

May 13, 2025

## Consolidated Financial Results for the Three Months Ended March 31, 2025 (IFRS)

Company name: MODEC, INC.  
 Listing: Tokyo Stock Exchange  
 Securities code: 6269  
 URL: <https://www.modec.com/jp/>  
 Representative: Hirohiko Miyata, Representative Director, President  
 Inquiries: Daisuke Tachibana, General Manager of Accounting  
 Telephone: +81-3-5290-1200  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: None  
 Holding of quarterly financial results briefing: None

(US dollar amounts are rounded down to thousands.)

### 1. Consolidated financial results for the three months ended March 31, 2025 (from January 1, 2025 to March 31, 2025)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Three months ended	US\$ thousand	%	US\$ thousand	%	US\$ thousand	%	US\$ thousand	%
March 31, 2025	873,038	6.1	75,200	(2.1)	71,975	(12.4)	63,151	(11.3)
March 31, 2024	822,866	10.5	76,803	271.7	82,117	298.0	71,185	657.1

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Three months ended	US\$ thousand	%	US\$ thousand	%	US\$	US\$
March 31, 2025	55,635	(11.0)	49,445	(46.8)	0.81	0.81
March 31, 2024	62,535	—	92,946	—	0.92	0.92

#### (2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	US\$ thousand	US\$ thousand	US\$ thousand	%
March 31, 2025	4,357,917	1,225,076	1,196,688	27.5
December 31, 2024	4,496,651	1,198,468	1,180,435	26.3

Note: The original condensed consolidated financial statements of MODEC, INC. and its subsidiaries (hereinafter “the Company”) for the three months ended March 31, 2025 and 2024 and for the year ended December 31, 2024 are presented in US dollars, which is the Company’s functional currency. Therefore, the consolidated operating results and the consolidated financial position above are also presented in US dollars.

For convenience purposes the consolidated financial results converted to Japanese yen in expedient manner are presented on page 4 of this summary information.

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	yen	yen	yen	yen	yen
Year ended December 31, 2024	—	30.00	—	50.00	80.00
Year ending December 31, 2025	—				
Year ending December 31, 2025 (Forecast)		60.00	—	60.00	120.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Earnings forecast for 2025 (from January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	US\$ thousand	%	US\$ thousand	%	US\$ thousand	%	US\$ thousand	%	US\$
Full Year	3,700,000	(11.6)	410,000	27.0	420,000	36.4	270,000	22.5	3.95

Note: Revisions to the forecast most recently announced: None

The consolidated earnings forecast of the Company is prepared in US dollars, which is the Company's functional currency. For convenience purposes the consolidated earnings forecast converted to Japanese yen in expedient manner is presented on page 4 of this summary information.

**\* Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates

- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	68,345,300 shares
As of December 31, 2024	68,345,300 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	38,250 shares
As of December 31, 2024	38,250 shares

(iii) Average number of shares outstanding during the period

Three months ended March 31, 2025	68,307,050 shares
Three months ended March 31, 2024	68,307,083 shares

- \* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)
- \* Proper use of earnings forecasts and other special matters
  - Accompanying condensed quarterly consolidated financial statements and selected notes are presented in US dollars, which is the Company's functional currency.
  - The US dollar amounts in the first page of this summary information is not tagged to XBRL data.
  - Earnings forecast and other forward-looking statement included in this material are based on information currently available to the Company and are based on assumptions deemed reasonable. They are not meant to be a guarantee of future performance or outcomes. Actual results may differ materially subject to various factors.

**[Reference] Consolidated financial results for the three months ended March 31, 2025 and earnings forecast for the year ending December 31, 2025 presented in Japanese yen**

(Yen amounts are rounded down to millions.)

