

Seaway 7 ASA – updated financing plan including a contemplated fully underwritten rights issue

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Oslo – 09 September 2022 – Seaway 7 ASA (Euronext Growth: SEAW7) – Reference is made to the second quarter 2022 earnings presentation from Seaway 7 ASA (“Seaway 7”, or the “Company”) in which the Company stated it would present an updated financing plan during the third quarter 2022.

The financing plan set out below provides the Company with the committed funding required to complete the new build vessel programme and supports the future anticipated working capital needs of the Company.

Funding requirement

The Company currently has two significant newbuild vessels under construction, *Seaway Alfa Lift* and *Seaway Ventus* representing the primary capital expenditure planned for the coming years. Both vessels are anticipated to be delivered during 2023 and to enter operations in the first half of 2024. Delivery payments on these vessels are anticipated to represent the peak funding need of the Company.

In addition to the newbuild vessels, the capital expenditure forecast also allows for potential upgrades and new enabling equipment on other vessels within the fleet as well as usual dry docks. The total capital expenditure forecast from Q3 2022 through to the completion of the newbuild program totals USD 550 million.

In addition to funding the above committed and potential capital expenditure, the Company is arranging an additional USD 100 million in committed funding capacity to cater for unplanned working capital needs. This brings the planned total committed funding to USD 650 million.

Committed Funding

The Company’s anticipated peak financing requirement of USD 650 million is planned to be met by the following:

- (i) A fully underwritten rights issue to raise gross proceeds of approximately USD 200 million (see below for more details). The Company has received commitments from the Company’s three largest shareholders to fully underwrite the contemplated rights issue in proportion to their current shareholdings in Seaway 7.

- (ii) A USD 300 million Revolving Credit Facility to be provided by a syndicate of banks. Such committed debt facility from a syndicate of banks would be drawable on the successful completion of the contemplated rights issue. This facility will be guaranteed by Subsea 7 S.A. ("Subsea7") and is priced on an arms-length basis.
- (iii) A USD 150 million Shareholder Revolving Credit Facility, to be provided by Subsea7, and drawable only if Seaway 7 fully draws upon the USD 300 million Revolving Credit Facility. The Company expects that this bridge finance facility will be replaced by alternative core debt financing prior to being drawn down.

The debt facilities have been arranged on arms-length terms reflecting the support from the Company's largest shareholder with interest approximately 4% over the USD secured overnight financing rate. Both debt facilities will be fully committed ahead of the contemplated rights issue with drawdown dependent on the successful completion of the rights issue.

Underwritten rights issue

The board of directors of Seaway 7 (the "Board") has resolved to propose that the Company carries out a share capital increase, by way of a fully underwritten rights issue, to raise gross proceeds corresponding to the NOK equivalent of approximately USD 200 million (the "Rights Issue"). The final NOK amount to be raised in the Rights Issue (the "Total Subscription Amount") will be determined by the Board on the last trading date prior to the date of the EGM (defined below).

The net proceeds from the Rights Issue will be used in the funding of the Company's newbuild vessels, *Seaway Alfa Lift* and *Seaway Ventus*.

The proposed Rights Issue is subject to approval by the Company's shareholders at an extraordinary general meeting (the "EGM") in the Company expected to be held early Q4 2022.

The Rights Issue is underwritten by the Company's three largest shareholders, Subsea7, Songa and Lotus Marine in accordance with an underwriting agreement dated 09 September 2022 (the "Underwriting Agreement"). Pursuant to, and subject to the terms and conditions set out in the Underwriting Agreement, the underwriters (jointly, the "Underwriters") have undertaken to vote their shares in favour of the Rights Issue and to guarantee on a pro rata basis (not jointly) in proportion to their current shareholding in the Company subscription of the shares offered in the Rights Issue, with a total underwritten amount corresponding to the NOK equivalent of approximately USD 200 million. Subsea7, Songa and Lotus Marine currently hold 72.00%, 14.32% and 7.16%, respectively, of the shares in Seaway 7. The Underwriters are entitled to an underwriting fee of 1.5% of their respective underwriting obligation.

