Seaway 7 ASA Announces Fourth Quarter and Full Year 2022 Results

Oslo – 2 March 2023 – Seaway 7 ASA (the Group or Seaway7) (Euronext Growth: SEAW7) announces today results for the fourth quarter and full year which ended 31 December 2022. Unless otherwise stated the comparative period is the full year which ended 31 December 2021.

Full year highlights

- Revenues of $1,119 million.
- Adjusted EBITDA of $40 million equating to a margin of 4%
- Completion of HKZ foundations, Formosa 2 pin piles and Hornsea 2 cables scopes
- Fabrication, long-haul transportation and majority of jacket installation scope complete on Seagreen
- Backlog of $844 million with the addition of two inner array cable projects and escalations on existing contracts. Fourth quarter 2022 new order intake was $441 million.
- $650 million of committed support arranged in the fourth quarter including a $200 million fully underwritten rights issue.
- Continuing progress on the two newbuild vessels *Seaway Alfa Lift* and *Seaway Ventus*.

Subsequent events

- Seaway7 and Saipem signed a commercial collaboration agreement for joint tendering and execution of target projects within fixed offshore wind.
- The Group signed a large contract for the installation of inner array grid and export cables on the Hai Long Offshore Wind project in Taiwan with operations commencing in 2023.

	Fourth Quarter		Full Year	
For the period (in $ millions, except Adjusted EBITDA margin and per share data)	**Q4 2022 Unaudited**	Q4 2021 Unaudited	**2022 Audited**	2021 Audited
Revenue	**218**	326	**1,119**	1,260
Adjusted EBITDA[(a)]	**21**	30	**40**	24
Adjusted EBITDA margin[(a)]	**10%**	9%	**4%**	2%
Net operating (loss)/income	**(2)**	8	**(50)**	(39)
Net loss	**(5)**	7	**(81)**	(63)
Earnings per share – in $ per share - restated[(b)]				
Basic	**(0.01)**	0.01	**(0.14)**	(0.16)
Diluted[(b)]	**(0.01)**	0.01	**(0.14)**	(0.16)

At (in $ millions)	**2022 31 Dec**	2021 31 Dec
Backlog[(a)]	**844**	1,238
Book-to-bill ratio – year-to-date[(a)]	**0.6**	0.3
Cash and cash equivalents	**9**	22
Borrowings	**(38)**	(101)
Net debt excluding lease liabilities[(a)]	**(29)**	(79)
Net debt including lease liabilities[(a)]	**(130)**	(106)

(a) For explanations and reconciliations of Adjusted EBITDA, Adjusted EBITDA margin, Backlog, Book-to-bill ratio and Net cash/(debt) refer to the 'Alternative Performance Measures' section of the Condensed Consolidated Financial Statements.

(b) The weighted average number of shares utilised in the earnings per share calculation has been restated for each period presented following the rights issue undertaken by the Group. For further information and for the explanation and a reconciliation of diluted earnings per share refer to Note 7 'Earnings per share' to the Condensed Consolidated Financial Statements.

Stuart Fitzgerald, Chief Executive Officer, said:

During 2022, Seaway7 delivered a high volume of offshore work. As a result of the efforts and dedication of our colleagues, Seaway7's work across eight operational projects has directly realised around 2.9 GW of additional renewable energy, capable of powering more than 3 million homes. In total, the Group delivered the installation of 189 cables, 130 monopiles foundations, 107 jacket foundations, 128 pin pile foundations, 61 EPC fabrication of foundations and performed 25 heavy transportation voyages. The installation of more than 100 monopiles in dynamic positioning mode using the *Seaway Strashnov*, strengthens the Group's track record in fixed offshore wind projects and our position as one of the market leaders.

Seaway7 generated Adjusted EBITDA of $40 million for the full year 2022, equating to a margin of approximately 4%. Margins showed gradual improvement year-on-year but remained well below expectations due to challenges on certain projects in the North Sea and Taiwan.

In recent years the offshore fixed wind contracting industry has seen a rapid evolution in project and equipment sizes, expansion into new geographies, and generally onerous contracting and commercial terms. The result has been, that despite many examples of strong delivery across individual projects, the overall financial performance of Seaway7 and a number of its peer companies has shown inadequate returns on the capital being deployed.

Seaway7 did not perform as expected during 2022. The problems encountered originated from the combination with OHT ASA linked primarily from issues with the construction of Seaway Alfa Lift. Specifically, the design and fabrication of the mission equipment led to an overrun on the vessel construction schedule and budget with a knock-on impact on Dogger Bank A&B, for which a provision was taken in 2022. This development contributed, among other factors, to the Group being unable to realise its initial objective to increase the free float of Seaway7, and necessitated recapitalising Seaway7 through a combination of debt and equity rights issue

Despite this, and supported by a favourable long term market outlook and the learnings of recent executed projects, the service industry is now pushing towards a more sustainable risk-reward balance and we have been driving this process through our bidding over the last 12 months.

At the end of the fourth quarter of 2022, the Group recognized sizeable contracts in its backlog relating to the He Dreiht project and the transport and installation of inner array cables on an offshore wind farm project in the US. In addition, Seaway7 added several HTV voyages and project escalations. At 31 December 2022, backlog was $844 million with a net order intake during the year of $723 million, equivalent to a book-to-bill ratio of 0.6x. This excludes the pre-backlog positions for Seagreen 1A and East Anglia THREE, which remain subject to the clients' Final Investment Decision.

During 2022, Seaway7 announced a $650 million committed financing package to fund the business through to the delivery of the two new build vessels. The Capex funding included committed loan facilities of $450 million and a fully underwritten $200 million rights issue which was completed in November 2022.

Fourth quarter operational review

The Seagreen project in the UK continued to progress well. Of the 114 foundation jackets, all have been fabricated and delivered to the UK. The final foundation jacket was delivered on the 18th of December 2022, completing the long-haul transportation scope of the project which involved 23 safely performed heavy transportation voyages over a two-year time span. By 31 December 2022, a total of 93 foundation jackets had been installed and the associated inner array cable installation had completed more than 50% of the scope.

