

Floatel International

September 2023



FLOATEL
INTERNATIONAL



Floatel Victory, Chevron Anchor FPSU, USA

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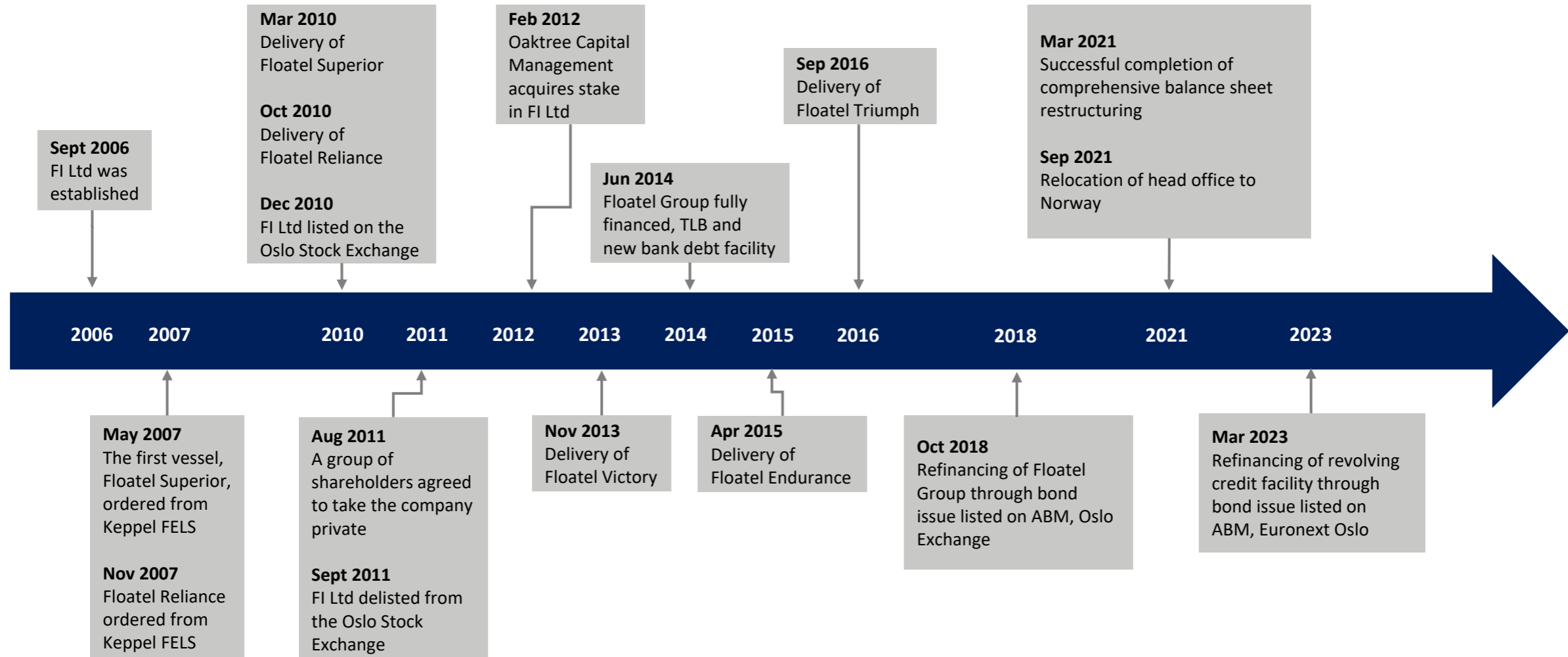
