

Operator: Ladies and gentlemen, good day and welcome to the Q1 FY27 earnings conference call of Seamec Ltd. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. I now hand the conference over to Mr. Bala Subramaniam from Arihant Capital Market Limited. Thank you and over to you, sir.

Bala Subramaniam – Arihant Capital Market Limited: Thank you, Julius. Good morning, everyone. On behalf of Arihant Capital, I welcome you to the Q1 FY27 earnings conference call of Seamec Ltd. From the management side today, we have Mr. Naveen Mohta, Whole-time Director, Mr. Ashok Verma, CFO, and Mr. Sunil Gupta, VP, Strategy and Investor Relations. We welcome the management of Seamec on this call. Now I invite Mr. Naveen Mohta to give his opening remarks, following which we will open the floor for Q&A. Over to you, sir.

Naveen Mohta – Whole-time Director: Thank you, Bala. Good afternoon, ladies and gentlemen. On behalf of Seamec, I extend a very warm welcome to all our shareholders, investors, analysts, and other participants joining us today for our earnings conference call. Thank you for taking the time to be with us and for your continued confidence in the company.

The global offshore energy industry continues to witness healthy structural growth driven by increasing focus on energy security, offshore exploration and production, and investment in offshore infrastructure. While the energy transition continues, recent geopolitical developments have reinforced the importance of conventional oil and gas, supporting continued investment in domestic exploration and production. Against this backdrop, demand for specialized offshore vessels and marine services remains encouraging.

Increasing exploration, brownfield redevelopment, subsea infrastructure, and production optimization are creating sustained opportunities for experienced offshore services providers. For Seamec, the Middle East remains a key growth market. The gradual reopening of offshore activities in Iran could support regional vessel demand over the medium to long term, while Saudi Arabia continues to be strategically important. Our operations in the Kingdom have delivered consistent performance, strong safety standards, and reliable execution. We remain focused on building long-term customer relationships and strengthening Seamec's position as a preferred offshore service provider in the region.

In India, the recent Andaman and Mahanadi Basin discoveries further highlight the country's significant offshore potential. As these discoveries progress toward development and production, they are expected to create opportunities across subsea intervention, diving support, inspection, maintenance, and offshore construction areas where Seamec has established capabilities and experience.

Industry fundamentals remain supportive, with limited availability of quality offshore support vessels. Disciplined fleet additions and increasing offshore activity are supporting healthy utilization and a favorable supply-demand balance. Chartering conditions also remain encouraging, and our focus continues to be on securing contracts that provide sustainable returns and long-term

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revenue visibility.

Operationally, our fleet continues to maintain healthy utilization across domestic and international contracts. We remain focused on operational reliability, safety, proactive maintenance, and efficient vessel deployment. Fleet modernization is also an important part of our strategy, and we continue to selectively evaluate opportunities that enhance our capabilities while maintaining disciplined capital allocation.

Looking ahead, we remain optimistic about the opportunity pipeline across India and international markets, particularly the Middle East. While geopolitical uncertainties remain, our diversified operations, experienced workforce, and disciplined execution provide resilience. Our strategy remains clear: maximize fleet utilization, maintain the highest standards of safety and execution, strengthen customer relationships, and allocate capital prudently.

With supportive industry fundamentals and expanding opportunities across key markets, we believe Seamec is well-positioned to participate in the next phase of offshore growth and deliver sustainable long-term value to our stakeholders.

With that, I would like to welcome our new CFO, Mr. Ashok Verma, and hand over the call to him. He will take you through the financial performance for the quarter. Ashok.

Ashok Verma – CFO: Thank you. Thank you, Naveen, for the introduction. Good morning to everyone. I extend a warm welcome to everyone joining us for today's Q1 FY27 earnings call. I will take you through our financial performance for the quarter.

On a consolidated basis, revenue for the quarter stood at 297 crore as compared to 211 crore in the corresponding quarter of the previous year. This reflects year-on-year growth of 41%. At the standalone level, revenue stood at 283 crore as against 201 crore during the same quarter last year. Consolidated EBITDA for the quarter stood at 124 crore, while standalone EBITDA stood at 117 crore.

Profit after tax on a consolidated basis stood at 81 crore compared with 76 crore in the same quarter last year. Standalone profit after tax stood at 81 crore as against 80 crore during the same quarter of the previous year.

The quarter's operational performance continued to benefit from healthy fleet utilization, efficient project execution, disciplined cost management, and improved operational efficiency across both domestic and international assignments. Our balance sheet continues to remain healthy and provides sufficient flexibility to pursue selective growth opportunities while maintaining financial discipline.