In the fourth quarter, *Seaway Strashnov* installed 6 foundations for the Dogger Bank A&B project in the UK bringing the total foundations installed on the project to 17 as at the end of 2022. This was before *Seaway Strashnov* departed for a planned winter break and maintenance stop which will continue through first quarter 2023. Due to *Seaway Alfa Lift's* delivery delay, *Seaway Strashnov,* in combination with a third-party vessel designed to install transition pieces, will be deployed on the project for the full 2023 campaign.

Seaway Aimery and *Seaway Moxie* continued working on the Hollandse Kust Zuid project inner array cables installation in the fourth quarter. By the end of the fourth quarter, Seaway7 installed all 140 cables and continued with test & termination works. *Seaway Phoenix* continued working on the Seagreen project in the UK. The Group signed a lease commitment to extend the charter of the *Maersk Connector* cable lay vessel, to work in Taiwan on Seaway7's cable lay project portfolio over the next three years.

The heavy transportation fleet has continued to operate in the spot market. The Group has seen a consistently high number of requests for transportation projects, with approximately 900 received during 2022 which underpins the high vessel utilisation rate in the fleet. The fleet has delivered improved returns and maintained high utilisation throughout the year 2022.

During the fourth quarter 2022, the utilisation of the active fleet was 72%, compared to 90% in the third quarter 2022. This reflects lower utilisation on heavy lift vessels during winter months offset to some degree by high utilisation of the heavy transportation and cable lay fleet.

For the newbuild foundation installation vessel, *Seaway Alfa Lift*, the structural welding repair of the Liebherr crane A-frame was completed late 2022. Commissioning of the crane is ongoing and the vessel is anticipated to leave the yard before mid-year 2023. The mission equipment for the upending and lowering of monopiles is still the critical path to the vessel's readiness for monopile operations, and main elements of this equipment commenced transport from China at the end of 2022. The mission equipment will be completed and commissioned in Europe under a revised execution plan activated during Q3 2022 aimed at improving the robustness of the overall schedule and cost of the build project.

Seaway Ventus was launched on 9 January 2023 and vessel outfitting continues. The last leg sections are under construction of which 7 out of 12 have been installed onboard. The Gusto crane reached construction completion and the slewing platform and A-frame have been installed onboard. The crane boom installation is ongoing with completion scheduled for March 2023 and first two engines were started, and commission and testing are ramping up. The vessel is on course for delivery during Q3 2023 from the yard in China with current first committed project being end of the first quarter 2024.

Fourth quarter financial review

Fourth quarter revenue of $218 million compared to revenue of $326 million in the prior year period. The Adjusted EBITDA margin of 10% improved by 1% compared to the fourth quarter of 2021. After depreciation and amortisation of $22 million, the Group recorded a net operating loss of $2 million. Net loss for the quarter was $5 million after other gains and losses of $11 million negative and a tax benefit of $8 million.

During the quarter, net cash used in operating activities was $16 million, mainly driven by unfavourable movements in working capital of $21 million. Capital expenditure was $11 million and mainly related to *Seaway Alfa Lift* and dry docks. Net cash generated from financing activities of $28 million included receipt of $199 million by the fully underwritten rights issue in November 2022, $7 million payment of interest and $7 million payment of lease liabilities. Cash and cash equivalents were $9 million as at Q4 2022.

In the fourth quarter, the Group recognised new awards of $202 million and escalations of $239 million, resulting in a year-to-date book-to-bill ratio of 0.6x. Backlog at 31 December 2022 was $0.8 billion, of which $367 million of the backlog is expected to be executed in 2023 and $477 million in 2024 and thereafter. Not included in the aforementioned backlog is preferred contractor positions and contract awards, which have been formally announced to the market, but remain subject to Client Final Investment Decision.

Outlook

We continue to see strong bidding activity and our clients are already seeking to secure capacity for 2026 and beyond. Against this demand backdrop, we see tight supply across all our activities.

To complement our strategic positioning, we have entered a commercial agreement with Saipem building on the strong collaboration and delivery seen on the Seagreen project for SSE and its Joint Venture partners. The agreement is for joint tendering and execution of certain target projects within fixed offshore wind and will leverage both Groups' capabilities in project management and engineering, jacket fabrication, as well as key enabling assets. The collaboration is expected to focus on larger integrated or EPCI projects, where these combined capabilities and assets will enable improved project economics, more robust delivery, and reduced overall risk. As projects become larger and more complex, water depth and foundation sizes increase, and supply chains become increasing global, the collaboration will offer a unique value offering for certain project profiles and client buying strategies.

With tender levels remaining high, our confidence in the demand for Seaway7 services going forward is strong. Looking forward to 2023 Seaway7 anticipates reduced revenues compared to 2022, but with a higher absolute and percentage Adjusted EBITDA margin. Capex in 2023 is anticipated to be $470 million driven primarily by the *Seaway Alfa Lift* and *Seaway Ventus* newbuilds with the expected *Seaway Alfa Lift* payments at year-end 2022 now moved for payment to 2023.

Beyond 2023 Seaway7 expects material growth in Adjusted EBITDA delivery from the business, driven by additional fleet capacity with both the *Seaway Alfa Lift* and *Seaway Ventus* operational, as well as work secured under favourable market conditions, with improved and appropriate risk-reward profiles. Achieving acceptable risk-reward profiles in new work being added to the Seaway7 backlog has been the primary focus of our tendering efforts through 2022.

We anticipate that the existing and future Seaway7 asset base, enabled by one of the industry's leading project management capabilities and track records, will be well positioned to deliver significant earnings growth in the medium and longer term.

Special Note Regarding Forward-Looking Statements

Forward-Looking Statements: This announcement may contain 'forward-looking statements'. 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' section of the Group's Annual Report. 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) unanticipated delays or cancellation of projects included in our backlog; (v) competition and price fluctuations in the markets and businesses in which we operate; (vi) the loss of, or deterioration in our relationship with, any significant clients; (vii) the outcome of legal proceedings or governmental inquiries; (viii) 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; (ix) the effects of a pandemic or epidemic or a natural disaster; (x) changes in, or our failure to comply with, applicable laws and regulations (including regulatory measures addressing climate change); (xi) operating hazards, including spills, environmental damage, personal or property damage and 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 programmes; (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.