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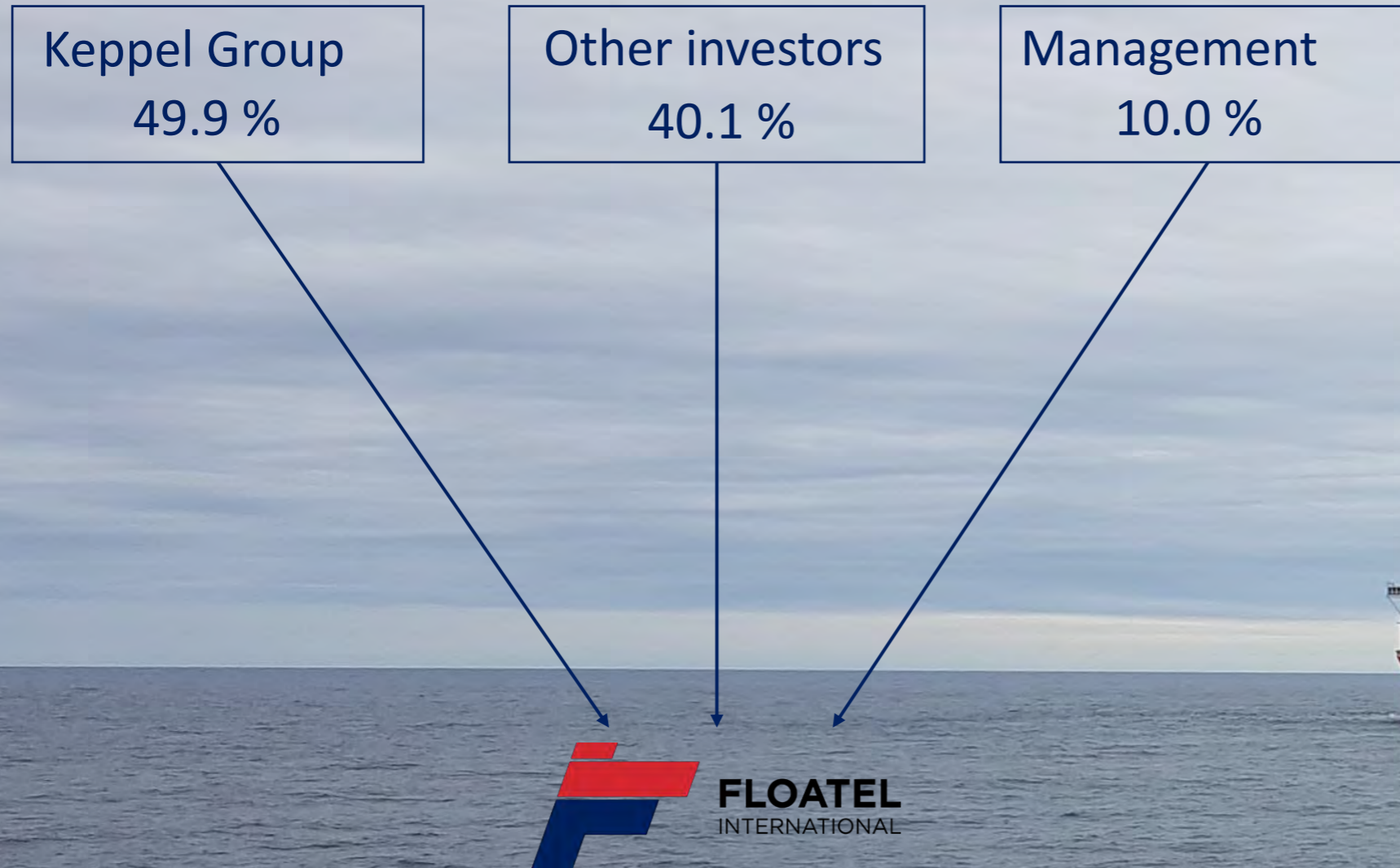
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Company history

