin[(a)]	***8.4%***	***2.0%***	***18.6%***	***7.2%***

For the three months ended 31 March 2021

(in $ millions) Unaudited	Subsea and Conventional	Renewables	Corporate	Total
Revenue				
Fixed-price projects	589.3	241.3	2.6	833.2
Day-rate projects	145.6	0.1	17.5	163.2
	734.9	241.4	20.1	996.4
Net operating (loss)/income	(6.8)	(20.0)	17.9	(8.9)
Finance income				0.7
Other gains and losses				16.2
Finance costs				(5.5)
Income before taxes				2.5
Adjusted EBITDA[(a)]	*85.6*	*(6.8)*	*23.5*	*102.3*
Adjusted EBITDA margin[(a)]	*11.6%*	*(2.8%)*	*116.9%*	*10.3%*

(a) Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. For explanations and reconciliations of Adjusted EBITDA and Adjusted EBITDA margin refer to Note 8 'Adjusted EBITDA and Adjusted EBITDA margin' to the Condensed Consolidated Financial Statements.

7. Earnings per share

Basic and diluted earnings per share

Basic earnings/(loss) per share is calculated by dividing the net income/(loss) attributable to shareholders of the parent company by the weighted average number of common shares in issue during the period, excluding common shares purchased by the Group and held as treasury shares.

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all potentially dilutive common shares. The net income/(loss) and share data used in the calculation of basic and diluted earnings/(loss) per share were as follows:

	Three months ended	
For the period (in $ millions)	**31 Mar 2022 Unaudited**	31 Mar 2021 Unaudited
Net (loss)/income attributable to shareholders of the parent company	**(14.9)**	2.0
Earnings used in the calculation of diluted (loss)/earnings per share	**(14.9)**	2.0

	Three months ended	
For the period (number of shares)	**31 Mar 2022 Unaudited**	31 Mar 2021 Unaudited
Weighted average number of common shares used in the calculation of basic (loss)/earnings per share	**294,930,944**	297,674,727
Performance shares	**–**	813,585
Weighted average number of common shares used in the calculation of diluted (loss)/earnings per share	**294,930,944**	298,488,312

	Three months ended	
For the period (in $ per share)	**31 Mar 2022 Unaudited**	31 Mar 2021 Unaudited
Basic (loss)/earnings per share	**(0.05)**	0.01
Diluted (loss)/earnings per share	**(0.05)**	0.01

The following shares that could potentially dilute earnings/(loss) per share were excluded from the calculation of diluted earnings/(loss) per share due to being anti-dilutive:

	Three months ended	
For the period (number of shares)	**31 Mar 2022 Unaudited**	31 Mar 2021 Unaudited
Performance shares	**1,804,683**	766,732

8. Adjusted EBITDA and Adjusted EBITDA margin

Adjusted earnings before interest, taxation, depreciation and amortisation (Adjusted EBITDA) is a non-IFRS measure that represents net income/(loss) before additional specific items that are considered to impact the comparison of the Group's performance either period-on-period or with other businesses. The Group defines Adjusted EBITDA as net income/(loss) adjusted to exclude depreciation and amortisation costs, including amortisation of prepaid mobilisation expenses and amortisation of intangible assets, impairment charges or impairment reversals, finance income, remeasurement gains and losses on business combinations, other gains and losses (including foreign exchange gains and losses, gains on disposal of subsidiaries, gains and losses resulting from remeasurement of contingent consideration, gains on distributions and bargain purchase gains on business combinations), finance costs and taxation. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue, expressed as a percentage.

The items excluded from Adjusted EBITDA represent items which are individually or collectively material, but which are not considered representative of the performance of the business during the periods presented. Other gains and losses principally relate to disposals of investments, property, plant and equipment and net foreign exchange gains or losses. Impairments of assets represent the excess of the assets' carrying amount over the amount that is expected to be recovered from their use in the future or their sale.

Adjusted EBITDA and Adjusted EBITDA margin are not recognised as a measurement of performance under IFRS as adopted by the EU. These measures exclude items that can have a significant effect on the Group's income or loss and therefore should not be considered as an alternative to, or more meaningful than, net income/(loss) (as determined in accordance with IFRS) as a measure of the Group's operating results or cash flows from operations (as determined in accordance with IFRS) as a measure of the Group's liquidity.

Management believes that Adjusted EBITDA and Adjusted EBITDA margin are important indicators of the operational strength and the performance of the Group. These non-IFRS measures provide management with a meaningful comparative for its business units, as they eliminate the effects of financing, depreciation, amortisation, impairments, taxation and other gains and losses in the Consolidated Income Statement. Management believes that the presentation of Adjusted EBITDA is also useful as it is similar to measures used by companies within Subsea 7's peer group and therefore believes it to be a helpful calculation for those evaluating companies within Subsea 7's industry. Adjusted EBITDA margin may also be a useful ratio to compare performance to its competitors and is widely used by shareholders and analysts following the Group's performance. Notwithstanding the foregoing, Adjusted EBITDA and Adjusted EBITDA margin as presented by the Group may not be comparable to similarly titled measures reported by other companies.