Webcast and conference call information:

Date:	02 March 2023
Time:	14:30 CET

Please join the webcast through:
https://channel.royalcast.com/webcast/hegnarmedia/20230302_1

The webcast will also be available through Seaway7 website
https://www.seaway7.com/investors/results-reports-publications/

Conference call details

Participant Passcode (for all countries):	447972

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USA:	+1 6467870157
International dial in:	+44 2037696819

Please join the call 5-10 minutes prior to scheduled start time.

For further information, please contact:

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Fourth Quarter 2022

Revenue
Revenue for the fourth quarter was $218 million, a decrease of $109 million or 33% compared to Q4 2021 and was mainly driven by reduced activity on the Seagreen project in the UK.

Adjusted EBITDA
Adjusted EBITDA and Adjusted EBITDA margin were $21 million and 10% respectively for the quarter, compared to an Adjusted EBITDA of $30 million and Adjusted EBITDA margin of 9% in Q4 2021.

Net operating income
Net operating loss for the quarter was $2 million, compared to $8 million income in Q4 2021. The year-on-year deterioration in net operating income was mainly driven by negative foreign exchange results for the Group's project portfolio in the fourth quarter 2022.

Net income
Net loss was $5 million in the quarter, compared to $7 million income in Q4 2021.

The year-on-year deterioration was primarily due to:

- increase in net operating loss of $10 million and
- unfavourable increase in other gains and losses of $12 million

partly offset by:

- decrease in tax cost of $10 million

Earnings per share
Diluted loss per share was $0.01 in Q4 2022 compared to a diluted income per share of $0.01 in Q4 2021, calculated using a weighted average number of shares of 733 million and 498 million respectively.

Cash and cash equivalents
Cash and cash equivalents were $9 million at 31 December 2022. The movement of $1 million in cash and cash equivalents during the quarter was mainly attributable to:

- net cash used in operating activities of $16 million, which included unfavourable movements of $21 million in net working capital;
- net cash used in investing activities of $11 million, as a result of purchases of property, plant and equipment of $11 million; and
- net cash generated from financing activities of $28 million, which included receipt of $199 million from the rights issue, partly offset against the short-term loan from the Group's ultimate parent undertaking, Subsea 7 S.A., $7 million payment of lease liabilities and $7 million paid interest.

Borrowings and lease liabilities, net debt and liquidity
At 31 December 2022, the Group has access to funding from its ultimate parent undertaking, Subsea 7 S.A., by means of an unsecured working capital facility agreement of which $38 million was drawn at 31 December 2022.

At 31 December 2022, lease liabilities were $101 million, an increase of $55 million compared to 30 September 2022 mainly related to the extension of the *Maersk Connector* charter.

Full year 2022

Revenue
Revenue for the full year was $1,119 million, a decrease of $141 million or 11% compared to the prior year and was mainly driven by reduced activity on the Seagreen project in the UK, partly offset by increased revenue related to offshore heavy transport services following the business combination between OHT ASA and the Subsea 7 S.A.'s Renewables business unit on 1 October 2021.

Adjusted EBITDA
Adjusted EBITDA and Adjusted EBITDA margin for the year were $40 million and 4% respectively, compared to Adjusted EBITDA of $24 million and Adjusted EBITDA margin of 2% in 2021.

Net operating income
Net operating loss for the year was $50 million, compared to a net operating loss of $39 million in 2021.

Net income
Net loss was $81 million in the full year, compared to a net loss of $63 million in the prior year.

The year-on-year deterioration was primarily due to:

- unfavourable increase in other gains and losses of $13 million;
- increase in net operating losses of $11 million

partly offset by:

- decrease in finance cost of $3 million; and
- decrease in tax cost of $2 million.

Earnings per share
Diluted loss per share was $0.14 in 2022 compared to a diluted loss per share of $0.16 in 2021, calculated using a weighted average number of shares of 557 million and 393 million respectively.

Cash and cash equivalents
Cash and cash equivalents were $9 million at 31 December 2022. The movement of $13 million in cash and cash equivalents during the year was mainly attributable to:

- net cash used in operating activities was $48 million, which included unfavourable movements of $52 million in net working capital;
- net cash used in investing activities of $71 million, as a result of purchases of property, plant and equipment of $73 million; and
- net cash generated from financing activities of $105 million, which included receipt of $199 million from the rights issue, partly offset against the short-term loan from the Group's ultimate parent undertaking, Subsea 7 S.A., repayment in full of the Seaway 7 ASA Revolving Credit Facility of $37 million, $24 million payment of lease liabilities and $7 million paid interest.

Borrowings and lease liabilities, net debt and liquidity
At 31 December 2022, the Group has access to funding from its ultimate parent undertaking, Subsea 7 S.A., by means of an unsecured working capital facility agreement of which $38 million was drawn at 31 December 2022.

At 31 December 2022, lease liabilities were $101 million, an increase of $75 million compared to 31 December 2021 mainly related to the long-term charter for *Seaway Swan* and the extension of the charter for *Maersk Connector*.

Operational Highlights

Fourth Quarter 2022
Revenue was $218 million in Q4 2022 compared to $326 million in Q4 2021. Net operating loss was $2 million in Q4 2022 compared to a $8 million income in Q4 2021. The movement was primarily driven by reduced activity on the Seagreen project in the UK compared to the prior year period.

Vessel utilisation for the fourth quarter was 72% compared with 80% for Q4 2021.

Full year 2022
Revenue was $1,119 million for the full year 2022 compared to $1,260 million in 2021. The decrease in revenue was mainly driven by lower activity on the Seagreen project and reduced progress in Taiwan compared to the prior year period, partly offset by increased revenue related to offshore heavy transport services following the business combination between OHT ASA and the Subsea 7 S.A.'s Renewables business unit on 1 October 2021. Net operating loss was $50 million in the twelve months ended 31 December 2022 compared to a $39 million loss for the twelve months ended 31 December 2021. Seaway7 incurred a tax charge of $12 million for the full year 2022 while sustaining a loss before tax of $69 million for the same period. This tax charge relates to taxes on profits made in certain countries while the losses incurred in other countries are not available to reduce the consolidated tax charge.

Vessel utilisation for the full year was 76% compared with 70% in 2021. This is mainly driven by the business combination as the first nine months of 2021 do not reflect the heavy transportation vessels.

At 31 December 2022 there were 14 vessels in the Group's fleet, comprising 12 active vessels and 2 vessels under construction.

