

August 7, 2025

Consolidated Financial Results for the Six Months Ended June 30, 2025 (IFRS)

Company name: MODEC, INC.
 Listing: Tokyo Stock Exchange
 Securities code: 6269
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 Scheduled date to file semi-annual securities report: August 8, 2025
 Scheduled date to commence dividend payments: September 9, 2025
 Preparation of supplementary material on financial results: Yes "2025 Semi-Annual Results Presentation"
 Holding of financial results briefing: Yes (to institutional investors and analysts)

(US dollar amounts are rounded down to thousands.)

1. Consolidated financial results for the six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Six months ended	US\$ thousand	%	US\$ thousand	%	US\$ thousand	%	US\$ thousand	%
June 30, 2025	2,074,296	10.5	172,196	(7.8)	196,532	8.1	164,894	10.7
June 30, 2024	1,877,747	18.2	186,711	278.2	181,813	231.3	148,955	298.9

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Six months ended	US\$ thousand	%	US\$ thousand	%	US\$	US\$
June 30, 2025	145,076	17.0	147,705	(8.0)	2.12	2.12
June 30, 2024	124,018	421.2	160,552	394.1	1.82	1.81

(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	%
June 30, 2025	4,497,328	1,309,834	1,281,946	28.5
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 six months ended June 30, 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
Year ended December 31, 2024	yen —	yen 30.00	yen —	yen 50.00	yen 80.00
Year ending December 31, 2025	—	60.00			
Year ending December 31, 2025 (Forecast)			—	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 June 30, 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 June 30, 2025	4,629 shares
As of December 31, 2024	38,250 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the year)

Six months ended June 30, 2025	68,317,715 shares
Six months ended June 30, 2024	68,307,081 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts and other special matters

- Accompanying condensed interim 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 six months ended June 30, 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 six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Six months ended	million yen	%	million yen	%	million yen	%	million yen	%
June 30, 2025	300,378	(0.7)	24,935	(17.1)	28,459	(2.8)	23,878	(0.4)
June 30, 2024	302,373	31.3	30,066	320.1	29,277	267.9	23,986	343.0

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Six months ended	million yen	%	million yen	%	yen	yen
June 30, 2025	21,008	5.2	21,389	(17.3)	307.51	307.39
June 30, 2024	19,970	478.9	25,853	448.8	292.37	292.21

(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	%
June 30, 2025	651,258	189,677	185,638	28.5
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:

June 30, 2025 at US\$1.00 = 144.81 Japanese yen (TTM rate of Sumitomo Mitsui Banking Corporation as of June 30, 2025)

June 30, 2024 at US\$1.00 = 161.03 Japanese yen (TTM rate of Sumitomo Mitsui Banking Corporation as of June 28, 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 percentages indicating year-on-year changes for the consolidated operating results are 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 percentages indicating year-on-year changes are calculated on Japanese yen basis.

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1. Qualitative information on quarterly financial results

(1) Results of operations

In the first half of this year, the global economy faced increased concerns about a negative impact of the economic downturn driven by the U.S. tariff increase policies and the resulting intensification of U.S.-China tensions. This led to increased uncertainty about the outlook of the global economy.

Oil prices temporarily rose to around US\$80s per barrel due to supply concerns stemming from heightened tensions between Iran and Israel. Subsequently, both countries agreed to a ceasefire and easing supply concerns. In addition, in response to growing expectations that OPEC Plus will agree to increase production, oil prices generally fluctuated within the range of approximately US\$60 to US\$70 per barrel. While coexisting with the trend toward decarbonization, maintaining a stable energy supply remains an important issue, and oil companies continue to pursue projects to develop deepwater oil fields. 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 six months ended as of June 30, 2025, orders received amounted to US\$5,042,832 thousand (up 1327.5% from YTD 2Q 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\$16,577,942 thousand (up 28.1% from the end of previous year).

In terms of revenue and profit, revenue was US\$2,074,296 thousand (up 10.5% from YTD 2Q 2024) due to the recognition of revenue and gross profit from the steady progress of the FPSO construction projects. Due to the share of profit of investments accounted for using equity method of US\$86,212 thousand (up 5.1% from YTD 2Q 2024), operating profit was US\$172,196 thousand (down 7.8% from YTD 2Q 2024).

And the profit attributable to owners of parent for the six months amounted to US\$145,076 thousand (up 17.0% from YTD 2Q 2024).

(2) Financial position

The total assets at the end of second quarter of this year increased by US\$676 thousand to US\$4,497,328 thousand from the end of previous year mainly due to an increase in cash and cash equivalents.