2006 – to date



Ownership structure



Modern fleet designed to meet all regulatory requirements



Name	Floatel Triumph	Floatel Endurance	Floatel Victory	Floatel Superior	Floatel Reliance
Delivery	2016	2015	2013	2010	2010
Yard	Keppel FELS Singapore	Keppel FELS Singapore	Keppel FELS Singapore	Keppel FELS Singapore	Keppel FELS Singapore
Construction cost	\$312m	\$380m	\$311m	\$350m	\$230m
Flag	Bermuda	Bermuda	Bermuda	Bermuda	Bermuda
Beds / cabins	560 / 301	440 / 440	560 / 301	440 / 440	500 / 171
Station keeping	DP3	DP3	DP3	DP3	DP2
North Sea / Norway capable	✓ / -	✓ / ✓	✓ / -	✓ / ✓	- / -
Current/Next customer	Shell	AkerBP	Chevron	Vår Energi	TBA
Present location	Australia	Norway	Brazil	Norway	Spain

Global footprint

Fully integrated contractor with the ability to grow



Present number of employees including hired offshore crew is about 420 people

Floatel International – TRIR statistics since 2011

TRIR (Total Recordable Injury Rate)



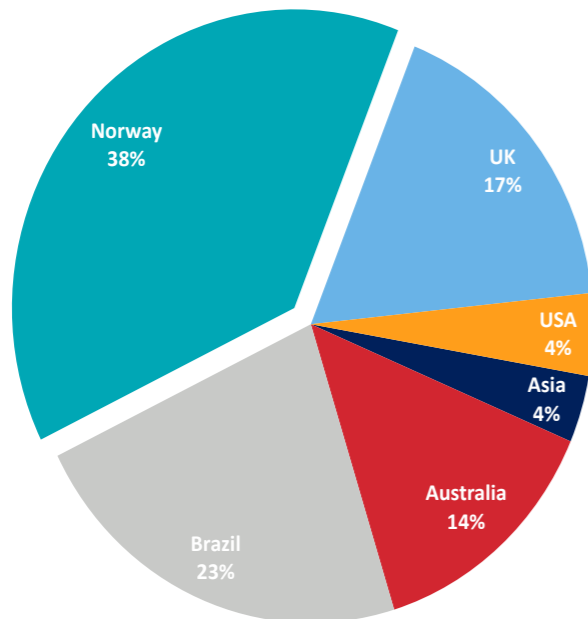
Total Recordable Injury Rate = (Work Related Fatalities + Lost Time Injuries + Restricted Work Cases + Medical Treatment Cases) * 1.000.000 / Working hours

Proven track-record

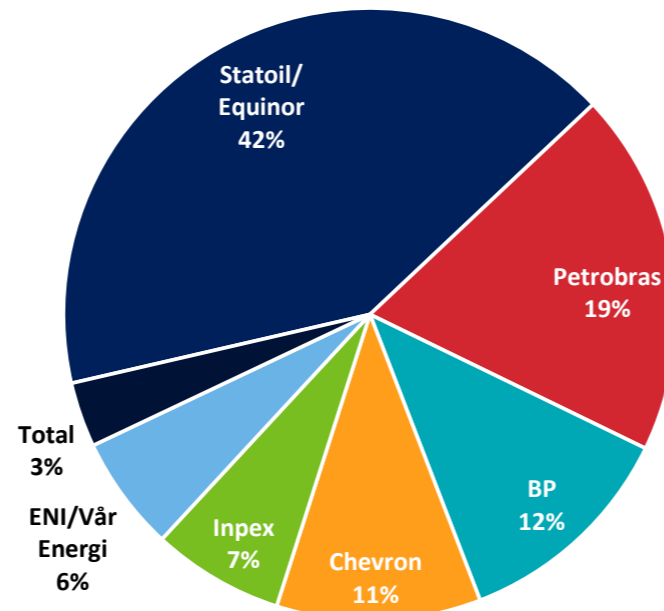
The preferred choice in harsh environment

- o 11,000 operating days executed since company became operational 2010, whereof 56% performed in the North Sea region
- o 61% operating alongside bottom fixed installations, 39% alongside floating production facilities
- o Fleet breakdown percentage (off-hire) Sept 2016 to date approx. 0.42%