**1. Consolidated financial results for the three months ended March 31, 2025 (from January 1, 2025 to March 31, 2025)**

**(1) Consolidated operating results (cumulative)**

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Three months ended	million yen	%	million yen	%	million yen	%	million yen	%
March 31, 2025	130,545	4.8	11,244	(3.3)	10,762	(13.4)	9,443	(12.3)
March 31, 2024	124,524	25.2	11,622	321.2	12,426	351.0	10,772	758.0

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Three months ended	million yen	%	million yen	%	yen	yen
March 31, 2025	8,319	(12.1)	7,393	(47.4)	121.79	121.72
March 31, 2024	9,463	—	14,065	—	138.54	138.47

**(2) Consolidated financial position**

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	million yen	million yen	million yen	%
March 31, 2025	651,639	183,185	178,940	27.5
December 31, 2024	711,145	189,537	186,685	26.3

Note: The amounts presented above are converted to Japanese yen in expedient manner from the consolidated financial results on page 1 of this summary information using the following exchange rates:

March 31, 2025 at US\$1.00 = 149.53 Japanese yen (TTM rate of Sumitomo Mitsui Banking Corporation as of March 31, 2025)

March 31, 2024 at US\$1.00 = 151.33 Japanese yen (TTM rate of Sumitomo Mitsui Banking Corporation as of March 29, 2024)

December 31, 2024 at US\$1.00 = 158.15 Japanese yen (TTM rate of Sumitomo Mitsui Banking Corporation as of December 30, 2024)

The percentage indicating year-on-year changes for the consolidated operating results is calculated on Japanese yen basis presented above.

**2. Earnings forecast for 2025 (from January 1, 2025 to December 31, 2025)**

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full Year	585,155	(11.6)	64,841	27.0	66,423	36.4	42,700	22.5	625.12

Note: The amounts presented above are converted to Japanese yen in expedient manner from the earnings forecast on page 2 of this summary information at US\$1.00 = 158.15 Japanese yen at the TTM rate of Sumitomo Mitsui Banking Corporation as of December 30, 2024.

The percentage indicating year-on-year changes is calculated on Japanese yen basis.

## ○ Contents

1. Qualitative information on quarterly financial results.....	2
(1) Results of operations .....	2
(2) Financial position.....	2
2. Condensed quarterly consolidated financial statements and selected notes.....	3
(1) Condensed quarterly consolidated statement of financial position .....	3
(2) Condensed quarterly consolidated statement of profit or loss and condensed quarterly consolidated statement of other comprehensive income.....	5
(3) Condensed quarterly consolidated statement of change in equity .....	7
(4) Condensed quarterly consolidated statement of cash flows .....	9
(5) Selected notes to the condensed quarterly consolidated financial statements.....	10
(Note to ability to continue as a going concern) .....	10
(Applicable financial reporting framework).....	10
(Note to segment information).....	10

## **1. Qualitative information on quarterly financial results**

### **(1) Results of operations**

In the first quarter of this year, the global economy experienced growing uncertainty due to the additional tariff policies of the U.S. In the U.S., where the economy had remained strong, signs of slowdown were observed particularly in consumer spending and service-related sectors. In addition, the European economy remained sluggish, and concerns about the economic outlook further increased from the end of the previous year.

Oil prices temporarily rose to the US\$80s per barrel level in January 2025, driven by factors such as the tightening sanctions on Russian oil exports by the U.S. and the UK. Subsequently, oil prices generally fluctuated within the range of the mid-US\$60s to US\$70 per barrel due to the OPEC Plus decision to gradually increase production. Additionally, the imposition of tariffs by the U.S. on China, Canada, and Mexico along with retaliatory tariffs from these countries fueled expectations of a decline in global oil demand.

While coexisting with the trend toward decarbonization, maintaining a stable energy supply remains an important issue, and the development of deepwater oil and gas fields by oil companies continues to be promoted as an area where sufficient reserves are confirmed for the future and where they are cost competitive. Demand for the Group's main business related to floating offshore oil and gas production facilities especially for large-scale ultra-deepwater projects, in which the Group has a competitive advantage, has also remained firm.