We remain committed to improving operational efficiency, optimizing fleet utilization, strengthening profitability, and maintaining prudent capital allocation as we continue to build long-term shareholder value.

With that, I would now request the moderator to open the floor for the question-and-answer session. Thank you.

Operator: Thank you, sir. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on your touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use a handset while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Siddharth Chauhan from 361 Capital. Please go ahead.

Siddharth Chauhan – 361 Capital: Hi, sir. Thank you for the opportunity, and congratulations on a good set of numbers. I have a couple of questions. Firstly, if I look at the EBITDA margins, the offshore segment margins are materially better than onshore. Can you explain the reason for this?

Naveen Mohta – Whole-time Director: Siddharth, basically, the margins have improved largely because vessel deployment has been higher. In the other segment, because Paladin was not operational, some costs were incurred, which pulled down the margins in that segment.

Siddharth Chauhan – 361 Capital: Understood. Especially regarding Paladin, I think it has returned to the Indian shore. Should it contribute to revenue immediately, or is it still pending?

Naveen Mohta – Whole-time Director: Yes, Siddharth, Paladin has already resumed its operations, so you will see the contribution from this quarter itself.

Siddharth Chauhan – 361 Capital: Understood. Regarding Seamec Anant, I think it is expected to join our fleet by the end of this month. Will it go for dry-docking first, or will it be immediately deployed with ONGC?

Naveen Mohta – Whole-time Director: No, there is no dry-docking due for Seamec Anant. However, due to some statutory formalities that we need to comply with, it may take almost 1 month before it resumes its contract with ONGC. We will try to expedite this process as much as possible, but we are hopeful that it will start operations within this quarter and that we will get as much revenue contribution as possible from Seamec Anant as well.

Siddharth Chauhan – 361 Capital: Understood. Thank you so much, sir. That was really helpful, and all the best for the future.

Operator: Thank you. The next question is from the line of Dhaval Popat from Choice International Limited. Please go ahead.

Dhaval Popat – Choice International Limited: Yes, thank you for the opportunity. I understand that, given the current situation in the Middle East, there is a lot of demand driving charter rates higher, particularly for saturation offshore diving support vessels. Can you provide some color on how long we can expect these charter rates to remain high and how much more work you are able to see in the next 15 months compared with the past 2 or 3 years? Please also provide some color on the sustainability of the charter rates.

Naveen Mohta – Whole-time Director: Dhaval, as far as the upside in charter rates is concerned, there is nothing we can specify regarding whether the price will go up to a particular level. It is always a function of demand and supply. On the demand side, demand remains quite strong. We are quite hopeful that once the restrictions or sanctions on Iran are lifted, there will be much

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stronger demand because the number of DSVs available and working is quite low compared with the demand that we foresee.

For the next 3–5 years, we remain quite bullish that DSVs are going to see strong demand.

Dhaval Popat – Choice International Limited: That is really helpful. If I may ask a follow-up on the second question, particularly regarding costs, that is of course as far as—

Dhaval Popat – Choice International Limited: I am at least concerned about the cost per client, but for EPC, the cost is borne by us. Of course, there is something on the cards, but can you provide some color or something that could be used more as a rule of thumb whereby the costs could be tracked effectively?

Management: Dhaval, tracking specific costs may not be possible because, as you know, EPC work is seasonal. It also includes—

Analyst2: Yes, thank you for the opportunity. My first question is regarding the Seamec Anant acquisition. What is the expected timeline for completion? Q2 FY27 is mentioned, but this is only an MOU, right? My second question is regarding the purchase consideration and financing structure.

Management: I would say that Seamec Anant is going to be acquired sometime toward the end of this month. We have already disclosed this in an exchange filing as well. This is a binding agreement between HAL Offshore and Seamec. Once these prior formalities are completed, we will execute the sale transaction, and the vessel will then be owned in Seamec's name. This activity is likely to be completed by the end of this month.

Regarding the consideration, that is also mentioned. It is 70 million US dollars, which is the purchase consideration for the vessel. This will be financed through internal equity and loans, which will be around 50–50%.

Analyst2: Okay, understood. My other question is regarding the current status of the vessel. Is it on hire or under contract immediately, or will it require downtime for recertification or dry-docking before it can generate revenue?

Management: The vessel already has a contract with the parent company and ONGC. After the acquisition, that same contract will resume. There will be a cooling-off period for completing the statutory formalities, which may be approximately 1 month after the acquisition. After that, it will immediately resume the contract.

