



Combination of Subsea 7 Renewables and OHT

July 2021

## Forward-looking statements

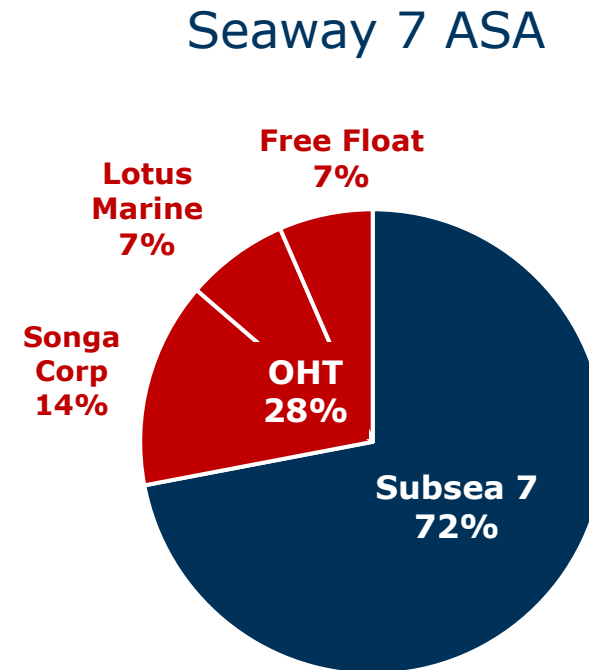
---

This document 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 for the year ended 31 December 2020. 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 document. We undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## Transaction overview

---

- Seaway 7 ASA will combine:
  - Subsea 7's Renewables business unit<sup>(1)</sup>
  - OHT ASA
- Step one: Euronext Growth market
  - OHT's Oslo listing retained
  - Subsea 7 will own 72% and OHT shareholders will own 28%
  - Retain financial, operational and strategic benefits of the wider Subsea 7 group
  - Completion: October 2021<sup>(2)</sup>
- Step two: a view to transfer to the main board of Oslo Børs
  - Subsea 7 to retain a majority stake

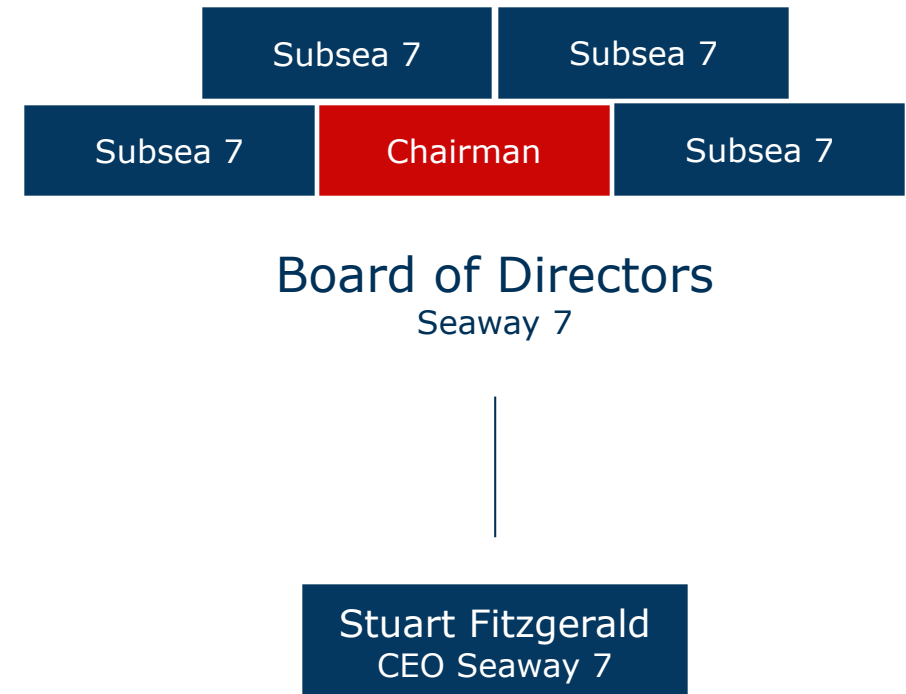


<sup>(1)</sup> Excluding floating wind

<sup>(2)</sup> Subject to consultations, and corporate and regulatory approvals

## Seaway 7 ASA - governance and management

- Board of Directors will comprise four directors nominated by Subsea 7 and one by OHT
- **Chairman:** Rune Magnus Lundetræ, currently Chairman of OHT, to be nominated as Chairman of Seaway 7 ASA for a minimum duration of two years
- **CEO:** Stuart Fitzgerald currently EVP Strategy and Alliances of Subsea 7, to be CEO of Seaway 7 ASA
- Torgeir Ramstad, currently CEO of OHT, and Steph McNeill, currently Subsea 7 EVP Renewables, will have executive roles in Seaway 7 ASA
- Further executive management appointments to be announced in due course



