



Presentation Q4-2022

February 23, 2023

Highlights

○ Continued operations

- Floatel Endurance and Floatel Superior in operations for Equinor on the Norwegian continental shelf during the quarter
- Floatel Victory continued its charter for Equinor in Brazil to provide Maintenance and Safety Unit (MSU) services.

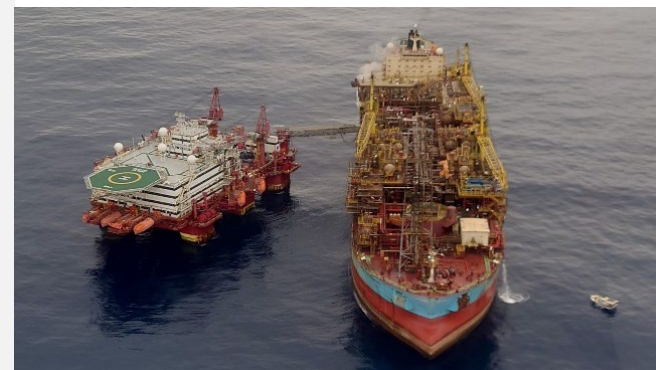
○ 3 out of 5 vessels active in the quarter with 60% utilization and with Floatel Triumph on paid standby

○ Contracting update

- Equinor has exercised options with a completion date at Grane end of April 2023. Floatel Endurance will replace Floatel Superior mid-March
- Vår Energi has awarded Floatel Superior a 3-month charter with further options, and charter will start mid-Q2 2023; Vår Energi also has the right to call off a 4-10 months charter starting April 2024
- AkerBP has awarded two simultaneous projects on the Norwegian continental shelf for Floatel Endurance and Superior. Both charters commences mid-2026 and have firm hire periods of 7 and 10 months, with several options to extend
- Floatel Triumph's Woodside contract and Shell Australia suspension contract have been signed, and the charters start mid-March and in Q3-2023
- Equinor Brazil has extended the Floatel Victory charter, so it has a firm period until March 29, 2023. Chevron Anchor project due to commence Q2 2023