Geographical split



Customer base – 7 largest customers account for 90% of our business



Geographic split and Customer based on executed work to date



ESG

Environment – Social – Governance

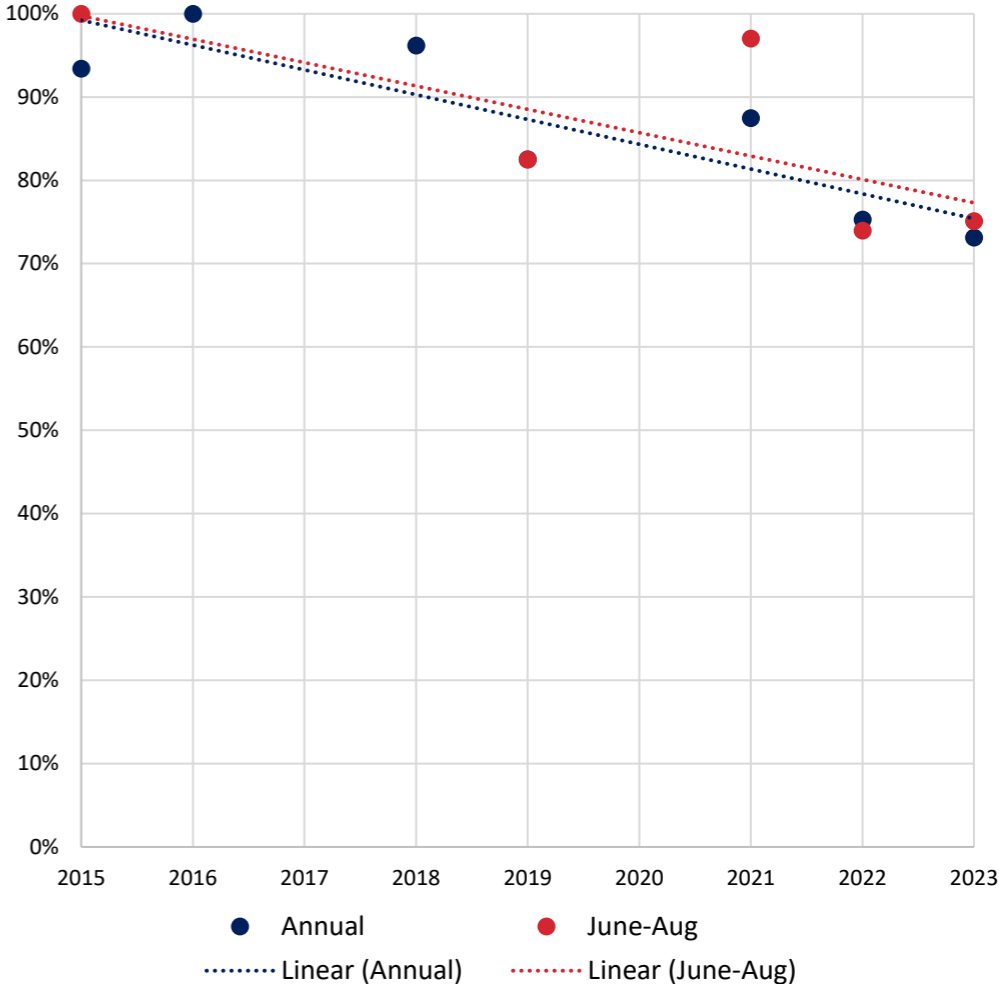
Environment

- Reduction of GHG emissions
 - Floatel International is committed to comply with IMO’s Initial GHG Strategy by reducing GHGe (greenhouse gas equivalents) emissions by 40% by 2030
- Main contributor – Fuel Consumption
- Main solution – Energy efficiency
 - Engine load optimisation
 - 2+1 Split DP operation
 - Concept: Hybrid solution
 - Concept: Grid-powered solution
- Other possible solutions:
 - Biofuels
 - Carbon Capture technology

Floatel strives toward a 40% reduction of GHG emissions until 2030 (comp. delivery)

Status in 2022: 17.5% reduction in operation (comp. delivery)

Floatel Superior Fuel consumption since 2015



ESG

Environment – Social – Governance

Social

- Safety
 - One LTI in the past 5 years
 - TRIR for December 2022 and July 2023 was 0
- Human Rights
 - Code of Conduct and MLC procedures in place
- Diversity
 - 42% women onshore, 5% women offshore
 - Employees from 17 countries

Governance

- Anti-corruption
 - 87% of Office personnel had valid CBT course
- Whistleblowing function
 - 0 cases in 2022 and year to date in 2023