Analyst2: Okay. The Paladin vessel is mentioned as not operating due to the Strait of Hormuz. Can you elaborate on this risk?

Management: It is not non-operational. The vessel was ready. It went for dry-docking to Dubai, and by the time it could return, this conflict had started in the Middle East, so it could not sail back. Now that situation is over, the vessel has already returned to India and has already resumed its contract.

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Analyst2: What is the financial impact of this on a pre-quarter basis, and do you expect it to resume operations?

Management: It has already resumed operations. In Q1, there was a financial impact because, while the vessel did not generate any revenue, we had to bear its costs. In Q2, it is operational, and we will start seeing the results in Q2.

Analyst2: Okay, fine. Thank you, sir.

Management: Thank you.

Operator: Thank you. The next question is from the line of Tejas from PNJ Investment. Please go ahead.

Tejas – PNJ Investment: Good afternoon, and thank you for the opportunity. I have a couple of questions. First, if I am not wrong, Seamec 3 and Seamec Princess are currently off hire. When are they likely to be on hire again?

Management: As you all know, Seamec Princess works on an EPC contract. EPC contracts typically run from October to May. The period from May to October is the monsoon period, and vessels operating under EPC contracts remain idle during this period. This is a known idle period for the vessel.

We are utilizing this period for dry-docking Seamec Princess so that there is no revenue loss when the vessel starts working.

Tejas – PNJ Investment: Is there anything regarding leads for Seamec 3 and Seamec Princess currently, or is there nothing on the horizon for October, which is 1.5 months from now?

Management: The discussions are ongoing and are at a fairly advanced stage. Once they are finalized, we will file the details with the exchange so that everybody is aware of the contracts.

Tejas – PNJ Investment: During this monsoon period, apart from these two, which other vessels will be off hire?

Management: Seamec Glorious and the barge remain off hire. These are the 3 vessels that remain off hire during the monsoon period.

Tejas – PNJ Investment: The contracts of Samudra Sevak and Prabha Devi continue, right? They are not going to stop.

Management: They continue. Yes, they continue.

Tejas – PNJ Investment: We had also mentioned previously that when Seamec 2 gets hired after August, it would be at a higher rate. Is that being materialized, or will it continue at the same rate?

Management: I do not think we have ever conveyed the impression that Seamec 2 would get a higher rate. It will complete its charter sometime at the end of August. After that, we intend to use the vessel again for EPC-type work instead of IMR work. Discussions are also ongoing for the

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deployment of Seamec 2. As and when something is finalized, we will file it with the stock exchanges.

Tejas – PNJ Investment: Regarding Gallant, what is the timeline? I think you are waiting for shareholders' approval to sell it, right?

Management: Yes.

Tejas – PNJ Investment: What are the timelines? When do we expect that to be completed?

Management: After shareholders' approval, I do not think there will be many formalities. We should be able to complete it in the coming month, which is September.

Tejas – PNJ Investment: One last question. Sometime last year, we had mentioned that we were conducting some Grant Thornton-related internal audit to assess the substantial royalty being paid to the parent. What is the status of that? What report has come out? I may have missed it if it was announced on the stock exchanges.

Management: There was no inquiry or anything of that nature. It was a form of reassurance, and the independent directors asked GT to examine these matters holistically. That has been done, and they have submitted a satisfactory report, which is under consideration by the independent directors.

Tejas – PNJ Investment: Will that report be shared? I think it was expected to be shared last quarter as well, or the quarter before that.

Management: There is no requirement to share the report. If there is any adverse finding, only then will further action be taken. However, there is no requirement to share it, and I do not think it will be shared. It is essentially an internal document.

Tejas – PNJ Investment: So the 4% of revenue still continues. Is that understanding correct?

Management: Correct.

Tejas – PNJ Investment: Okay, sir. Thank you. That is all from my side.

Operator: Thank you. The next question is from the line of Mahesh Kumar from MUN Investment. Please go ahead.

Mahesh Kumar – MUN Investment: Hello.

Management: Yes, please go ahead.

Mahesh Kumar – MUN Investment: Thank you for the opportunity, sir. I have 2 questions. First, regarding fleet utilization and growth, with higher vessel deployment driving strong revenue growth in Q1 and with Anant expected to be added in Q2, how should we think about the fleet utilization and revenue growth trajectory for the rest of FY27 and into FY28?

Management: We have already mentioned that with newer vessels coming in and higher deployment, FY27 will see growth, and FY28 will also see growth. The idea is that we should grow at a 15–20% CAGR over the next 3–5 years. Management is committed to that number, and we are planning to do everything within our scope to ensure that we achieve this growth.