Floatel Superior on charter at Equinor's Breidablikk Project

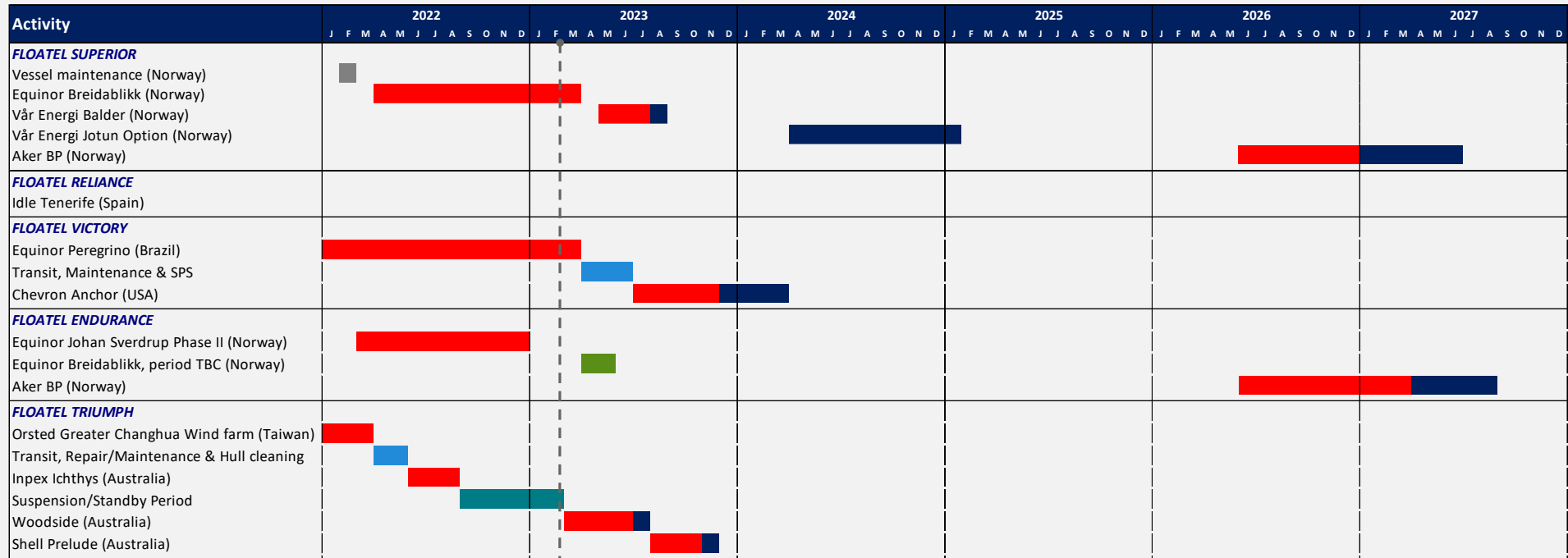


Floatel Victory in operation for Equinor at the Peregrino field in Brazil

Commercial update



Current commitments



Date:
February-23

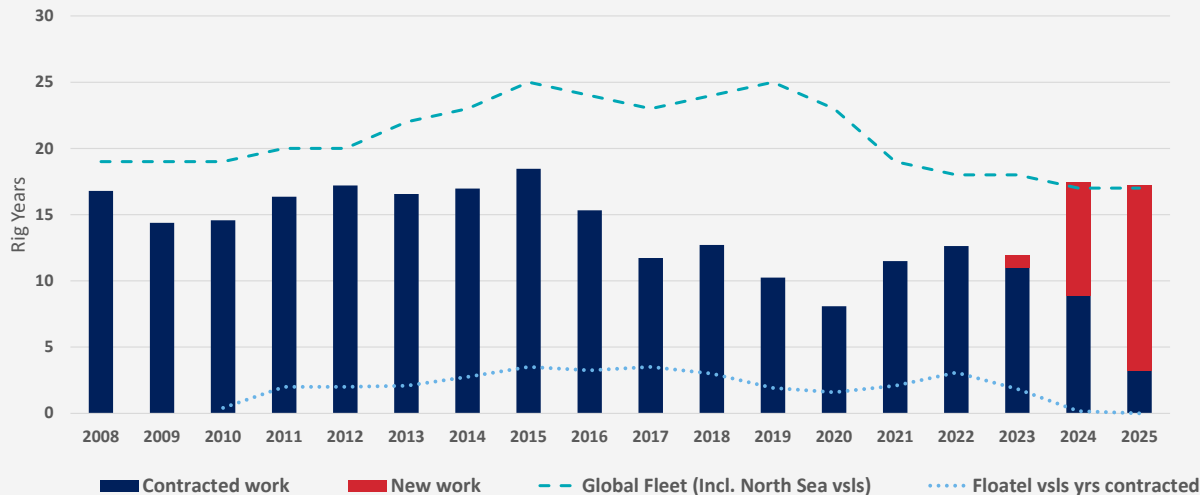
Key: Firm ■ Options ■ Yard ■ Transit ■ Paid Standby ■ Period to be confirmed ■



Market and tendering

- Fleet utilization recovering – Worldwide fleet utilization was around 80% in 2022
- Tendering activity reasonably buoyant and improving, with several tenders outstanding, however for 2024 and beyond
- North Sea is still estimated to be soft in 2023 but looking strong in 2024 onwards