Backlog

At 31 December 2022 backlog was $0.8 billion, compared to $0.6 billion at 30 September 2022. New awards totalling $202 million were recorded in the quarter and $239 million of escalations. Favourable foreign exchange movements of approximately $23 million were recognised in the backlog calculation during the quarter. $367 million of the backlog is expected to be executed in 2023 and $477 million in 2024 and thereafter.

Seaway 7 ASA
Condensed Consolidated Income Statement

(in $ millions)	Three Months Ended 31 Dec 2022 Unaudited	Three Months Ended 31 Dec 2021 Unaudited	Year Ended 31 Dec 2022 Audited	Year Ended 31 Dec 2021 Audited
Revenue	**217.5**	326.3	**1,119.0**	1,260.0
Operating expenses	**(210.0)**	(307.0)	**(1,131.4)**	(1,270.6)
Gross profit/(loss)	**7.5**	19.3	**(12.4)**	(10.6)
Administrative expenses	**(9.3)**	(11.2)	**(37.9)**	(28.3)
Net operating (loss)/income	**(1.8)**	8.1	**(50.3)**	(38.9)
Finance income	**1.0**	–	**1.0**	–
Other gains and losses	**(10.6)**	1.6	**(17.3)**	(4.4)
Finance costs	**(1.0)**	(0.3)	**(2.1)**	(4.8)
(Loss)/income before taxes	**(12.4)**	9.4	**(68.7)**	(48.1)
Taxation	**7.7**	(2.8)	**(12.0)**	(14.4)
Net (loss)/income	**(4.7)**	6.6	**(80.7)**	(62.5)

Earnings per share – restated[(a)]	**$ per share**	$ per share	**$ per share**	$ per share
Basic	**(0.01)**	0.01	**(0.14)**	(0.16)
Diluted[(a)]	**(0.01)**	0.01	**(0.14)**	(0.16)

(a) The weighted average number of shares utilised in the earnings per share calculation has been restated for each period presented following the rights issue undertaken by the Group. For further information and for the explanation and a reconciliation of diluted earnings per share refer to Note 7 'Earnings per share' to the Condensed Consolidated Financial Statements.

Seaway 7 ASA
Condensed Consolidated Statement of Comprehensive Income

(in $ millions)	Three Months Ended 31 Dec 2022 Unaudited	Three Months Ended 31 Dec 2021 Unaudited	Year Ended 31 Dec 2022 Audited	Year Ended 31 Dec 2021 Audited
Net (loss)/income	**(4.7)**	6.6	**(80.7)**	(62.5)
Items that may be reclassified to the income statement in subsequent periods:				
Net foreign currency translation (losses)/gains	**6.4**	0.6	**1.4**	–
Items that will not be reclassified to the income statement in subsequent periods:				
Fair value adjustment on other financial assets	**–**	–	**–**	1.2
Other comprehensive income	**6.4**	0.6	**1.4**	1.2
Total comprehensive income/(loss)	**1.7**	7.2	**(79.3)**	(61.3)

Seaway 7 ASA
Condensed Consolidated Balance Sheet

	31 Dec 2022 Audited	(Revised) 31 Dec 2021 Audited
Assets		
Non-current assets		
Goodwill[(a)]	**105.3**	105.3
Property, plant and equipment	**942.7**	929.6
Right-of-use assets	**99.1**	24.9
Derivative financial instruments	**0.2**	–
Deferred tax assets	**0.1**	0.6
	1,147.4	1,060.4
Current assets		
Inventories	**7.7**	5.9
Trade and other receivables	**62.5**	114.8
Derivative financial instruments	**5.7**	2.3
Construction contracts – assets	**132.0**	177.4
Other accrued income and prepaid expenses	**11.8**	3.9
Restricted cash	**–**	1.3
Cash and cash equivalents	**9.0**	22.0
	228.7	327.6
Total assets	**1,376.1**	1,388.0
Equity		
Issued share capital	**9.1**	4.9
Paid in surplus	**951.4**	753.9
Translation reserve	**(7.2)**	(8.6)
Other reserves	**53.9**	53.9
Retained earnings	**(19.9)**	60.2
Total equity	**987.3**	864.3
Liabilities		
Non-current liabilities		
Lease liabilities	**73.8**	6.0
Deferred tax liabilities	**0.8**	1.3
Provisions[(a)]	**11.1**	48.1
Derivative financial instruments	**10.4**	0.7
	96.1	56.1
Current liabilities		
Trade and other liabilities	**122.1**	275.5
Derivative financial instruments	**1.8**	1.0
Tax liabilities	**3.6**	4.6
Borrowings	**37.8**	101.2
Lease liabilities	**26.9**	20.4
Provisions[(a)]	**33.0**	23.3
Construction contracts – liabilities	**67.5**	41.6
	292.7	467.6
Total liabilities	**388.8**	523.7
Total equity and liabilities	**1,376.1**	1,388.0

(a) Comparative information has been revised for adjustments to provisional amounts recognised in relation to the business combination entered into during 2021. Further details are disclosed in Note 8, 'Goodwill'.

Seaway 7 ASA

Condensed Consolidated Statement of Changes in Equity

For the year ended 31 December 2022

(in $ millions)	Issued share capital	Paid in surplus	Translation reserve	Other reserves	Retained earnings	Total
Balance at 1 January 2022	**4.9**	**753.9**	**(8.6)**	**53.9**	**60.2**	**864.3**
Comprehensive loss						
Net loss	–	–	–	–	(80.7)	(80.7)
Net foreign currency translation losses	–	–	1.4	–	–	1.4
Total comprehensive loss	**–**	**–**	**1.4**	**–**	**(80.7)**	**(79.3)**
Transactions with owners						
Share issuance	4.2	201.4	–	–	–	205.6
Transaction costs	–	(3.9)	–	–	–	(3.9)
Share-based Payments	–	–	–	–	0.6	0.6
Total transactions with owners	**4.2**	**197.5**	**–**	**–**	**0.6**	**202.3**
Balance at 31 December 2022	**9.1**	**951.4**	**(7.2)**	**53.9**	**(19.9)**	**987.3**