The total liabilities decreased by US\$110,689 thousand to US\$3,187,493 thousand from the end of previous year mainly due to a decrease in borrowings.

The total equity increased by US\$111,366 thousand to US\$1,309,834 thousand from the end of previous year mainly due to an increase in retained earnings.

2. Condensed interim consolidated financial statements and selected notes

(1) Condensed interim consolidated statement of financial position

in thousands of US dollars

	December 31, 2024	June 30, 2025
Assets		
Current assets		
Cash and cash equivalents	1,253,276	1,491,872
Trade and other receivables	752,408	530,912
Contract assets	195,692	102,373
Loans receivable	6,842	—
Other financial assets	52,105	66,218
Other current assets	150,419	208,098
Total current assets	2,410,745	2,399,474
Non-current assets		
Property, plant and equipment	71,102	62,781
Intangible assets	39,669	34,375
Investments accounted for using equity method	1,587,851	1,604,488
Loans receivable	307,321	315,164
Other financial assets	14,702	16,209
Deferred tax assets	62,496	61,689
Other non-current assets	2,763	3,143
Total non-current assets	2,085,906	2,097,853
Total assets	4,496,651	4,497,328

in thousands of US dollars

	December 31, 2024	June 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	1,326,995	1,312,033
Contract liabilities	877,573	855,341
Borrowings	55,549	—
Income taxes payable	112,170	94,089
Provisions	128,935	127,053
Other financial liabilities	182,633	171,615
Other current liabilities	50,994	98,176
Total current liabilities	2,734,850	2,658,310
Non-current liabilities		
Bonds and borrowings	458,885	419,540
Defined benefit liability	44,841	47,239
Provisions	18,979	21,303
Other financial liabilities	39,517	40,055
Other non-current liabilities	1,109	1,044
Total non-current liabilities	563,332	529,183
Total liabilities	3,298,183	3,187,493
Equity		
Share capital	190,495	190,495
Capital surplus	168,963	168,496
Retained earnings	722,724	843,317
Treasury shares	(1,093)	(127)
Other components of equity	99,344	79,764
Equity attributable to owners of parent	1,180,435	1,281,946
Non-controlling interests	18,033	27,888
Total equity	1,198,468	1,309,834
Total liabilities and equity	4,496,651	4,497,328

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

Condensed interim consolidated statement of profit or loss

For the six months ended June 30

in thousands of US dollars

	2024	2025
Revenue	1,877,747	2,074,296
Cost of sales	(1,680,026)	(1,879,633)
Gross profit	197,721	194,662
Selling, general and administrative expenses	(93,115)	(108,775)
Share of profit of investments accounted for using equity method	82,035	86,212
Other income	295	155
Other expenses	(226)	(58)
Operating profit	186,711	172,196
Finance income	34,893	48,986
Finance costs	(39,791)	(24,650)
Profit before tax	181,813	196,532
Income tax expense	(32,858)	(31,638)
Profit for the period	148,955	164,894

Profit attributable to		
Owners of parent	124,018	145,076
Non-controlling interests	24,936	19,818
Profit for the period	148,955	164,894

in US dollars

Earnings per share		
Basic earnings per share	1.82	2.12
Diluted earnings per share	1.81	2.12

Condensed interim consolidated statement of other comprehensive income

For the six months ended June 30

in thousands of US dollars

	2024	2025
Profit for the period	148,955	164,894
Other comprehensive Income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurements of defined benefit liability	(160)	(1,681)
Total items that will not be reclassified subsequently to profit or loss	(160)	(1,681)
Items that may be reclassified subsequently to profit or loss		
Effective portion of cash flow hedges	(15,579)	17,557
Exchange differences on translation of foreign operations	2,089	7,659
Share of other comprehensive income of investments accounted for using equity method	25,247	(40,724)
Total items that may be reclassified subsequently to profit or loss	11,757	(15,507)
Total other comprehensive income, net of tax	11,597	(17,189)
Total comprehensive income for the period	160,552	147,705
Total comprehensive income attributable to		
Owners of parent	139,290	123,850
Non-controlling interests	21,261	23,854
Total comprehensive income	160,552	147,705

(3) Condensed interim consolidated statement of changes in equity

For the six months ended June 30, 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	—	—	124,018	—	—	—
Other comprehensive income	—	—	—	—	(159)	13,581
Total comprehensive income for the period	—	—	124,018	—	(159)	13,581
Dividends to owners of parent	—	—	(9,067)	—	—	—
Dividends to non-controlling interests	—	—	—	—	—	—
Acquisition of treasury shares	—	—	—	(0)	—	—
Share-based payment transactions	—	71	—	—	—	—
Acquisition of non-controlling interests without a change in control	—	(18,219)	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(159)	—	159	—
Total transactions with owners	—	(18,148)	(9,227)	(0)	159	—
At June 30, 2024	190,495	168,963	637,051	(1,093)	—	137,133