GLOBAL ACC. SEMI-SUB SUPPLY/DEMAND – EXECUTED CONTRACTS AND PREDICTED NEW WORK



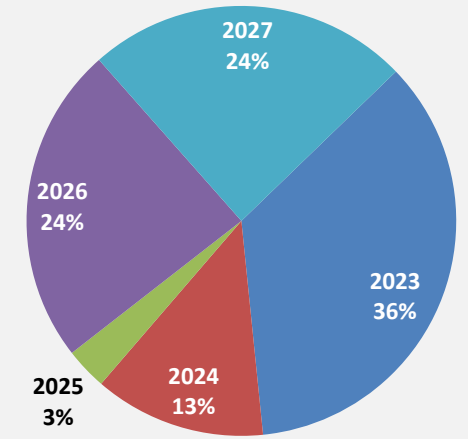
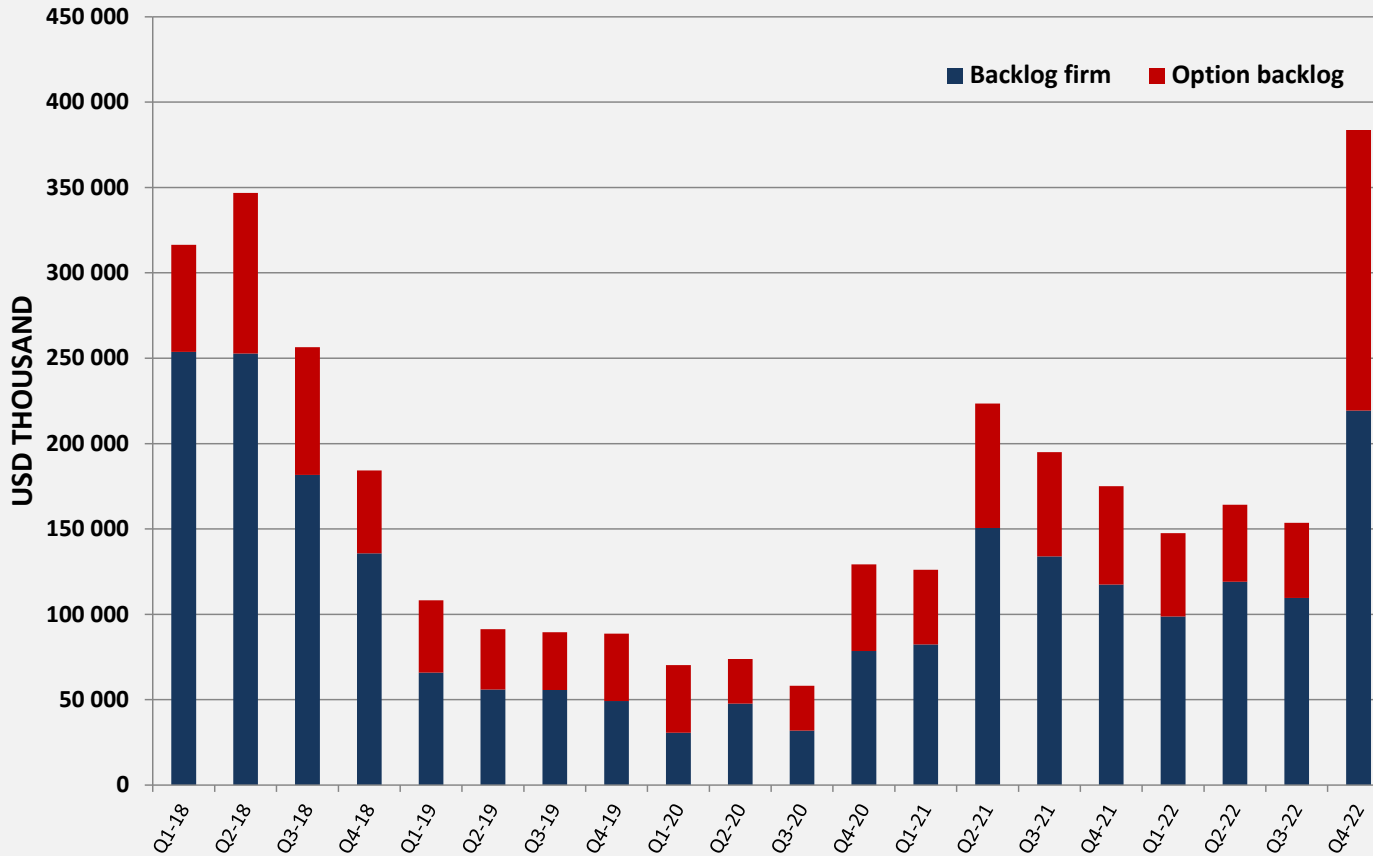
Floatel Triumph in operations for Shell at the Malampaya field in the Philippines



Floatel Endurance in operation for Equinor at the Johan Sverdrup field in Norway

Backlog end of December 2022

Firm \$219m, Options \$162m



Backlog distribution 2022-2027 including option work

Operational update



Fleet Update 1/2

Floatel Superior

- In operation for Equinor at the Grane field on the Norwegian continental shelf
- 100% Utilization in the quarter

Floatel Reliance

- Idle Tenerife with reduced crew awaiting new charter
- Actively marketed for new work

Floatel Victory

- In operation for Equinor Brazil providing MSU services at Peregrino FPSO
- 100% Utilization in the quarter



Charter period for Equinor's Bredablikk Project at the Grane field has been extended to end April 2023.



Floatel Victory in operation for Equinor alongside Peregrino FPSO.

Fleet Update 2/2

Floatel Endurance

- In operations for Equinor at the Johan Sverdrup field on the Norwegian continental shelf
- 100% Utilization in the quarter

Floatel Triumph

- Idle Kemaman, Malaysia on paid standby from Shell



Floatel Endurance in operations for Equinor at the Johan Sverdrup phase II project in Norway



Floatel Triumph in operation for Inpex offshore Australia.