## Seaway 7 ASA - financial structure

---

- OHT reported net debt of \$6 million at 31 March 2021
- OHT has commitments under its new build vessel program of approximately \$400 million
- Subsea 7 will contribute its Renewables business unit free of net debt/cash
- Subsea 7 will provide financial support for Seaway 7 ASA's working capital requirements
- It is anticipated that future capital expenditure will be met through operating cash flows and, if required, new debt facilities that may be supported by Subsea 7

## Compelling strategic rationale

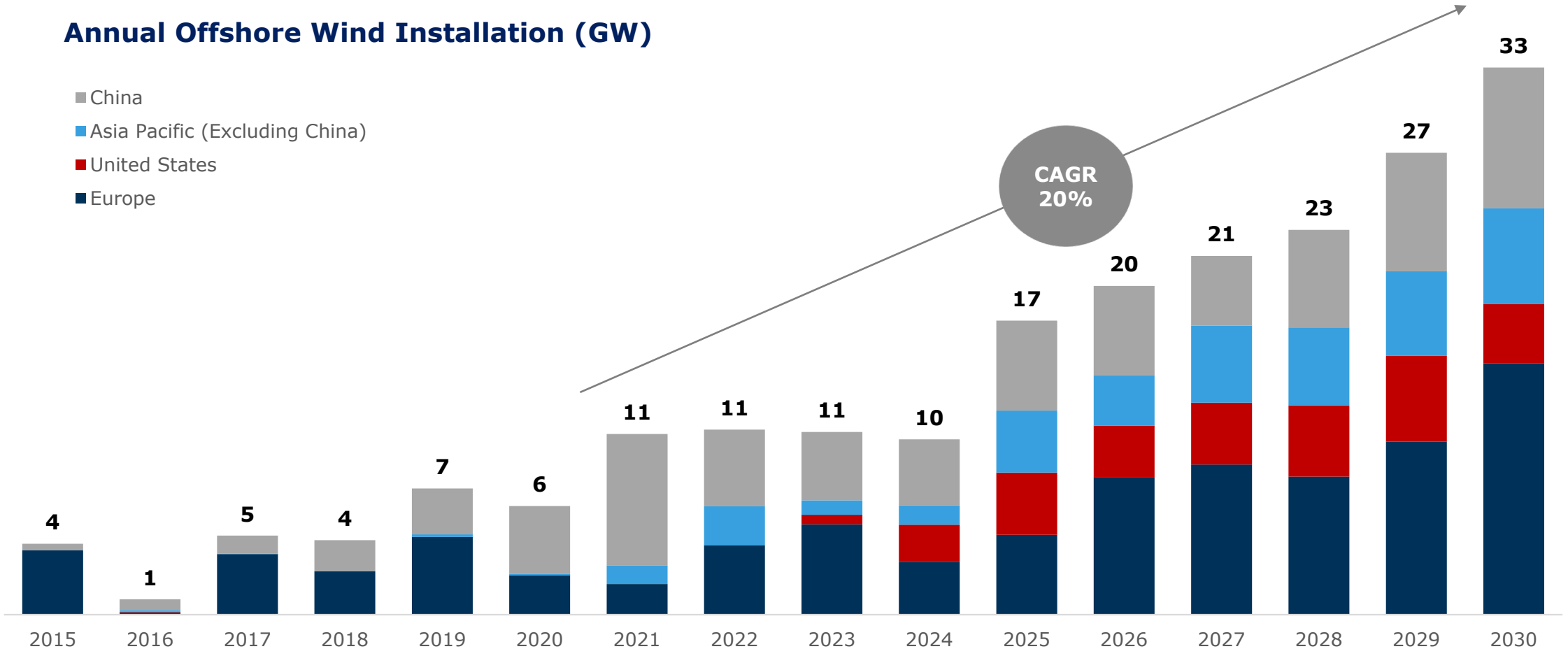
---

- Creating a listed, pure-play Renewables company
- Market-leading combination of assets, capabilities and track record
- Strength and breadth of services covering
  - Standalone T&I, integrated and EPCI contract models
  - Wind turbines, foundations, inner array cables, offshore substations
  - Heavy transportation
- Utilising high-end, efficient assets to optimise installation
- Providing clients with vessel flexibility to reduce execution risk
- Scale to effectively reach growth markets in new geographies
- Future growth supported by attractive new build options
- Well positioned to capture an increased share of a high-growth market