Reconciliation of net operating loss to Adjusted EBITDA and Adjusted EBITDA margin:

For the period (in $ millions)	Three months ended 31 Mar 2022 Unaudited	Three months ended 31 Mar 2021 Unaudited
Net operating loss	**(30.9)**	(8.9)
Depreciation, amortisation and mobilisation	**116.7**	109.9
Impairment of intangible assets	**–**	1.3
Adjusted EBITDA	**85.8**	102.3
Revenue	**1,193.8**	996.4
Adjusted EBITDA margin	**7.2%**	10.3%

Reconciliation of net (loss)/income to Adjusted EBITDA and Adjusted EBITDA margin:

For the period (in $ millions)	Three months ended 31 Mar 2022 Unaudited	Three months ended 31 Mar 2021 Unaudited
Net (loss)/income	**(12.4)**	0.8
Depreciation, amortisation and mobilisation	**116.7**	109.9
Impairment of intangible assets	**–**	1.3
Finance income	**(0.9)**	(0.7)
Other gains and losses	**(7.2)**	(16.2)
Finance costs	**4.8**	5.5
Taxation	**(15.2)**	1.7
Adjusted EBITDA	**85.8**	102.3
Revenue	**1,193.8**	996.4
Adjusted EBITDA margin	**7.2%**	10.3%

9. Goodwill

The movement in goodwill during the period was as follows:

(in $ millions)	Three months ended 31 Mar 2022 Unaudited	Three months ended 31 Mar 2021 Unaudited
At year beginning	**160.5**	84.5
Exchange differences	**(0.5)**	1.5
At period end	**160.0**	86.0

10. Treasury shares

At 31 March 2022, the Group directly held 7,035,017 shares (Q4 2021: 4,534,107) as treasury shares, representing 2.35% (Q4 2021: 1.51%) of the total number of issued shares.

The movement in treasury shares during the period was as follows:

	31 Mar 2022 Number of shares Unaudited	**31 Mar 2022 in $ millions Unaudited**	31 Mar 2021 Number of shares Unaudited	31 Mar 2021 in $ millions Unaudited
At year beginning	**4,534,107**	**32.9**	2,326,683	17.8
Shares repurchased	**2,500,910**	**20.7**	–	–
Shares reallocated relating to share-based payments	**–**	**–**	(10,457)	(0.2)
At period end	**7,035,017**	**53.6**	2,316,226	17.6

11. Share repurchase programme

During the first quarter, 2,500,910 shares were repurchased for a consideration of $20.7 million under the Group's share repurchase programme authorised on 24 July 2019, extended on 15 April 2021. At 31 March 2022, the Group had cumulatively repurchased 6,853,050 shares for a total consideration of $51.6 million under this programme.

12. Commitments and contingent liabilities

Commitments

At 31 March 2022, the Group had contractual commitments totalling $404.0 million, including commitments related to *Seaway Alfa Lift*, an offshore wind foundation installation vessel and *Seaway Ventus*, an offshore wind turbine installation vessel.

Contingent liabilities not recognised in the Consolidated Balance Sheet

The Group is subject to tax audits and receives tax assessments in a number of jurisdictions where it has, or has had, operations. The estimation of the ultimate outcome of these audits and disputed tax assessments is complex and subjective. The likely outcome of the audits and associated cash outflow, if any, may be impacted by technical uncertainty and the availability of supporting documentation.

Between 2009 and 2020, the Group's Brazilian businesses were audited and formally assessed for ICMS and federal taxes (including import duty) by the Brazilian state and federal tax authorities. The amount assessed, including penalties and interest, at 31 March 2022 amounted to BRL 832.3 million, equivalent to $174.6 million (31 December 2021: BRL 821.5 million, equivalent to $145.1 million). The Group has challenged these assessments. A contingent liability has been disclosed for the total amounts assessed as the disclosure criteria have been met however management believes that the likelihood of payment is not probable.

During 2018, 2019 and 2020, the Group's Brazilian business received several labour claims. The amount assessed at 31 March 2022 amounted to BRL 234.9 million, equivalent to $49.3 million (31 December 2021: BRL 234.8 million, equivalent to $41.5 million). The Group has challenged these claims. A contingent liability has been disclosed for BRL176.9 million, equivalent to $37.1 million as the disclosure criteria have been met (31 December 2021: BRL177.4 million, equivalent to $31.3 million), however, management believes that the likelihood of payment is not probable. At 31 March 2022, a provision of BRL 58.0 million, equivalent to $12.2 million was recognised within the Consolidated Balance Sheet (31 December 2021: BRL 57.4 million, equivalent to $10.1 million), as the IAS 37 'Provisions, contingent liabilities and contingent assets' recognition criteria were met.

