



## Exit from PSV segment through a strategic sale of its PSV-fleet

Skudeneshavn, Norway, 7 March 2023 – Subsidiaries of Solstad Offshore ASA ("Solstad", OSE: SOFF) have today signed an agreement with U.S. based Tidewater Inc. ("Tidewater", NYSE: TDW) for the sale of 37 platform supply vessels (the "PSV Fleet") (the "Transaction").

The total cash consideration payable for the PSV Fleet is approximately USD 577 million.

### HIGHLIGHTS:

- This strategic move reduces Solstad's debt by approximately NOK 6 billion and will considerably strengthen Solstad's balance sheet, debt service ability and liquidity position.
- The transaction repositions Solstad as one of the main global owners and operators of high-end AHTS and Subsea vessels that are essential to realise the energy transition.
- It further enables Solstad to increase its presence in the renewable energy segment, and expand its service offering, including ROV services, tooling and project support, in cooperation with strategic partners
- Exiting the PSV segment will significantly reduce Solstad's capex program in 2023 and 2024.

*"The sale of the PSVs represents a shift in our strategy in a changing market. The PSVs mainly support the oil and gas industry, while the AHTSs and CSVs can service all offshore energy sectors, including oil and gas and renewables. This move is therefore in line with our strategy of being a key enabler in the energy transition. Further, the transaction will give Solstad greater financial leeway and a significantly improved debt and cash position going forward," says Lars Peder Solstad, CEO of Solstad Offshore.*

After the transaction has been completed, Solstad's fleet\* in operation will consist of 41 high-end offshore vessels. In addition, six vessels are non-operational and considered to be sold.

Solstad's fleet will continue to support clients that operate in the offshore energy sector. Both offshore renewables and oil and gas are predicted to see significant investments in the coming years.

Solstad has one of the most sophisticated fleets of offshore vessels in the world and will maintain its global footprint in all key offshore regions, including the North Sea, Brazil and Asia Pacific.

*"Following the transaction, the core competence of future Solstad will be even better applied to further developing the CSV and AHTS segments, including building up our service division and capitalizing on a stronger position in the renewable energy market. The generally higher margins for AHTS and CSVs will allow us to improve our financials, strengthen our renewable energy presence, and put us in a position to, over*

time, renew our fleet” Lars Peder Solstad adds.

The Transaction will considerably strengthen Solstad’s balance sheet by facilitating a repayment of approximately NOK 6 billion of the group’s total outstanding debt. The Transaction will improve Solstad’s debt servicing abilities and liquidity position.

Key pro forma financial effects of the Transaction as per 31 December 2022 can be summarised as follows (unaudited preliminary numbers):

<b>Indicators (amounts in NOK million)</b>	<b>2022*</b>	<b>Excl. PSV Fleet**</b>
Revenue	6,493	4,711
Firm backlog	9,200	6,300
EBITDA adjusted	1,995	1,687
EBITDA margin	31%	36%
Renewable % of income	17%	23%
Vessels***	86	49
Cash	2,170	2,170
Net interest-bearing debt	21,117	15,400

\* P&L figures are YTD 4Q22 whereas balance sheet figures are per 4Q22

\*\* Pro forma figures based on 4Q reporting

\*\*\* Two additional vessels are sold after quarter end

The Transaction will facilitate an exit from the PSV segment and in line with Solstad's strategy going forward with focus on high-end CSV and AHTS vessel and project related work. The AHTS and the CSV segments increasingly generate its EBITDA from the renewable energy market. An enhanced focus on these segments signals a strong commitment to the green transition and enables the group to pursue investments to further reduce its carbon footprint.

Ongoing charter parties will, subject to the necessary consents from the charterer, be transferred/novated to Tidewater. Absent such consents in time for completion of the Transaction, the economic interest in the charter party will be transferred to Tidewater and until the necessary consents are given or the charter party expires. Solstad will offer management services to Tidewater in a transition period to facilitate a smooth transfer for the parties and the customers.

The offshore employees associated with the PSV Fleet will be offered employment with Tidewater. Tidewater will also offer employment to certain of the onshore employees.

The transaction will have a minor accounting effect to be reflected upon closing.

Completion of the Transaction is contingent on third party approvals such as certain charterers and competition authorities, buyers financing and fulfilment of conditions precedent. The Parties may abandon the Transaction if it is not completed within the longstop date 30 June 2023.

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This release is considered to contain inside information related to the listed securities of SOFF pursuant to the EU Market Abuse Regulation (MAR) and is subject to the disclosure requirements pursuant to MAR and Section 5-12 the Norwegian Securities Trading Act. The announcement is made by Finance Coordinator, Liv Karina Døsen on 7 March 2023 at 08:44 CET.

**For further information, please contact:**  
Lars Peder Solstad CEO, at +47 91 31 85 85  
Kjetil Ramstad CFO, at +47 90 75 94 89