# Increasing share of a high-growth market

## Annual Offshore Wind Installation (GW)

- China
- Asia Pacific (Excluding China)
- United States
- Europe



Source: BNEF H1 2021

## Subsea 7 Renewables overview

---

- Transport and installation (T&I), integrated T&I or EPCI
- Wind turbine foundations, offshore substations and inner array cables
- Assets:
  - Two heavy lift vessels
  - Two cable lay vessels
  - One installation support vessel
- Offices: France, Germany, Netherlands, Poland, Scotland, Taiwan, US
- People: 500 onshore, 400 offshore
- Renewables backlog: \$1.8bn at 31 March 2021
- Key contracts: Seagreen, Hornsea II, HKZ, Kaskasi, Formosa 2, Chang Fang Xidao, Yunlin





## OHT overview

---

- Five heavy transportation assets
- Two new build assets under construction:
  - Alfa Lift – foundation installation
  - Vind 1 – turbine installation
  - Yard options for additional vessels
- Offices: Norway, Denmark, UK, US, Dubai, Singapore and China
- People: 65 onshore
- Renewables backlog \$150m
- Key contract: Dogger Bank foundation transport and installation



## OHT - Alfa Lift

---

- Delivery H1 2022
- Custom-built offshore wind foundation installation vessel
- 'Smart Deck' capable of installing up to 14 monopiles or 12 jackets per voyage
- Monopile installation in DP mode
- 3000t crane and 10,000m<sup>2</sup> free deck space
- Total build cost: \$300 million
- Outstanding: \$175 million



## OHT - Vind 1

---

- Delivery 2023
- Self-propelled GustoMSC NG-14000XL-G jack-up
- 2,500t crane and 4,600m<sup>2</sup> free deck
- Capable of installing future generations of offshore wind turbines and foundations
- Total build cost: \$255 million
- Outstanding: \$210 million



## Seaway 7 ASA – resource base

- Experienced engineering and project management teams with a history of delivering large, complex developments
- Strong and balanced, modern fleet
- Fully integrated wind farm construction capabilities including installation of:
  - Turbines
  - Foundations
  - Substations
  - Inner array cables