HSE update

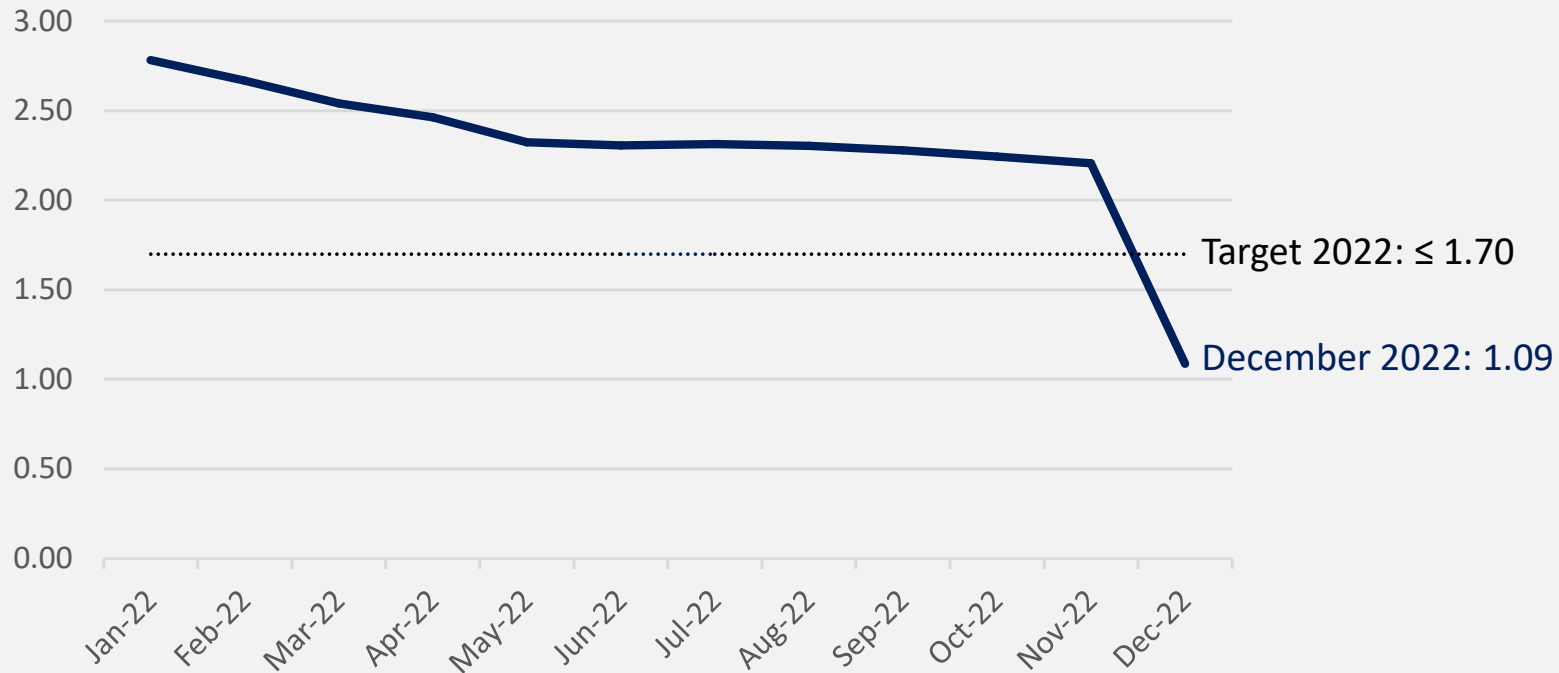


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HSE Statistics – December 2022

TRIR (Total Recordable Injury Rate)

Fleet average for the last 12 months rolling:



Total Recordable Injuries (Work Related Fatalities + Lost Time Injuries + Restricted Work Cases + Medical Treatment Cases) * 1.000.000 / Working hours

Financial update



Income Statement

- 60% fleet utilization in the quarter
 - On hire, mob/demob and transit
- Higher EBITDA than last year due to both higher activity and higher day rates
- Catering and recharges, as well as Mobilization and other, have low margins
- Exceptional items 2021 refer to various material matters outside the ordinary course of business and/or previous years
- \$582m financial restructuring gain 2021 (Forgiveness of indebtedness and accrued interest net of advisory fees)
- \$5.6m net interest cost in the quarter (Effective interest method for PIK bonds)