Seaway 7 ASA

Condensed Consolidated Statement of Changes in Equity

For the year ended 31 December 2021

(in $ millions)	Issued share capital	Paid in surplus	Translation reserve	Other reserves	Retained earnings	Total
Balance at 1 January 2021	**1.3**	**58.5**	**(8.6)**	**405.4**	**121.5**	**578.1**
Comprehensive loss						
Net loss	–	–	–	–	(62.5)	(62.5)
Fair value adjustment of other financial assets	–	–	–	1.2	–	1.2
Total comprehensive loss	**–**	**–**	**–**	**1.2**	**(62.5)**	**(61.3)**
Transactions with owners						
Share issuance	3.6	695.4	–	(351.5)	–	347.5
Transfer on disposal of other financial assets	–	–	–	(1.2)	1.2	–
Total transactions with owners	**3.6**	**695.4**	**–**	**(352.7)**	**1.2**	**347.5**
Balance at 31 December 2021	**4.9**	**753.9**	**(8.6)**	**53.9**	**60.2**	**864.3**

Seaway 7 ASA
Condensed Consolidated Cash Flow Statement

(in $ millions)	Year Ended 31 Dec 2022 Audited	31 Dec 2021 Audited
Operating activities		
Loss before taxes	**(68.7)**	(48.1)
Adjustments for non-cash items:		
Depreciation and amortisation charges	**90.2**	63.3
Adjustments for investing and financing items:		
Net gain on disposal of property, plant and equipment	**(0.3)**	(0.1)
Net gain on maturity of lease liabilities	**(0.2)**	–
Finance income	**(1.0)**	–
Finance costs	**2.1**	4.8
Adjustments for equity items:		
Share-based payments	**0.6**	–
	22.7	19.9
Changes in working capital:		
Increase in inventories	**(1.9)**	(0.2)
Decrease/(increase) in trade and other receivables	**53.8**	(55.6)
Decrease/(increase) in construction contract – assets	**48.0**	(81.0)
(Increase)/decrease in other working capital assets	**(11.9)**	1.0
(Decrease)/increase in trade and other liabilities	**(143.6)**	191.2
Increase/(decrease) in construction contract – liabilities	**24.6**	(32.1)
(Decrease)/increase in other working capital liabilities	**(21.4)**	(0.3)
Net (decrease)/increase in working capital	**(52.4)**	23.0
Income taxes paid	**(17.9)**	(4.3)
Net cash (used in)/generated from operating activities	**(47.6)**	38.6
Cash flows used in investing activities		
Purchases of property, plant and equipment	**(72.9)**	(52.9)
Interest received	**1.0**	–
Proceeds from disposal of property, plant and equipment	**0.7**	–
Proceeds from sale of other financial assets	**–**	2.8
Acquisition of business (net of cash acquired)	**–**	12.1
Net cash used in investing activities	**(71.2)**	(38.0)
Cash flows generated from/(used in) financing activities		
Interest paid	**(7.3)**	(3.9)
Rights issuance proceeds (net of issuance costs)	**198.9**	–
Repayment of external borrowings	**(37.0)**	–
Payments related to lease liabilities – principal	**(21.6)**	(9.1)
Payments related to lease liabilities – interest	**(2.0)**	(0.9)
Proceeds from borrowings from related party	**130.8**	29.1
Repayment of borrowings from related party	**(157.2)**	–
Net cash generated from financing activities	**104.6**	15.2
Net (decrease)/increase in cash and cash equivalents	**(14.2)**	15.8
Cash and cash equivalents at beginning of year	**22.0**	7.7
Decrease/(increase) in restricted cash	**1.3**	(1.3)
Effect of foreign exchange rate movements on cash and cash equivalents	**(0.1)**	(0.2)
Cash and cash equivalents at end of year	**9.0**	22.0

1. General information

Seaway 7 ASA is a company registered in Norway whose shares trade on the Oslo Stock Exchanges' marketplace, Euronext Growth. The address of the registered office is Askekroken 11, 0277 Oslo, Norway. The Condensed Consolidated Financial Statements were authorised for issue by the Board of Directors on 1 March 2023.

2. Basis of preparation

The Condensed Consolidated Financial Statements for the year from 1 January 2022 to 31 December 2022 for Seaway 7 ASA have been prepared on a going concern basis and in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU).

The Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements for the year ended 31 December 2022 which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The Condensed Consolidated Financial Statements are unaudited.

Agreement to combine the Subsea 7 S.A.'s Renewables business unit with OHT ASA

On 8 July 2021 Seaway 7 ASA (formerly named OHT ASA), announced it had entered into an agreement to combine with the Subsea 7 S.A.'s Renewables business unit (consisting of the Subsea 7 S.A.'s fixed offshore wind business), the transaction was completed on 1 October 2021. The business combination met the criteria to be treated as a reverse acquisition with the deemed accounting acquirer being the Subsea 7 S.A.'s Renewables business unit.

During 2022, the Group identified adjustments to provisional amounts recognised in relation to the business combination. The adjustments were identified during the measurement period and related to facts and circumstances which existed at the date of combination. As a result, 2021 comparative information has been revised as if the accounting had been completed at the combination date. Further details are disclosed in Note 8, 'Goodwill'.

Preparation of financial statements

The Consolidated Financial Statements of the Group are issued in the name of the legal parent, Seaway 7 ASA (formally OHT ASA). The Consolidated Financial Statements of Seaway 7 ASA are a continuation of the financial statements of the Subsea 7 S.A.'s Renewables business unit with share capital retrospectively adjusted to reflect the share capital of the former OHT ASA Group, as legal acquirer. Consolidated Financial Statements had not previously been prepared for the Subsea 7 S.A.'s Renewables business unit, and as a result management prepared comparative Consolidated Financial Statements for Seaway 7 ASA on the following basis:

- For the nine-month period ended 30 September 2021 ('the carve-out period'), financial information represents the results and financial position of the Subsea 7 S.A.'s Renewables business unit;
- For the three-month period ended 31 December 2021 financial information represents the Consolidated Financial Statements of Seaway 7 ASA and its subsidiaries.

The preparation of the comparative carve-out financial information required significant management judgements as described in the 2021 Annual Report of Seaway 7 ASA.

Covid-19 pandemic

During the fourth quarter of 2022, management continued to monitor the operational and financial impacts to the Group of the Covid-19 pandemic and implement mitigating measures where appropriate.