Under these circumstances, as for the Group's operating results for the three months ended as of March 31, 2025, orders received amounted to US\$4,787,365 thousand (up 1952.8% from YTD 1Q 2024) due to new orders for FPSO construction and operation and maintenance contracts for the Gato do Mato field off the coast of Brazil, which is being developed by Shell Brasil Petróleo Ltda, a subsidiary of Shell plc. (HQ: UK). The order backlog amounted to US\$17,173,538 thousand (up 32.7% from the end of previous year).

In terms of revenue and profit, revenue was US\$873,038 thousand (up 6.1% from YTD 1Q 2024) due to the recognition of revenue and gross profit from the steady progress of the FPSO construction projects. In addition, due to the share of profit of investments accounted for using equity method of US\$46,125 thousand (up 4.8% from YTD 1Q 2024), operating profit was US\$75,200 thousand (down 2.1% from YTD 1Q 2024).

And the profit attributable to owners of parent for the three months amounted to US\$55,635 thousand (down 11.0% from YTD 1Q 2024) impacted by higher finance costs due to foreign exchange losses arising from the appreciation of the Brazilian Real.

### **(2) Financial position**

The total assets at the end of first quarter of this year decreased by US\$138,734 thousand to US\$4,357,917 thousand from the end of previous year mainly due to a decrease in trade and other receivables.

The total liabilities decreased by US\$165,341 thousand to US\$3,132,841 thousand from the end of previous year mainly due to a decrease in trade and other payables and contract liabilities.

The total equity increased by US\$26,607 thousand to US\$1,225,076 thousand from the end of previous year mainly due to an increase in retained earnings.

## 2. Condensed quarterly consolidated financial statements and selected notes

### (1) Condensed quarterly consolidated statement of financial position

in thousands of US dollars

	December 31, 2024	March 31, 2025
Assets		
Current assets		
Cash and cash equivalents	1,253,276	1,489,257
Trade and other receivables	752,408	480,933
Contract assets	195,692	90,705
Loan receivables	6,842	—
Other financial assets	52,105	53,804
Other current assets	150,419	165,415
Total current assets	2,410,745	2,280,115
Non-current assets		
Property, plant and equipment	71,102	66,818
Intangible assets	39,669	36,830
Investments accounted for using equity method	1,587,851	1,578,160
Loans receivable	307,321	307,321
Other financial assets	14,702	20,578
Deferred tax assets	62,496	65,122
Other non-current assets	2,763	2,968
Total non-current assets	2,085,906	2,077,801
Total assets	4,496,651	4,357,917

in thousands of US dollars

	December 31, 2024	March 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	1,326,995	1,250,135
Contract liabilities	877,573	792,253
Borrowings	55,549	81,176
Income taxes payable	112,170	96,902
Provisions	128,935	126,581
Other financial liabilities	182,633	166,984
Other current liabilities	50,994	92,740
Total current liabilities	2,734,850	2,606,774
Non-current liabilities		
Bonds and borrowings	458,885	419,172
Defined benefit liability	44,841	45,907
Provisions	18,979	20,129
Other financial liabilities	39,517	39,778
Other non-current liabilities	1,109	1,079
Total non-current liabilities	563,332	526,066
Total liabilities	3,298,183	3,132,841
Equity		
Share capital	190,495	190,495
Capital surplus	168,963	168,963
Retained earnings	722,724	755,328
Treasury shares	(1,093)	(1,093)
Other components of equity	99,344	82,994
Equity attributable to owners of parent	1,180,435	1,196,688
Non-controlling interests	18,033	28,387
Total equity	1,198,468	1,225,076
Total liabilities and equity	4,496,651	4,357,917



(2) Condensed quarterly consolidated statement of profit or loss and condensed quarterly consolidated statement of other comprehensive income