Contingent liabilities recognised in the Consolidated Balance Sheet

As part of accounting for the business combination with Subsea 7 Inc., IFRS 3 'Business combinations' (IFRS 3) required the Group to recognise as a provision, as of the acquisition date, the fair value of contingent liabilities assumed if there was a present obligation that arose from past events, even where payment was not probable. The value of the provision recognised within the Consolidated Balance Sheet at 31 March 2022 was $5.9 million (31 December 2021: $5.0 million). While complying with the requirements of IFRS 3, management continues to believe that payment relating to the remaining recognised contingent liabilities is not probable.

As part of the accounting for the business combination of Pioneer Lining Technology Limited, IFRS 3 required the Group to recognise a provision in respect of contingent consideration payable to a third party following the acquisition of intangible assets in 2009. The value of the provision recognised within the Consolidated Balance Sheet at 31 March 2022 was $0.1 million (31 December 2021: $0.5 million). While complying with the requirements of IFRS 3, management continues to believe that payment relating to the remaining recognised contingent liabilities is not probable.

13. Fair value and financial instruments

The carrying values of the Group's financial assets and financial liabilities recorded at amortised cost in the Condensed Consolidated Financial Statements approximate their fair values.

Borrowings – South Korean Export Credit Agency (ECA) facility and UK Export Finance (UKEF) facility

Fair value is determined by matching the maturity profile of amounts utilised under each facility to market interest rates available to the Group for borrowings with similar security, maturity and repayment profiles. At 31 March 2022 interest charged under each facility is representative of market rates currently available to the Group and therefore the carrying amount approximates fair value.

Fair value measurements

Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Recurring and non-recurring fair value measurements

Recurring fair value measurements are those that IFRS require at the end of each reporting period and non-recurring fair value measurements are those that IFRS require or permit in particular circumstances.

Assets and liabilities which are measured at fair value in the Condensed Consolidated Balance Sheet and their level in the fair value hierarchy were as follows:

At (in $ millions)	**2022 31 Mar Level 1**	**2022 31 Mar Level 2**	**2022 31 Mar Level 3**	2021 31 Dec Level 1	2021 31 Dec Level 2	2021 31 Dec Level 3
Recurring fair value measurements						
Financial assets measured at fair value through profit or loss:						
Derivative financial instruments	**–**	**34.7**	**–**	–	47.7	–
Financial assets measured at fair value through other comprehensive income:						
Derivative financial instruments in designated hedge accounting relationships	**–**	**25.6**	**–**	–	12.8	–
Financial liabilities measured at fair value through profit or loss:						
Derivative financial instruments	**–**	**(37.3)**	**–**	–	(29.4)	–
Contingent consideration	**–**	**–**	**(4.1)**	–	–	(6.6)

During the period ended 31 March 2022 there were no transfers between levels of the fair value hierarchy. The Group accounts for transfers between levels of the fair value hierarchy from the date of the event or change in circumstance that caused the transfer.

Fair value techniques and inputs

Financial assets and liabilities mandatorily measured at fair value through profit or loss

The Group's financial assets and liabilities measured at fair value through profit or loss comprised:

- Forward foreign exchange contracts and embedded derivatives
  The fair value of outstanding forward foreign exchange contracts and embedded derivatives were calculated using quoted foreign exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.
- Contingent consideration
  The fair value of contingent consideration is determined based on current expectations of the achievement of specific targets and milestones and calculated using the discounted cash flow method and unobservable inputs.

Financial assets and liabilities measured at fair value through other comprehensive income

The Group's financial assets and liabilities measured at fair value through other comprehensive income comprised:

- Derivative financial instruments in designed hedge accounting relationships
  The fair value of outstanding forward exchange contracts were calculated using quoted foreign exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.

Financial assets measured at fair value through other comprehensive income and designated as such at initial recognition

The Group's financial assets measured at fair value through other comprehensive income and designated as such at initial recognition comprised:

- Other financial assets
  Strategic financial investments in unlisted companies are disclosed as other financial assets within non-current assets on the Consolidated Balance Sheet. Management concluded that due to the nature of these investments, there are a wide range of possible fair value measurements and in some cases, there may be insufficient recent information available to enable the Group to accurately measure fair value. Management review investments annually to ensure the carrying amount can be supported by expected future cash flows and have concluded cost is considered to represent the best estimate of fair value of each investment within a range of possible outcomes.

14. Post balance sheet events

Shareholder resolution on dividend at Annual General Meeting

The Annual General Meeting of Shareholders of Subsea 7 S.A. took place on 12 April 2022. All resolutions proposed by the Board of Directors were approved by shareholders, including the resolution to approve the payment of a dividend of NOK 1.00 per share, equivalent to a total dividend of approximately $32 million. The dividend will be paid on 6 May 2022 to the holders of Common Shares and American Depositary Receipts.

Share repurchase programme

Between 1 April 2022 and 27 April 2022 the Group repurchased 211,661 shares for a consideration of $1.9 million under the Group's share repurchase programme authorised on 24 July 2019, extended on 15 April 2021. At 27 April 2022, the Group had cumulatively repurchased 7,064,711 shares for a total consideration of $53.5 million under this programme.