Market Fundamentals

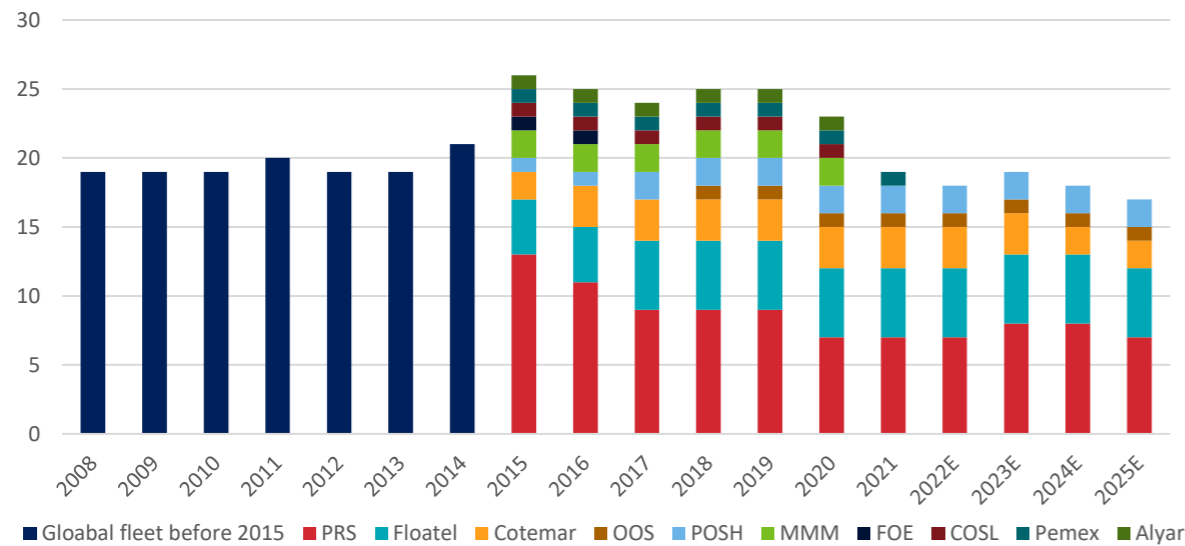


Floatel Triumph, Pluto, Australia

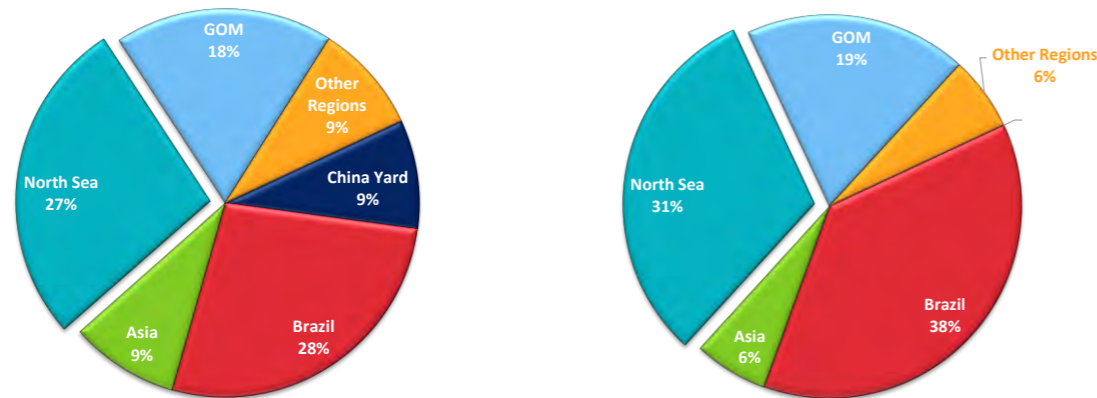
Floatel stands out with modern, high specification rigs

Supply Situation – reduced supply through older vessels exiting the market, global supply expected to be reduced to 17 vessels (including new buildings still at yard)

GLOBAL SEMI-SUB ACCOMMODATION FLEET SIZE



GEOGRAPHICAL LOCATION OF THE SEMI-SUB FLEET (24 VsIs)



12 Total fleet (22 vessels)

Fleet "In Service" Dec 2021 (16 vessels)

SEMI-SUBMERSIBLE ACCOMMODATION VESSELS

Vessel name	Operator	Status	DP	Delivery year
Safe Nova	Prosafe	Suspended delivery	DP3	2024/25
Safe Vega	Prosafe	Suspended delivery	DP3	2024/25
Safe Eurus	Prosafe	In Service	DP3	2019
OOS Tiradentes	OOS Int.	In Service	DP3	2018
Floatel Triumph	Floatel	In Service	DP3	2016
Safe Notos	Prosafe	In Service	DP3	2016
POSH Arcadia	POSH	In Service	DP3	2016
Floatel Endurance	Floatel	In Service	DP3	2015
Safe Boreas	Prosafe	Lay up	DP3	2015
Safe Zephyrus	Prosafe	In Service	DP3	2015
Atlantis	Cotemar	In Service	DP3	2015
Neptuno	Cotemar	In Service	DP3	2015
Posh Xanadu	POSH	In Service	DP3	2014
Floatel Victory	Floatel	In Service	DP3	2013
Floatel Reliance	Floatel	Lay up	DP2	2010
Floatel Superior	Floatel	In Service	DP3	2010
Safe Concordia	Prosafe	In Service	DP2	2005
Safe Scandinavia	Prosafe	To be scrapped?	No DP	1984
Chemul	PEMEX	To be scrapped?	DP2	1983
Safe Caledonia	Prosafe	Lay up	DP2	1982
Iolair	Cotemar	In Service	DP2	1982
Jasper Cosmop.	Alyar	To be scrapped?	No DP	1977