Condensed quarterly consolidated statement of profit or loss

For the three months ended March 31

in thousands of US dollars

	2024	2025
Revenue	822,866	873,038
Cost of sales	(742,963)	(786,084)
Gross profit	79,903	86,953
Selling, general and administrative expenses	(47,327)	(57,940)
Share of profit of investments accounted for using equity method	44,007	46,125
Other income	234	81
Other expenses	(14)	(18)
Operating profit	76,803	75,200
Finance income	17,804	19,422
Finance costs	(12,490)	(22,648)
Profit before tax	82,117	71,975
Income tax expense	(10,931)	(8,823)
Profit for the period	71,185	63,151

Profit attributable to		
Owners of parent	62,535	55,635
Non-controlling interests	8,650	7,515
Profit for the period	71,185	63,151

in US dollars

Earnings per share		
Basic earnings per share	0.92	0.81
Diluted earnings per share	0.92	0.81

# Condensed quarterly consolidated statement of other comprehensive income

For the three months ended March 31

in thousands of US dollars

	2024	2025
Profit for the period	71,185	63,151
Other comprehensive Income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurements of defined benefit liability	(80)	(212)
Total items that will not be reclassified subsequently to profit or loss	(80)	(212)
Items that may be reclassified subsequently to profit or loss		
Effective portion of cash flow hedges	(7,506)	11,128
Exchange differences on translation of foreign operations	816	3,425
Share of other comprehensive income of investments accounted for using equity method	28,531	(28,047)
Total items that may be reclassified subsequently to profit or loss	21,841	(13,493)
Total other comprehensive income, net of tax	21,761	(13,705)
Total comprehensive income for the period	92,946	49,445

Total comprehensive income attributable to		
Owners of parent	85,552	39,091
Non-controlling interests	7,394	10,353
Total comprehensive income	92,946	49,445

### (3) Condensed quarterly consolidated statement of changes in equity

For the three months ended March 31, 2024

in thousands of US dollars

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurements of defined benefit liability	Effective portion of cash flow hedges
At January 1, 2024	190,495	187,112	522,260	(1,092)	—	123,552
Profit for the period	—	—	62,535	—	—	—
Other comprehensive income	—	—	—	—	(79)	22,340
Total comprehensive income for the period	—	—	62,535	—	(79)	22,340
Dividends paid to owners of the parent	—	—	(9,067)	—	—	—
Share-based payment transactions	—	71	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(79)	—	79	—
Total transactions with owners	—	71	(9,147)	—	79	—
At March 31, 2024	190,495	187,183	575,648	(1,092)	—	145,893

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total equity attributable to owners of parent		
	Exchange differences on translation of foreign operations	Total other components of equity			
At January 1, 2024	(29,510)	94,042	992,817	42,473	1,035,291
Profit for the period	—	—	62,535	8,650	71,185
Other comprehensive income	755	23,016	23,016	(1,255)	21,761
Total comprehensive income for the period	755	23,016	85,552	7,394	92,946
Dividends paid to owners of the parent	—	—	(9,067)	—	(9,067)
Share-based payment transactions	—	—	71	—	71
Transfer from other components of equity to retained earnings	—	79	—	—	—
Total transactions with owners	—	79	(8,996)	—	(8,996)
At March 31, 2024	(28,754)	117,138	1,069,373	49,867	1,119,241

For the three months ended March 31, 2025

in thousands of US dollars

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurements of defined benefit liability	Effective portion of cash flow hedges
At January 1, 2025	190,495	168,963	722,724	(1,093)	—	127,419
Profit for the period	—	—	55,635	—	—	—
Other comprehensive income	—	—	—	—	(194)	(19,895)
Total comprehensive income for the period	—	—	55,635	—	(194)	(19,895)
Dividends paid to owners of the parent	—	—	(22,837)	—	—	—
Transfer from other components of equity to retained earnings	—	—	(194)	—	194	—
Total transactions with owners	—	—	(23,032)	—	194	—
At March 31, 2025	190,495	168,963	755,328	(1,093)	—	107,524

