

PRESS RELEASE

MEYER WERFT strengthens its financial base

MEYER WERFT thanks the State of Lower Saxony, the Federal Government and its banks for their trust and support. Combined with a state guarantee, the necessary increase in interim financing is now being carried out - some conditions still to be met

Papenburg, April 2023 - MEYER WERFT has succeeded in strengthening its financing base in what remains a difficult environment. Not least since the outbreak of the Ukraine war, the construction period financing has been very challenging. Shipyards do not receive a large part (80%) of the contract price until the ships are delivered. This means a high need for debt financing so that payments for the billion-dollar projects can be made during the construction period. To fully cover this need for pre-financing, MEYER WERFT will now take out an additional loan from a private banking consortium. Currently, the company is well on its way to meeting some final conditions for implementation. This loan will be partly secured by a guarantee from the state of Lower Saxony (with a back-stop from the federal government). Currently, the company is well on its way to meeting some final conditions for implementation by the beginning of May. MEYER WERFT, which currently still has six cruise ships and several special purpose ships on its order book, will repay this loan in full by 2029.

For the first time in decades, MEYER WERFT is now using this instrument to supplement its previously purely private-sector financing. This kind of support for this type of technically demanding and complex large-scale project is standard practice in other cruise shipyards. It is precisely this state guarantee that has now been decided on by the state of Lower Saxony government.

"We stand for 80% of German merchant shipbuilding and many thousands of jobs - directly at our shipyard, but also at our suppliers and service providers. Through this financing package, we have created stable framework conditions. We are very grateful to

the State of Lower Saxony and the banks involved for their trust. Like us, they believe in a good and long-term future for German shipbuilding and the future of the cruise industry. Our long-standing customers, who also continue to rely on Meyer Werft," says Jan Meyer, Managing Director of MEYER WERFT. "We have also created the basis for this in constructive cooperation with our works council - so one can speak of a successful overall package," Meyer continues.

"On behalf of the workforce, I would like to thank all those involved for their support. This is an important contribution to securing and maintaining the permanent jobs and the Papenburg site; a very important and good sign for all colleagues on site," explains Andreas Hensen, Chairman of the Works Council at MEYER WERFT.

"We will now continue to demonstrate transparently and with even more focus on financial stability in these volatile times that the family-owned company MEYER WERFT can be relied upon. We will not disappoint the trust placed in us by the state, the federal government and especially our banks, all of whom are giving us extraordinary support here," said Jens Sandmann, Chief Financial Officer of MEYER WERFT. "As we are constantly building on several ships at the same time, we have enormous values at the shipyard depending on the progress of construction - and now we also have the financing volume to match."

Due to further measures, such as the implementation of various cost efficiency measures, the annual result in 2022 is expected to be almost balanced. Combined with the new cornerstones in financing, a stable foundation has been laid for the coming years.

"Furthermore, we are optimistic that we will receive further orders thanks to the strengthening cruise market and our expanded product portfolio with research vessels, special ships, mega yachts and floating real estate to build a good and new future with it," explains Managing Director Thomas Weigend.