Scraping candidates Lay-up = vessel laid up with no future contracts

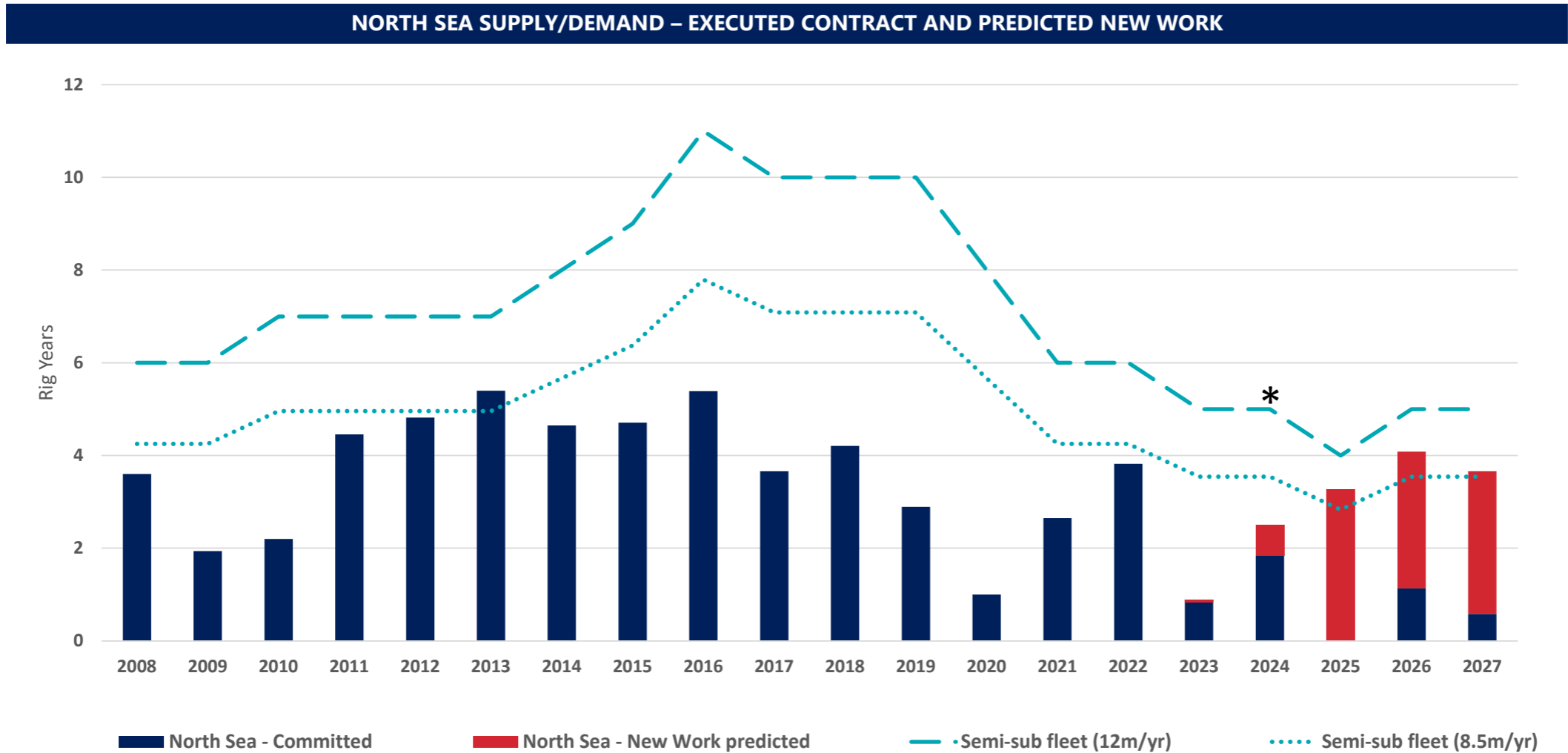
Source: Company analysis based on public market information