### Cable lay and support vessels



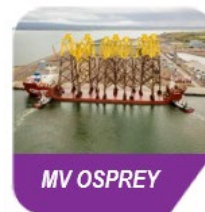
### Heavy lift vessels



### Jack-up



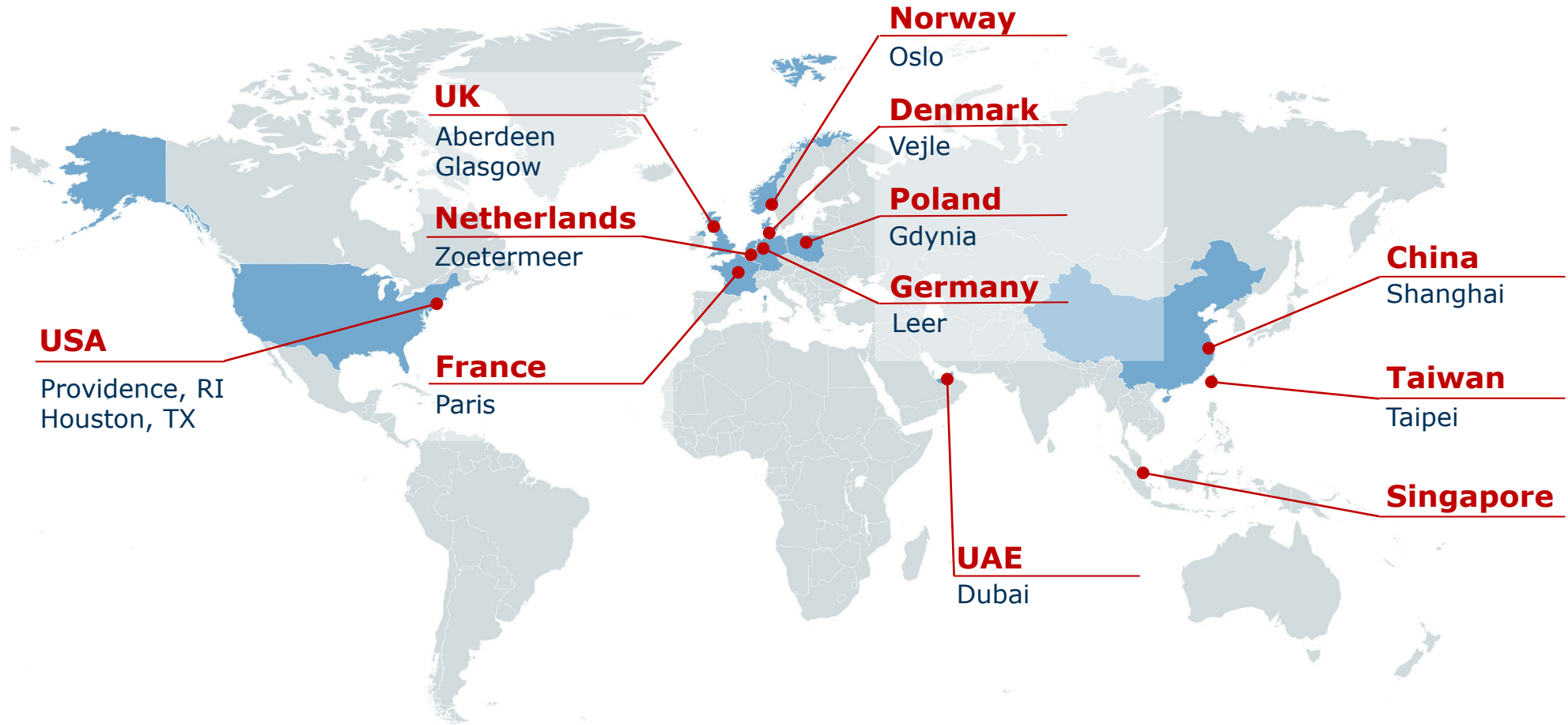
### Heavy transportation vessels



 Under construction

# Seaway 7 ASA – global reach

---



# Seaway 7 ASA – offshore wind prospects

## UK

- Iberdrola** East Anglia Hub
- Red Rock** Inch Cape
- EDPR** Moray West
- SSE** Seagreen 1A
- Vattenfall** Dogger Bank C
- Norfolk
- Vanguard
- Boreas

## USA

- Ørsted** Ocean Wind
- Skipjack
- Equinor** Empire
- Beacon Wind
- Dominion** Coastal Virginia
- Shell** Mayflower

## Germany

- EnBW** He Dreih
- Ørsted** Gode Vind 3
- Borkum
- Riffgrund 3

## Taiwan

- RWE** Chu Feng

## Poland

- Northland** Baltic Power
- Equinor** Baltyk II
- Baltyk III

## OHT's perspectives on the transaction

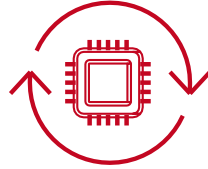
---

- Subsea 7's Renewables business unit is an ideal partner for OHT
- OHT and Subsea 7 bring complementary strengths and market coverage to the combined unit
  - Foundations: OHT and Subsea 7
  - Cables: Subsea 7
  - Substations: Subsea 7
  - Turbines: OHT
  - Heavy Transportation: OHT
- The only area of overlap is within foundations T&I where it is our view that the market, from 2024-25, will be particularly under-supplied and where Seaway 7 ASA will be a market-leader
- Whereas multi-contracting with T&I services seems to be a preferred contracting model by many clients, several projects will also be placed either as integrated T&I or EPCI in which OHT so far has been reliant on partnerships

# The Subsea 7 Strategy

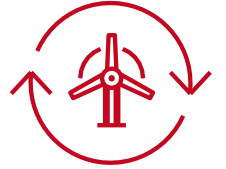
---

## Subsea Field of the Future: Systems and Delivery



- Early engagement and partnerships
- Systems innovation and enabling products
- Integrated SPS and SURF
- Digital delivery of projects and services

## Energy Transition: Proactive Participation



- Renewables – offshore wind
- Oil and gas – lower carbon developments
- Emerging energy – new markets and opportunities
- Operations – sustainable and efficient



## Timeline

---

- 8 July 2021 – announcement
- Q3 2021 – relevant filings and employee consultations
- End Q3 2021 – transaction completed, subject to relevant consultations, filings and shareholder approvals
- 1 October 2021 – launch of Seaway 7 ASA

**THANK YOU**

---

**subsea 7**

**CH2M | **