3. Accounting policies

Basis of accounting

The accounting policies adopted in the preparation of the Condensed Consolidated Financial Statements are consistent with the Consolidated Financial Statements for the year ended 31 December 2022.

No new International Financial Reporting Standards (IFRSs) were adopted by the Group for the financial year beginning 1 January 2022. Several amendments to IFRS were applied for the first time in 2022 but did not have a material impact on the Consolidated Financial Statements of the Group. Amendments to existing IFRSs, issued with an effective date of 1 January 2022 but not yet endorsed by the EU, will be adopted by the Group following their adoption by the EU.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies which are described in the Consolidated Financial Statements for the year ended 31 December 2022, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other assumptions that management believes to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Management makes accounting judgements on the following aspects of the business as described in full in the Consolidated Financial Statements for the year ended 31 December 2022:

- Revenue recognition on long-term construction contracts
- Revenue recognition on variable consideration
- Goodwill carrying amount
- Property, plant and equipment and impairment assessment
- Recognition of provisions and disclosure of contingent liabilities
- Measurement of fair value adjustments in business combinations
- Measurement of onerous fixed-price contract provisions in business combinations
- Taxation

5. Seasonality

A significant portion of the Group's revenue is generated from work performed offshore. During certain periods of the year, the Group may be affected by adverse weather conditions such as hurricanes, tropical storms and rough seas, which may cause delays. In the Northern Hemisphere seasonally adverse weather occurs typically during the period from October to March, whereas in the Southern Hemisphere it typically occurs during the period from May to September. Depending on project execution this can affect the Group's offshore operations. Periods of adverse weather conditions usually result in low levels of activity.

6. Segment information

For management and reporting purposes, the Group has one operating segment. The chief operating decision maker (CODM), the Chief Executive Officer of the Group, reviews internal financial information for the Group as a single economic environment, operating predominately in the offshore renewables sector. Factors such as geographical areas or regulatory environments are not used by the CODM for determining resource allocation or for assessing performance.

For the fourth quarter the disaggregation of the Group's revenue from contracts with customers, all recognised over time, represents $217.1 million fixed-price (2021: $326.3 million) and $0.4 million day-rate (2021: nil).

For the year ended 31 December 2022 the disaggregation of the Group's revenue from contracts with customers, all recognised over time, represents $1,095.1 million fixed-price (2021: $1,259.8 million) and $23.9 million day-rate (2021: $0.2 million).

7. Earnings per share

Basic and diluted earnings per share

Basic and diluted earnings per share is calculated by dividing the net (loss)/income attributable to shareholders of the parent company, by the weighted average number of shares in issuance.

On 4 November 2022, approximately $200 million was raised through a rights issue fully underwritten by the Group's three largest shareholders. As the shares were issued at a discount to market, a bonus fraction has been applied to the previously presented weighted average number of shares used in the calculation of basic and diluted earnings per share. In accordance with IAS 10 'Events after the Reporting Period', this represented an adjusting event with the bonus fraction shares treated as having been in issue for all periods presented.

As a result of the business combination between Subsea 7 S.A.'s Renewables business unit and OHT ASA qualifying as a reverse acquisition, the weighted average number of shares used in the calculation is based on 314,325,054 shares for the nine-month period ended 30 September 2021 and 436,562,575 shares for the three-month period ended 31 December 2021. This amount has subsequently been adjusted for the rights issue as described in the paragraph above.

Diluted earnings per share assumes conversion of all potentially dilutive common shares. The net (loss)/income and share data used in the calculation of basic and diluted earnings per share were as follows:

	Three months ended		Year Ended	
For the period (in $ millions)	**31 Dec 2022 Unaudited**	31 Dec 2021 Unaudited	**31 Dec 2022 Audited**	31 Dec 2021 Audited
Earnings used in the calculation of diluted (loss)/earnings per share	**(4.7)**	6.6	**(80.7)**	(62.5)
		(Restated)		(Restated)
Weighted average number of common shares used in the calculation of basic and diluted (loss)/earnings per share	**732,879,927**	497,762,936	**556,542,184**	393,232,719

	Three months ended		Year Ended	
For the period (in $ per share)	**31 Dec 2022 Unaudited**	31 Dec 2021 Unaudited (Restated)	**31 Dec 2022 Audited**	31 Dec 2021 Audited (Restated)
Basic (loss)/earnings per share	**(0.01)**	0.01	**(0.14)**	(0.16)
Diluted (loss)/earnings per share	**(0.01)**	0.01	**(0.14)**	(0.16)

The following shares that could potentially dilute earnings per share were excluded from the calculation of diluted earnings per share due to being anti-dilutive:

	Three months ended		Year Ended	
For the period (number of shares)	**31 Dec 2022 Unaudited**	31 Dec 2021 Unaudited	**31 Dec 2022 Audited**	31 Dec 2021 Audited
Performance shares	**611,361**	1,018,935	**611,361**	1,018,935

8. Goodwill

The movement in goodwill during the year was as follows:

(in $ millions)	**31 Dec 2022 Audited**	31 Dec 2021 Audited
At year beginning	**105.3**	–
Acquired in business combination	**–**	70.0
Adjustments to provisional amounts recognised	**–**	35.3
At year end	**105.3**	105.3

On 1 October 2021, the Group combined its Renewable business unit (consisting of the Group's fixed offshore wind business) with OHT ASA (renamed Seaway 7 ASA). During the year, the Group identified adjustments to provisional amounts recognised. The adjustments were identified during the measurement period and related to facts and circumstances which existed at the date of combination. As a result 2021 comparative information has been revised as if the accounting had been completed at the combination date. The Group increased provisional amounts recognised in respect of an onerous fixed-price contract provision by $35.3 million with a corresponding increase of the same amount to goodwill.

As a result of the above adjustment, the Group's goodwill balance at 31 December 2021 of $70.0 million has been revised to $105.3 million.

9. Commitments and contingent liabilities

Commitments

At 31 December 2022, the Group had contractual commitments totalling $346.5 million, including commitments related to *Seaway Alfa Lift*, an offshore wind foundation installation vessel, and *Seaway Ventus*, an offshore wind turbine installation vessel.

Contingent liabilities not recognised in the Consolidated Balance Sheet

The Group is subject to tax audits and receives tax assessments in a number of jurisdictions where it has, or has had, operations. The estimation of the ultimate outcome of these audits and disputed tax assessments is complex and subjective. The likely outcome of the audits and associated cash outflow, if any, may be impacted by technical uncertainty and the availability of supporting documentation.