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total equity attributable to owners of parent		
	Exchange differences on translation of foreign operations	Total other components of equity			
At January 1, 2025	(28,075)	99,344	1,180,435	18,033	1,198,468
Profit for the period	—	—	55,635	7,515	63,151
Other comprehensive income	3,545	(16,543)	(16,543)	2,838	(13,705)
Total comprehensive income for the period	3,545	(16,543)	39,091	10,353	49,445
Dividends paid to owners of the parent	—	—	(22,837)	—	(22,837)
Transfer from other components of equity to retained earnings	—	194	—	—	—
Total transactions with owners	—	194	(22,837)	—	(22,837)
At March 31, 2025	(24,529)	82,994	1,196,688	28,387	1,225,076

#### (4) Condensed quarterly consolidated statement of cash flows

For the three months ended March 31

in thousands of US dollars

	2024	2025
Cash flows from operating activities		
Profit before tax	82,117	71,975
Depreciation and amortization	8,919	10,283
Increase (decrease) in provisions	(121)	(2,386)
Increase (decrease) in defined benefit liability	259	1,060
Share of profit of investments accounted for using equity method	(44,007)	(46,125)
Finance income and finance costs	(5,313)	3,225
Decrease (increase) in trade and other receivables	16,186	278,328
Decrease (increase) in contract assets	33,733	105,085
Decrease (increase) in other current assets	11,651	(5,645)
Increase (decrease) in trade and other payables	(195,311)	(89,627)
Increase (decrease) in contract liabilities	189,541	(84,109)
Increase (decrease) in other current liabilities	(1,962)	40,010
Other	(4,684)	(38,950)
Subtotal	91,008	243,124
Interest received	20,537	20,130
Dividends received	28,902	28,675
Interest paid	(10,336)	(10,073)
Income taxes paid	(23,028)	(30,921)
Net cash provided by operating activities	107,083	250,936
Cash flows from investing activities		
Repayments of long-term loans receivable	6,842	6,842
Acquisition of property, plant and equipment and intangible assets	(3,549)	(742)
Acquisition of investments accounted for using equity method	(133,331)	—
Proceeds from capital reduction of investments accounted for using equity method	50	—
Net cash provided by (used in) in investing activities	(129,988)	6,100
Cash flows from financing activities		
Repayments of long-term borrowings	(14,449)	(14,449)
Payments of lease liabilities	(6,136)	(5,015)
Receipts of CMS deposit liabilities	—	17,378
Disbursements of CMS deposit liabilities	—	(2,204)
Dividends paid	(8,943)	(22,421)
Net cash used in financing activities	(29,530)	(26,713)
Effect of changes in exchange rates on cash and cash equivalents	(5,842)	5,657
Net increase (decrease) in cash and cash equivalents	(58,277)	235,980
Cash and cash equivalents at beginning of period	1,013,912	1,253,276
Cash and cash equivalents at end of period	955,635	1,489,257

(5) Selected notes to the condensed quarterly consolidated financial statements

(Note to ability to continue as a going concern)

There are no material uncertainties that require disclosure.

(Applicable financial reporting framework)

The Company's condensed quarterly consolidated financial statements (condensed quarterly consolidated statement of financial position, condensed quarterly consolidated statement of profit or loss, condensed quarterly consolidated statement of comprehensive income, condensed quarterly consolidated statement of changes in equity, condensed quarterly consolidated statement of cash flows and selected notes) have been prepared in accordance with Article 5, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements of Tokyo Stock Exchange, Inc. (However, Article 5, Paragraph 5 of the Standards, which describes excludable items for disclosure, is applied.) Accordingly, some of the disclosures and notes required by International Accounting Standard 34 “Interim Financial Reporting” are not presented.

(Note to segment information)

The Group is solely engaged in construction of floating, production, storage and offloading systems for oil and gas productions and various related services as single business; therefore, general information of reportable segments is not presented.