

Subsea 7 agrees to combine its Renewables business unit with OHT

Luxembourg – 8 July 2021 - Subsea 7 S.A. (Oslo Børs: SUBC, ADR: SUBCY) today announced an agreement to combine its Renewables business unit⁽¹⁾ with OHT ASA (Oslo Børs: OHT), subject to the customary approvals, conditions and relevant employee consultations. The combined company will be renamed Seaway 7 ASA and will initially retain OHT's listing on Oslo's Euronext Growth market, with a view to a future listing on Oslo Børs.

The transaction will create:

- A listed, pure-play renewables company, headquartered in Oslo and focused on offshore fixed wind
- A single supplier providing an enhanced range of standalone, integrated or EPCI⁽²⁾ offerings encompassing installation of wind turbines, foundations, offshore substations, submarine cables and heavy transport
- A key player in the industry, employing around 600 people, with an active fleet of ten vessels and two further high-specification vessels under construction
- A global organisation with a track record of more than ten years and relationships with the majority of developers in the sector
- A high-end, differentiated fleet with enabling capabilities and scale, allowing efficient worldwide operations, while providing vessel flexibility and optionality to clients
- Increased exposure to the high-growth offshore wind market, with the timely and cost-efficient addition of two best-in-class foundation and turbine installation vessels in 2022 and 2023

John Evans, Chief Executive Officer, Subsea 7 said: *"This transaction represents an important next step in Subsea 7's Energy Transition journey that will accelerate and enhance value creation for our shareholders. As a listed company with a comprehensive fleet and experienced management team, Seaway 7 ASA is positioned to forge an enhanced growth trajectory as a global leader in offshore wind. Subsea 7 looks forward to working closely with Seaway 7 as it launches this next exciting chapter in its evolution."*

Torgeir E. Ramstad, Chief Executive Officer, OHT said: *"This is a very significant event in the growing Renewables industry. Subsea 7 is a highly respected company and we are delighted that it sees OHT as a natural partner in creating a new global leader in renewables. We are committed to translating the leading capabilities that the combined company will offer into benefits for clients within the offshore fixed wind industry."*

Combination structure and terms

- The combined company will be named Seaway 7 ASA and will retain OHT's listing on the Euronext Growth market.
- Subsea 7 will own 72% and OHT's shareholders 28% of Seaway 7 ASA.
- Completion of the combination is subject to approval by the shareholders of OHT at an extraordinary general meeting.
- The Board of Directors of OHT has agreed to recommend the transaction to its shareholders. Songa Corp and Lotus Marine AS, with stakes of 51.1% and 25.6% respectively, have agreed to approve the transaction. Approval by Subsea 7's shareholders is not required.
- The Board of Seaway 7 ASA will comprise four directors nominated by Subsea 7 and one nominated by OHT's largest shareholder, Songa Corp. It will be chaired by Rune Magnus Lundetræ.
- Seaway 7 ASA will be managed by a highly experienced executive team led by Stuart Fitzgerald as Chief Executive Officer. Torgeir Ramstad and Steph McNeill will also hold executive roles.
- As majority shareholder, Subsea 7 will consolidate Seaway 7 ASA in its financial statements and the entity will benefit from financial, operational, administrative and strategic support from the Subsea 7 Group.

- It is anticipated that the transaction will be accretive to Subsea 7's earnings from 2024 after delivery of the two newbuild vessels.
- The Works Council representing the employees of Seaway Heavy Lifting in the Netherlands will be consulted on this transaction in compliance with Dutch law.
- Transaction completion is anticipated by the end of the third quarter of 2021, subject to approval by OHT's shareholders, regulatory approvals and other customary completion conditions.

Contributions to the Combination

Subsea 7's Renewables business unit brings to the combination a long track record of executing large and complex offshore wind projects, drawing on its engineering expertise, well-established project and supply chain management, and efficient installation. Since 2009, it has installed over 700 foundations, more than 30 substations and over 800 kilometres of submarine cables using its fleet of two heavy lift vessels, two cable lay vessels and an installation support vessel. With over 500 employees in offices in France, Germany, Netherlands, Poland, Taiwan, the UK and the US it has a presence in each of the offshore wind industry's key existing and future growth markets, and well-established relationships with the industry's leading developers. Subsea 7 will retain its business in floating wind, which will not be part of this transaction.

OHT brings to Seaway 7 ASA a fleet of five heavy transportation vessels, increasingly deployed to transport large offshore wind structures. It also has two high-end installation vessels currently under construction. The first, due for delivery in 2022, is a state-of-the art customised wind turbine foundation installation vessel equipped with dynamic positioning and a unique "smart deck" for efficient installation of monopiles as well as jacket foundations. The second, due for delivery in 2023, is a jack-up heavy lift vessel capable of efficiently installing the largest wind turbines as well as wind turbine foundations. The timing and pricing of OHT's new builds are attractive in the context of significant market expansion from 2025.

Compelling Industrial Logic

Drawing on an expanded and diversified asset base, Seaway 7 ASA will offer a full range of specialist standalone transport and installation (T&I) services, as well as integrated T&I and EPCI solutions that combine the installation of turbines, foundations, substations and cables. The addition of heavy transportation capabilities provides further value chain integration opportunities as well as mitigating risks associated with delivery schedule management.

The offshore wind industry is a high-growth market that is expected to drive sustained, strong demand for the services of contractors. Between 2020 and 2030, the annual installation of wind power, measured in gigawatts, is anticipated to grow at a compound average rate above 20%. While the foundation installation market is currently competitive, the markets for cable lay and turbine installation are more favourable and installation capacity in all markets is expected to be absorbed by 2025. The market dynamic of all three sectors is expected to improve materially from 2025 onwards.

Seaway 7 ASA will leverage strengthened capabilities and a differentiated asset base to capture an increased share of this high-growth market and reinforce its position as a global leader in the offshore wind industry. Looking ahead, with the financial and operational support of its parent company, Seaway 7 ASA will have the opportunity, if market conditions permit, to accelerate the expansion of its specialized fleet.

Conference call for investors

The management of Subsea 7 and OHT will hold an investor conference in relation to the transaction on Thursday 8th July at 9am UK (10am CEST).

Date: 8 July 2021
Time: 09:00 UK time

Dial in numbers:

UK 0844-481-9752
USA 646-741-3167
Norway 21-56-30-15
International dial in: +44-20-7192-8338

Conference ID: 9197607

Lines will open 15 minutes prior to the conference call.

A live webcast and a playback facility will be available on the Subsea 7 website:
www.Subsea7.com

- (1) Excluding floating wind
- (2) EPCI contracts cover engineering, procurement, construction and installation at a fixed price

Subsea 7 is a global leader in the delivery of offshore projects and services for the evolving energy industry, creating sustainable value by being the industry's partner and employer of choice in delivering the efficient offshore solutions the world needs.

Subsea 7 is listed on the Oslo Børs (SUBC), ISIN LU0075646355, LEI 222100AIF0CBCY80AH62.

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Forward-Looking Statements: 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 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 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..