Mahesh Kumar – MUN Investment: My second question is regarding margins. Revenue grew approximately 41%, and EBITDA margin was around 42%. As newer vessels ramp up and utilization improves, should we expect margins to move back toward the mid-40s range, or should we consider the current level to be more sustainable going forward?

Management: Right now, we would maintain 42–42% because at times there are periods when vessels may go off hire or into dry dock. We have always maintained that we would not like to comment on quarterly margins, but on an annualized basis, 40–42% margins are sustainable.

Mahesh Kumar – MUN Investment: Okay, sir. Thank you so much for the opportunity, and all the best. Thank you.

Operator: Thank you. The next question is from the line of Param Agarwal from Paren Capital. Please go ahead.

Param Agarwal – Paren Capital: Hi, sir. Thanks for the opportunity. Am I audible?

Management: Yes, sir.

Param Agarwal – Paren Capital: I wanted to understand the impact of Samudra Manthan going forward and our next steps.

Management: Samudra Manthan is a policy initiative taken by the Government of India to promote oil exploration activities. In light of the recent geopolitical risk arising from the Middle East crisis, the Government is now more focused on promoting oil exploration so that we can become as independent as possible from oil imports.

It is a push in the right direction, and this activity or initiative is going to benefit all companies in the value chain. From oil explorers to service providers, everybody is going to benefit from this. The Government has laid down the policy, and the benefits of this may become visible after 3–5 years. It is a very commendable effort by the Government of India to start supporting this oil exploration activity.

Param Agarwal – Paren Capital: Understood. Will we see an impact in the next 2 years from this?

Management: No, 2 years would be too short a period because, as I told you, it will take 3–5 years for a visible impact to emerge for Seamec. Oil exploration activity has a long gestation period. It takes a lot of time to start commercial production, after which work for Seamec will come in the areas of maintenance and other activities.

It will take time, but it is definitely moving in the right direction, and Seamec will definitely benefit.

Param Agarwal – Paren Capital: Understood. Thank you, sir. That is all from my side.

Operator: Thank you. The next question is from the line of Preeti Iyer, an individual investor. Please go ahead.

Preeti Iyer – Individual Investor: Hello. Thank you for this opportunity. I have a question. How do you see the opportunity pipeline developing in Saudi Arabia?

Management: The Middle East as a whole is a very good opportunity. Saudi Arabia is a hotspot, Qatar is a hotspot, and Abu Dhabi is also a hotspot. There are many opportunities in these 3 countries. Once sanctions are lifted from Iran, that will be another new market that will open up.

All these countries are going to be hotspots for the future requirements for these types of vessels.

Preeti Iyer – Individual Investor: Okay, sir. Thank you so much.

Operator: Thank you. The next question is from the line of Rohit Mehra from SK Securities. Please go ahead.

Rohit Mehra – SK Securities: Good morning, and thank you for the opportunity.

Operator: Sorry to interrupt, Rohit. Could you please use your handset?

Rohit Mehra – SK Securities: I am using a handset. Is it clear now?

Operator: Yes, it is better. Thank you.

Rohit Mehra – SK Securities: Thank you. I joined later, so pardon me if I am repeating the question. What is the expected revenue contribution from our ONGC O&M contracts for Samudra Sevak and Samudra Prabha for FY27?

Management: We do not disclose vessel-wise contributions. However, we have maintained that because there is no capital employed in terms of fixed costs, these vessels will contribute more in terms of return on capital employed. Together, we should be able to maintain 40–42% margins for this year and next year.

Rohit Mehra – SK Securities: Fair enough, sir. My second question is, how long do you expect the current favorable supply–demand environment for specialized offshore vessels to continue? Are customers increasingly looking for long-term contracts, given asset-backed companies' approach to fleet deployment and capital allocation?

Management: Can you please repeat your question?

Rohit Mehra – SK Securities: I am asking how long you expect the current favorable supply–demand environment for specialized offshore vessels to continue.

Management: We see strong demand for this sector for the next 3–5 years.

Rohit Mehra – SK Securities: Understood. Are customers increasingly looking for long-term contracts, or how is the situation?

Management: We have a mix of long-term as well as EPC contracts, which are seasonal. Some of our vessels are on long-term contracts for 3–5 years, while we also have vessels on contracts where we undertake EPC work on a seasonal basis from October to May.

Rohit Mehra – SK Securities: Could you please give me the proportion of the current fleet covered by long-term contracts versus the vessel exposure to spot or short-term opportunities, if possible?