USD M	Quarter		Full-year	
	Q4 2022	Q4 2021	2022	2021
Charter revenues	39	15	134	71
Catering and recharges	7	2	32	18
Mobilization and other	3	2	12	5
Total Revenues	49	20	178	94
Expenses	-29	-20	-107	-90
Recurring EBITDA	20	0	71	4
<i>EBITDA Margin</i>	41%	0%	40%	5%
Non-recurring and restructuring items	0	0	-5	-4
Depreciation and impairment	-12	-11	-44	-45
EBIT	8	-11	22	-44
Net Financial items	-6	-6	-24	549
Income before taxes	3	-17	-1	504
Taxes	0	0	-2	-1
Net Profit	3	-17	-3	504

Balance Sheet

- Vessel book-values amounts to \$595m
- Financial investments mainly refer to the vehicle holding management's 10% in Floatel
- \$29.1m Net Customer Receivables (NCR) = Trade receivables + Accrued revenues - Advances
- \$16.4m cash balance and no restricted cash, however undrawn RCF increased to \$45m
- \$310m in borrowings incl. accrued interest
 - \$55m drawn on RCF (\$45m undrawn)
 - \$100m 6% Cash pay bonds
 - \$100m 10% PIK pay bonds
 - \$10m PIK interest bonds
 - Accounting entries impacting reported debt
 - \$5.2m effective interest rate adjustment
 - -\$1.6m prepaid borrowing costs

USD M	31-Dec-22	30-Sep-22	31-Dec-21
Property, plant and equipment	595	607	634
Right of use and intangible assets	3	3	3
Financial Investments	4	3	3
Total non-current assets	602	613	640
Inventory	28	29	25
Trade receivables	17	23	12
Tax receivables	1	1	2
Other current receivables	19	21	12
Cash and cash equivalents	16	3	14
Total current assets	82	77	65
Total assets	684	690	706
Share capital	2	2	2
Additional Paid in capital	348	348	348
Other reserves	1	0	1
Retained earnings incl. Result for the	21	19	25
Total shareholder's equity	372	369	376
Other long.term liabilities	0	0	1
Interest-bearing debt	268	276	285
Provisions	5	4	3
Total non-current liabilities	274	280	288
Trade payables	8	7	6
Current portion of interest-bearing debt	0	0	0
Income tax liabilities	3	2	2
Other current liabilities	28	31	33
Total current liabilities	38	40	42
Total equity and liabilities	684	690	706

Cash Flow Statement

- Change in Net Working Capital is an effect of ordinary course of trade
- Payment for PPE (capex) YTD mainly Floatel Superior thrusters' overhaul
- Change in debt
 - 2022 repayment of debt refer to reduced RCF utilization (YTD is net of Q1 utilization)
 - 2021 repayment of debt refer to bank lenders settlement and \$30m bond prepayment
 - \$87m proceeds from debt in 2021 refer to RCF (initial drawdown less Q1 cash sweep)
- Other financial items paid 2021 refer to paid restructuring costs before closing
- Ending cash balance <\$25m, no RCF cash sweep payment in January 2023

USD M	Quarter		Full-year	
	Q4 2022	Q4 2021	2022	2021
Operating result	8	-11	22	-44
Interest received	0	0	0	0
Interest paid	-2	-2	-13	-5
Income tax paid	0	-1	-1	-1
Adjustment for depreciation and	12	11	44	45
Adjustments for other non-cash related	1	5	2	4
Total cash flow from operations before changes in working capital	20	2	54	-1
Changes in inventories	1	0	-3	-2
Changes in trade receivables	6	-1	-5	-6
Changes in trade payables	1	-1	2	2
Other changes in working capital	-2	3	-6	4
Cash flow from operating activities	24	3	42	-3
Payments for property, plant and equipment	0	-1	-6	-5
Net cash flow from investing activities	0	-1	-6	-5
Net cash flow from operations	24	2	36	-8
Repayment of debt	-10	0	-32	-77
Proceeds from debt	0	0	0	87
Other financial items paid	0	0	-2	-25
Net cash flow from financing activities	-10	0	-34	-15
Cash flow for the period	13	2	2	-22
Cash and equivalents, beginning of period	3	13	14	37
Currency effect on cash	0	0	0	0
Cash and equivalents, end of period	16	14	16	14

Q&A