In the ordinary course of business, various claims, legal actions and complaints have been filed against the Group in addition to those specifically referred to above. The Group typically also provides contractual warranties for the repair of defects which are identified during a contract and within a defined period thereafter. Liability exposure levels are monitored by management and risk transfer mechanisms arranged where deemed appropriate. Although the final resolution of any of these matters could have a material effect on its operating results for a particular reporting period, management believes that it is not probable that these matters would materially impact the Group's Consolidated Financial Statements.

10. Fair value and financial instruments

The carrying values of the Group's financial assets and financial liabilities recorded at amortised cost in the Condensed Consolidated Financial Statements approximate their fair values.

Borrowings

The fair value of borrowings is determined by matching the maturity profile of the amounts utilised under the facility to market interest rates available to the Group for borrowings with similar security, maturity and repayment profiles. At 31 December 2022 interest charged under the facility is representative of market rates currently available to the Group and therefore the carrying amount approximates fair value.

Fair value measurements

Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Recurring and non-recurring fair value measurements

Recurring fair value measurements are those that IFRS require at the end of each reporting period and non-recurring fair value measurements are those that IFRS require or permit in particular circumstances.

Assets and liabilities which are measured at fair value in the Condensed Consolidated Balance Sheet and their level in the fair value hierarchy were as follows:

At (in $ millions)	**2022 31 Dec Level 1**	**2022 31 Dec Level 2**	**2022 31 Dec Level 3**	2021 31 Dec Level 1	2021 31 Dec Level 2	2021 31 Dec Level 3
Recurring fair value measurements						
Financial assets measured at fair value through profit or loss:						
Derivative financial instruments	**–**	**5.9**	**–**	–	2.3	–
Financial liabilities measured at fair value through profit or loss:						
Derivative financial instruments	**–**	**(12.2)**	**–**	–	(1.7)	–

During the year ended 31 December 2022 there were no transfers between levels of the fair value hierarchy. The Group accounts for transfers between levels of the fair value hierarchy from the date of the event or change in circumstance that caused the transfer.

Fair value techniques and inputs

Financial assets and liabilities mandatorily measured at fair value through profit or loss

The Group's financial assets and liabilities measured at fair value through profit or loss comprised:

- Forward foreign exchange contracts and embedded derivatives
  The fair value of outstanding forward foreign exchange contracts and embedded derivatives were calculated using quoted foreign exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.

11. Related Party Transactions

Transactions with the Subsea 7 S.A. Group

Prior to the business combination between the Subsea 7 S.A.'s Renewables business unit and OHT ASA, on 1 October 2021, members of the Subsea 7 S.A. Group were not considered related parties. Transactions between members of the Subsea 7 S.A. Group and the Subsea 7 S.A.'s Renewables business unit which have taken place prior to the business combination have not been considered related party transactions.

The Group undertakes related party transactions, all of which were conducted on an arm's length basis.

The Group is a non-wholly owned subsidiary of Subsea 7 S.A. The Group's results for the full year ended 31 December 2022 are recognised within the Subsea 7 S.A.'s Condensed Consolidated Financial Statements.

Transactions with the Subsea 7 S.A. Group for the year ended 31 December 2022

Purchases by the Group from companies ultimately controlled by Subsea 7 S.A. including vessel charters, equipment rental and associated services totalling $112.5 million (2021: $36.4 million) were made during the year.

Revenue generated by the Group from companies ultimately controlled by Subsea 7 S.A. including vessel charters, equipment rental and associated services totalling $1.9 million (2021: $0.5 million) was recognised during the year.

At 31 December 2022, the Group had outstanding balances payable to companies ultimately controlled by Subsea 7 S.A. of $19.3 million (31 December 2021: $153.1 million) and a short-term borrowing of $37.8 million (31 December 2021: $64.2 million).

Alternative Performance Measures (APMs) - definitions

The Group uses Alternative Performance Measures (APMs) when evaluating financial performance, financial position and cash flows which are not defined or specified under International Financial Reporting Standards (IFRS), as adopted by the EU. Management considers that these non-IFRS measures, which are not a substitute for IFRS measures, provide stakeholders with additional information to further understand the Group's financial performance, financial position and cash flows.

APM	Description	Closest equivalent IFRS measure	Adjustments to reconcile to primary financial statements	Rationale for utilising APM
Income Statement APMs				
Adjusted EBITDA and Adjusted EBITDA margin	Adjusted earnings before interest, taxation, depreciation and amortisation represents net income/(loss) before additional specific items that are considered to impact the comparison of the Group's performance either period-on-period or with other businesses. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue, expressed as a percentage.	Net income/(loss)	Net income adjusted to exclude depreciation and amortisation costs, including amortisation of prepaid mobilisation expenses, impairment charges or impairment reversals, finance income, remeasurement gains and losses on business combinations, other gains and losses (including foreign exchange gains and losses, gains on disposal of subsidiaries, gains and losses resulting from remeasurement of contingent consideration, gains on distributions and bargain purchase gains on business combinations), finance costs and taxation.	Adjusted EBITDA and Adjusted EBITDA margin are important indicators of the operational strength and the performance of the Group and provide a meaningful comparative for its business units. The presentation of Adjusted EBITDA is also useful as it is similar to measures used by companies within Seaway7's peer group. Adjusted EBITDA margin may also be a useful ratio to compare performance to the Group's competitors and is widely used by shareholders and analysts. Notwithstanding the foregoing, Adjusted EBITDA and Adjusted EBITDA margin as presented by the Group may not be comparable to similarly titled measures reported by other companies.
Effective tax rate (ETR)	The effective tax rate is expressed as a percentage, calculated as the taxation expense/(credit) divided by the income/(loss) before taxes.	Taxation	n/a	Provides a useful and relevant measure of the effectiveness of the Group's tax strategy and tax planning.
Balance Sheet APM				
Net cash/(debt) excluding lease liabilities and net cash/(debt) including lease liabilities	Net cash/(debt) is defined as cash and cash equivalents less borrowings. The Group utilises both net cash/(debt) excluding lease liabilities and net cash/(debt) including lease liabilities as financial position measures.	No direct equivalent	Calculated as cash and cash equivalent less borrowings (current and non-current). The measure may exclude lease liabilities (current and non-current) or include them.	Net cash/(debt) provides a meaningful and reliable basis to evaluate financial strength and liquidity of the Group.
Cash flow APMs				
Free cash flow	Free cash flow is defined as net cash generated from operating activities less purchases of property, plant and equipment.	No direct equivalent	Calculated as net cash generated from operating activities from the Group's Consolidated Cash Flow Statement less purchases of property, plant and equipment.	Free cash flow is a relevant metric for shareholders and analysts when determining cash available to the Group to invest or potentially distribute.