Pursuant to the Underwriting Agreement, the subscription price in the Rights Issue is proposed by the Board to be the theoretical ex rights price (TERP), based on the volume-weighted average price ("VWAP") of the Company's shares on Euronext Growth Oslo

("Growth") in the 30-day period prior to the date of this Agreement or the VWAP of the Company's shares on Growth in the 30-day period ending two trading days prior to the date of the EGM if lower, less a discount of approximately 28%. The total subscription amount, the final subscription price, the number of new shares to be issued in the Rights Issue and the total amount of the share capital increase, will be announced through a stock exchange announcement at the last trading date prior to the date of the EGM and will be reflected in the final proposed resolution to the EGM.

In connection with the Rights Issue, a prospectus is being prepared by the Company, which is subject to approval by the Financial Supervisory Authority in Norway (the "NFSA"). The prospectus will be published prior to the commencement of the subscription period and will form the basis for subscriptions in the Right Issue.

Pursuant to Section 10-4 of the Norwegian Public Limited Liability Companies Act, the shareholders of the Company at the day of the EGM (as registered in the Company's shareholder register in VPS two trading days thereafter (the "Record Date")), and who are not resident in a jurisdiction where such offering would be unlawful or, would (in jurisdictions other than Norway) require any prospectus, filing, registration or similar action, will be granted a preferential right to subscribe for and be allocated the new shares in proportion to the number of shares in the Company they own as of the Record Date (the "Existing Shareholding"), and will receive subscription rights proportionate to their Existing Shareholding. The Company expects to apply for admission to trading of the subscription rights on Euronext Growth Oslo.

A further description of the Rights Issue and of other circumstances that must be considered upon subscription of shares in the Rights Issue will be included in the prospectus for the Rights Issue, which will be published no later than at the commencement of the subscription period and that will constitute the subscription material for the offering.

Corporate finance outlook and market prospects

On a fully invested basis, the mix of equity and debt in the financing plan outlined above enables the Company to achieve a balance between debt and equity funding at an attractive cost of capital

The Company is currently experiencing strong market demand for its services driven by the energy transition and energy security considerations. The increased demand is enabling a repositioning of the contractual risk / reward balance for contractors such as Seaway 7 and the Company believes it is well positioned to win its fair share of installation contracts, both with its existing fleet and with its two newbuild vessels, *Seaway Alfa Lift* and *Seaway Ventus*.

With the newbuilds delivered, market demand increasing and with a more sustainable contractual risk / reward balance in place with the Company's clients, we anticipate strong

financial performance which will form the basis for a long-term conservative leverage ratio.

For further information, please contact:

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About Seaway 7

Seaway 7 is a global leader in the delivery of fixed offshore wind projects, committed to contributing to an efficient and sustainable energy supply for the future.

Seaway 7 is listed on Oslo's Euronext Growth (SEAW7).

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act. The stock exchange announcement was published by Stian Lysaker, Treasurer in Seaway 7 ASA, at the date and time as set out above.

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This announcement has been prepared on the basis that any offer of securities in any Member State of the European Economic Area, other than Norway, which has implemented the Prospectus Regulation (EU)(2017/1129, as amended, the Prospectus

Regulation") (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Regulation, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of securities. Accordingly any person making or intending to make any offer in that Relevant Member State of securities which are the subject of the offering contemplated in this announcement, may only do so in circumstances in which no obligation arises for the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 16 of the Prospectus Regulation, in each case, in relation to such offer. The Company has not authorised, nor does it authorise, the making of any offer of securities in circumstances in which an obligation arises for the Company to publish or supplement a prospectus for such offer.

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business interruptions caused by adverse weather; (xii) equipment or mechanical failures, which could increase costs, impair revenue and result in penalties for failure to meet project completion requirements; (xiii) the timely delivery of vessels on order and the timely completion of ship conversion programs; (xiv) our ability to keep pace with technological changes and the impact of potential information technology, cyber security or data security breaches; and (xv) 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.

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