Crude oil price & daily rate development since 2018



North Sea market 2008 – 2025

North Sea market tightening on the back of increased new work and reduced fleet

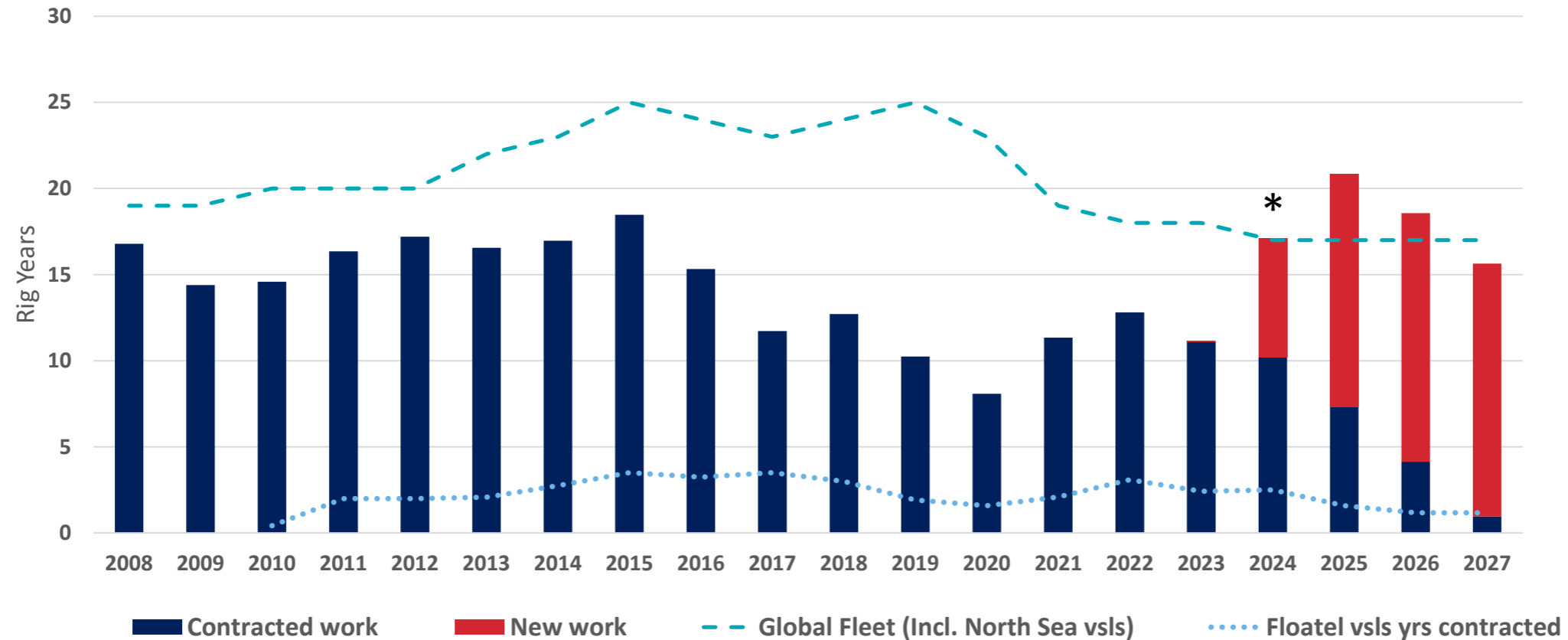


* Supply post 2024 pending which vessel returns to the North Sea and prediction that some older vessels will exit the market

Global market 2008 – 2027 (including North Sea)

Operating semi sub accommodation fleet cannot meet the expected demand

GLOBAL SUPPLY/DEMAND – EXECUTED CONTRACTS AND PREDICTED NEW WORK



* Supply post 2024 based on the prediction that some older vessels will exit the market