Other APMs				
Backlog	Backlog represents expected future revenue from projects. Despite being a non-IFRS term, the Group recognises backlog in accordance with the requirements of IFRS 15, 'Revenue from Contracts with Customers', which represents revenue expected to be recognised in the future related to performance obligations which are unsatisfied, or partially unsatisfied, at the reporting date.	Transaction price allocated to the remaining performance obligations	n/a	Utilising the term backlog is in accordance with expected industry-wide terminology. It is similarly used by companies within Seaway7's peer group and is a helpful term for those evaluating companies within Seaway7's industry. Backlog may also be useful to compare performance with competitors and is widely used by shareholders and analysts. Notwithstanding this, backlog presented by the Group may not be comparable to similarly titled measures reported by other companies.
Book-to-bill ratio	Book-to-bill ratio represents total order intake divided by revenue for the reporting period.	No direct equivalent	n/a	The book-to-bill metric is widely used in the energy sector by shareholders and analysts and is a helpful term for those evaluating companies within Seaway7's industry. Notwithstanding this, the book-to-bill ratio presented by the Group may not be comparable to similarly titled measures reported by other companies.

Alternative Performance Measures - calculations

1a. Reconciliation of net operating income to Adjusted EBITDA and Adjusted EBITDA margin

	Three Months Ended		Year Ended	
For the period (in $ millions)	**Q4 2022 Unaudited**	Q4 2021 Unaudited	**31 Dec 2022 Unaudited**	31 Dec 2021 Unaudited
Net operating (loss)/income	**(1.8)**	8.1	**(50.3)**	(38.9)
Depreciation, amortisation and mobilisation	**22.4**	21.9	**90.2**	63.3
Adjusted EBITDA	**20.6**	30.0	**39.9**	24.4
Revenue	**217.5**	326.3	**1,119.0**	1,260.0
Adjusted EBITDA margin	**9.5%**	9.2%	**3.6%**	1.9%

1b. Reconciliation of net income to Adjusted EBITDA and Adjusted EBITDA margin

	Three Months Ended		Year Ended	
For the period (in $ millions)	**Q4 2022 Unaudited**	Q4 2021 Unaudited	**31 Dec 2022 Unaudited**	31 Dec 2021 Unaudited
Net (loss)/income	**(4.7)**	6.6	**(80.7)**	(62.5)
Depreciation, amortisation and mobilisation	**22.4**	21.9	**90.2**	63.3
Finance income	**(1.0)**	–	**(1.0)**	–
Other gains and losses	**10.6**	(1.6)	**17.3**	4.4
Finance costs	**1.0**	0.3	**2.1**	4.8
Taxation	**(7.7)**	2.8	**12.0**	14.4
Adjusted EBITDA	**20.6**	30.0	**39.9**	24.4
Revenue	**217.5**	326.3	**1,119.0**	1,260.0
Adjusted EBITDA margin	**9.5%**	9.2%	**3.6%**	1.9%

2. Effective tax rate

	Three Months Ended		Year Ended	
For the period (in $ millions)	**Q4 2022 Unaudited**	Q4 2021 Unaudited	**31 Dec 2022 Unaudited**	31 Dec 2021 Unaudited
Taxation credit/(charge)	**7.7**	2.8	**(12.0)**	(14.4)
(Loss)/income before taxation	**(12.4)**	9.4	**(68.7)**	(48.1)

Effective tax rate (percentage)	**(62.1%)**	29.8%	**17.5%**	29.9%

3. Net cash/(debt) excluding lease liabilities and net cash/(debt) including lease liabilities

	Year Ended	
At (in $ millions)	**31 Dec 2022 Unaudited**	31 Dec 2021 Unaudited
Cash and cash equivalents	**9.0**	22.0
Total borrowings	**(37.8)**	(101.2)
Net debt excluding lease liabilities	**(28.8)**	(79.2)
Total lease liabilities	**(100.7)**	(26.4)
Net debt including lease liabilities	**(129.5)**	(105.6)

4. Free cash flow

	Three Months Ended		Year Ended	
For the period (in $ millions)	**Q4 2022 Unaudited**	Q4 2021 Unaudited	**31 Dec 2022 Unaudited**	31 Dec 2021 Unaudited
Cash (used in)/generated from operating activities	**(16.4)**	10.7	**(47.6)**	38.6
Purchases of property, plant and equipment	**(11.4)**	(29.5)	**(72.9)**	(52.9)
Free cash flow	**(27.8)**	(18.8)	**(120.5)**	(14.3)

5a. Backlog

IFRS 15 'Revenue from Contracts with Customers' disclosure in relation to remaining performance obligations is contained in Note 19, 'Construction Contracts', in the Group's 2022 Annual Report. Unless otherwise stated, backlog and remaining performance obligations, as required by IFRS15, will be the same number. Backlog by year of execution is as follows:

	Year Ended	
At (in $ millions)	**31 Dec 2022 Unaudited**	31 Dec 2021 Unaudited
Total backlog	**844.2**	1,237.7
Expected year of utilisation:		
2022	**–**	882.0
2023	**367.3**	168.9
2024	**392.6**	186.4
2025	**83.9**	0.4
2026 and thereafter	**0.4**	–

5b. Book-to-bill ratio

	Three Months Ended		Year Ended	
For the period (in $ millions)	**Q4 2022 Unaudited**	Q4 2021 Unaudited	**31 Dec 2022 Unaudited**	31 Dec 2021 Unaudited
Order intake	**441.1**	415.2	**723.3**	337.3
Revenue	**217.5**	326.3	**1,119.0**	1,260.0
Book-to-bill ratio	**2.0**	1.3	**0.6**	0.3