	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	—	—	124,018	24,936	148,955
Other comprehensive income	1,849	15,271	15,271	(3,674)	11,597
Total comprehensive income for the period	1,849	15,271	139,290	21,261	160,552
Dividends to owners of parent	—	—	(9,067)	—	(9,067)
Dividends to non-controlling interests	—	—	—	(10,500)	(10,500)
Acquisition of treasury shares	—	—	(0)	—	(0)
Share-based payment transactions	—	—	71	—	71
Acquisition of non-controlling interests without a change in control	—	—	(18,219)	(22,820)	(41,040)
Transfer from other components of equity to retained earnings	—	159	—	—	—
Total transactions with owners	—	159	(27,217)	(33,320)	(60,537)
At June 30, 2024	(27,660)	109,473	1,104,890	30,415	1,135,306

For the six months ended June 30, 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	—	—	145,076	—	—	—
Other comprehensive income	—	—	—	—	(1,645)	(27,453)
Total comprehensive income for the period	—	—	145,076	—	(1,645)	(27,453)
Dividends to owners of parent	—	—	(22,837)	—	—	—
Dividends to non-controlling interests	—	—	—	—	—	—
Share-based payment transactions	—	(467)	—	965	—	—
Transfer from other components of equity to retained earnings	—	—	(1,645)	—	1,645	—
Total transactions with owners	—	(467)	(24,483)	965	1,645	—
At June 30, 2025	190,495	168,496	843,317	(127)	—	99,966

	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	—	—	145,076	19,818	164,894
Other comprehensive income	7,872	(21,226)	(21,226)	4,036	(17,189)
Total comprehensive income for the period	7,872	(21,226)	123,850	23,854	147,705
Dividends to owners of parent	—	—	(22,837)	—	(22,837)
Dividends to non-controlling interests	—	—	—	(14,000)	(14,000)
Share-based payment transactions	—	—	498	—	498
Transfer from other components of equity to retained earnings	—	1,645	—	—	—
Total transactions with owners	—	1,645	(22,339)	(14,000)	(36,339)
At June 30, 2025	(20,202)	79,764	1,281,946	27,888	1,309,834

(4) Condensed interim consolidated statement of cash flows

For the six months ended June 30

in thousands of US dollars

	2024	2025
Cash flows from operating activities		
Profit before tax	181,813	196,532
Depreciation and amortization	18,054	20,399
Increase (decrease) in provisions	16,273	(1,646)
Increase (decrease) in defined benefit liability	2,313	2,377
Share of profit of investments accounted for using equity method	(82,035)	(86,212)
Finance income and finance costs	4,897	(24,335)
Decrease (increase) in trade and other receivables	78,193	241,977
Decrease (increase) in contract assets	54,653	93,553
Decrease (increase) in other current assets	18,464	(44,555)
Increase (decrease) in trade and other payables	(132,519)	(35,966)
Increase (decrease) in contract liabilities	197,204	(23,516)
Increase (decrease) in other current liabilities	(13,822)	43,928
Other	243	(38,832)
Subtotal	343,733	343,704
Interest received	31,940	34,437
Dividends received	59,240	30,675
Interest paid	(18,075)	(17,119)
Income taxes paid	(41,117)	(54,869)
Net cash provided by operating activities	375,721	336,829
Cash flows from investing activities		
Net decrease (increase) in short-term loans receivable	(4,388)	—
Repayments of long-term loans receivable	13,685	6,842
Acquisition of property, plant and equipment and intangible assets	(7,169)	(1,658)
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) investing activities	(131,154)	5,183
Cash flows from financing activities		
Repayments of long-term borrowings	(28,899)	(95,626)
Payments of lease liabilities	(12,519)	(8,514)
Receipts of CMS deposit liabilities	—	22,951
Disbursements of CMS deposit liabilities	—	(4,437)
Dividends paid	(9,065)	(22,819)
Dividends paid to non-controlling interests	(10,750)	(14,000)
Acquisition of non-controlling interests	(41,040)	—
Net cash used in financing activities	(102,274)	(122,446)
Effect of changes in exchange rates on cash and cash equivalents	(12,974)	19,028
Net increase (decrease) in cash and cash equivalents	129,317	238,595
Cash and cash equivalents at beginning of period	1,013,912	1,253,276
Cash and cash equivalents at end of period	1,143,230	1,491,872

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

(Note to ability to continue as a going concern)

There are no material uncertainties that require disclosure.