Management: Around 35–40% of the contracts are short-term, and the balance are long-term. Basically, the EPC contracts that Naveen mentioned are short-term, while IMR contracts are generally long-term.

Rohit Mehra – SK Securities: ...mid to long term.

Management: Understood. Thank you. That is all from my side, and all the best.

Operator: Thank you. A reminder to all participants that you may press star and one to ask questions. The next question is from the line of Tejas from PNJ Investment. Please go ahead.

Tejas – PNJ Investment: Thank you for the follow-up. We have mentioned that we are looking at the Middle East as our growth area, and we have almost completed 1 year with {? Seacrest ?} over there. Do we have anything in the pipeline that is close to execution? How is the market response, or are we still exploring it?

Management: As we have mentioned throughout our earlier conference calls as well as in this conference call, we continue to selectively evaluate suitable tonnage. As and when we find something that will add value for all the stakeholders, we will definitely pursue the acquisition. It is an ongoing process. There is nothing we can confirm at this point in time regarding whether a particular acquisition is going to take place.

Tejas – PNJ Investment: No, sir. I was not asking you to give me advance information. I was asking whether we are getting more orders from the Middle East. If I understand correctly, qualifying for Aramco takes about 2, 3, or 4 years. Now that we have qualified, we should have some reputation in the market. Is that helping us receive more inquiries? I am just trying to get some color on that.

Management: Yes, that is definitely the case, and that is why we have been saying that the Middle East, and particularly Saudi Arabia, remains our key growth area. We continue to look for opportunities to work there. However, since all our vessels are currently deployed, any growth in that area would require growth capex to obtain incremental business.

Tejas – PNJ Investment: Understood. In the presentation, you mentioned Pearl. Correct me if I am wrong, but was Pearl not already sold, or is it still held as an asset?

Management: Pearl, if you have gone through the earlier documentation and filing, is a disputed case. Arbitration is ongoing for that vessel. That is the current status of the vessel.

Management: This is a different vessel from the one you mentioned. This is a bulk carrier in our Dubai subsidiary.

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Tejas – PNJ Investment: Okay. That was an OSV that we were about to purchase through {? Seacrest ?}. So that is currently disputed. After the arbitration, do we still intend to purchase it, or have we given up on that plan?

Management: We have given up on that because it was a small supply vessel, so it does not contribute much to either the top line or the bottom line. It is not an area of focus for us.

Tejas – PNJ Investment: In the last call, you had mentioned that we were trying to exit the bulk carrier business and that the JV would be diluted. Are we on track for that change, or do we continue to maintain the existing structure?

Management: We have already entered into one agreement to liquidate one of the vessels.

Management: Correct. That is the progress we have made so far.

Tejas – PNJ Investment: We had also mentioned that we had an MOU with DG Shipping under which we were planning a {? 1,000 crore ?} acquisition over the next 2 years. Is there any progress on that, or is it currently a wait-and-watch situation?

Management: We are acquiring Seamec Anant, and as I told you, we continue to look for suitable opportunities. We definitely intend to grow the fleet over the coming 2 years. This is an MOU that we signed with a clear understanding of our growth plans.

Tejas – PNJ Investment: Okay, sir. That is all from my side. Thank you.

Management: Thank you.

Operator: Thank you. The next question is from the line of Muskan Patel from JK Investment. Please go ahead.

Muskan Patel – JK Investment: Hi, thank you for the opportunity. You just mentioned Seamec Anant. My question is regarding that. Can you elaborate on the current status and the timeline for the proposed acquisition?

Management: As we mentioned just now, the acquisition of the vessel and completion of the formalities should be completed by the end of this quarter. In the coming quarter, which is Q3, we expect to deploy it under the existing contract for which it is currently due.

Muskan Patel – JK Investment: How should we think about the expected utilization and revenue contribution from Seamec Anant once we have acquired it after Q3?

Management: Typically, since it is an IMR contract, we expect it to provide almost {? 95–98% ?} utilization from the date it starts operating in the waters.

Muskan Patel – JK Investment: Understood. That answers my question. Thank you.

Management: Thank you.

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Operator: Thank you. A reminder to all participants that you may press star and one to ask questions.

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As there are no further questions from the participants, I would now like to hand the conference to the management for the closing comments.

Management: To all the participants who have taken the time to participate in today's earnings call, as we mentioned at the beginning, we are committed to delivering value to our stakeholders. The current economic cycle is buoyant for oil and gas, so we would like to pursue all opportunities that can add more value for the company and its stakeholders. Thank you, and see you in the next quarter.

Operator: Thank you, sir. On behalf of Arihant Capital Market Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.