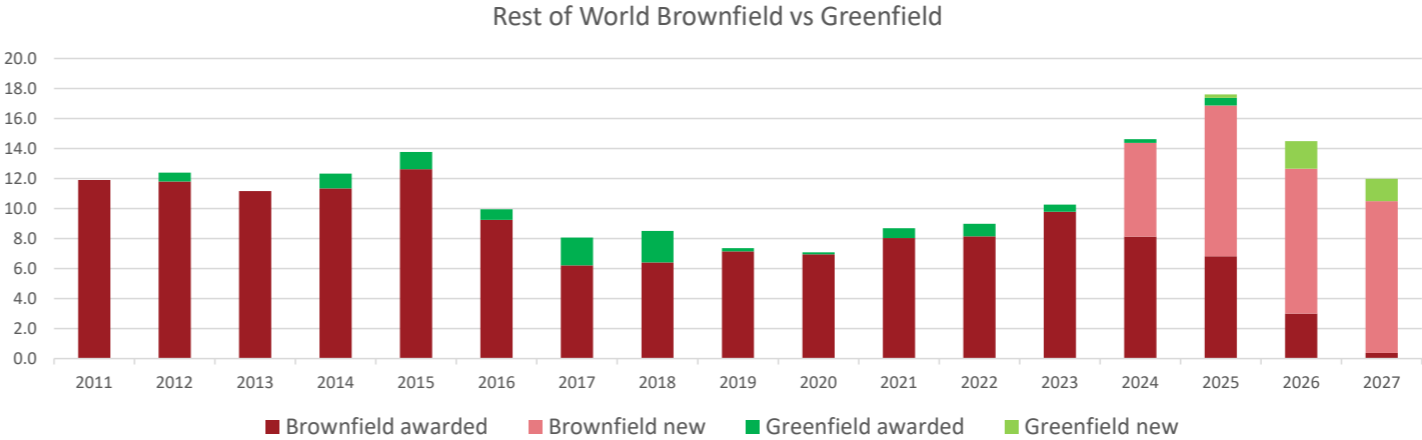
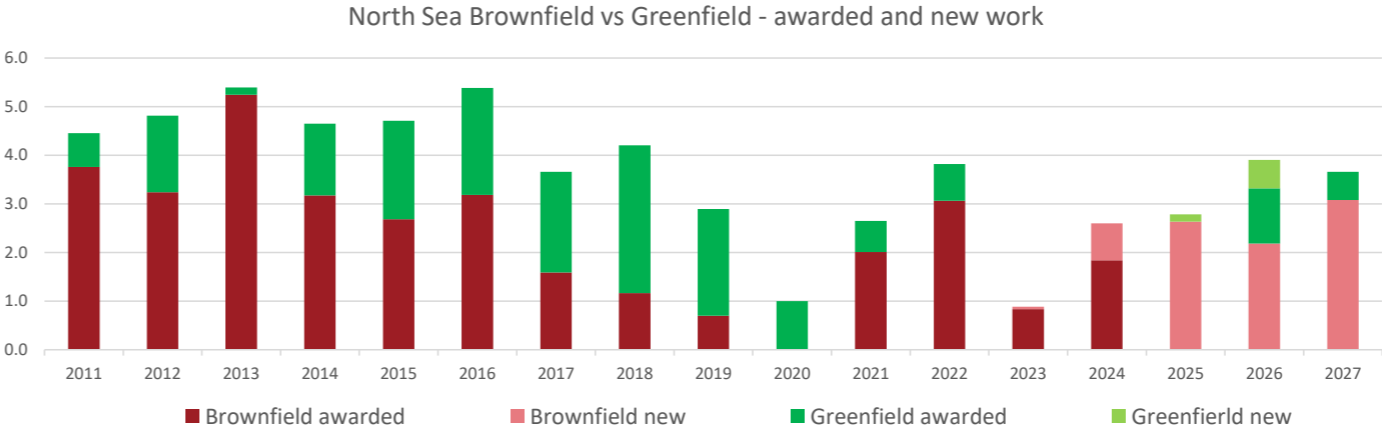
Work type 2008 – 2027

Increased demand driven by brownfield work

COMMENT

- **North Sea** dominated by larger hook-ups (Greenfield) in the period 2014-2020. Maintenance and modifications (Brownfield) will dominate the market going forward meaning more work in the good weather season
- **Globally** the Maintenance and modifications (Brownfield) market has dominated especially for regions like Brazil and Mexico

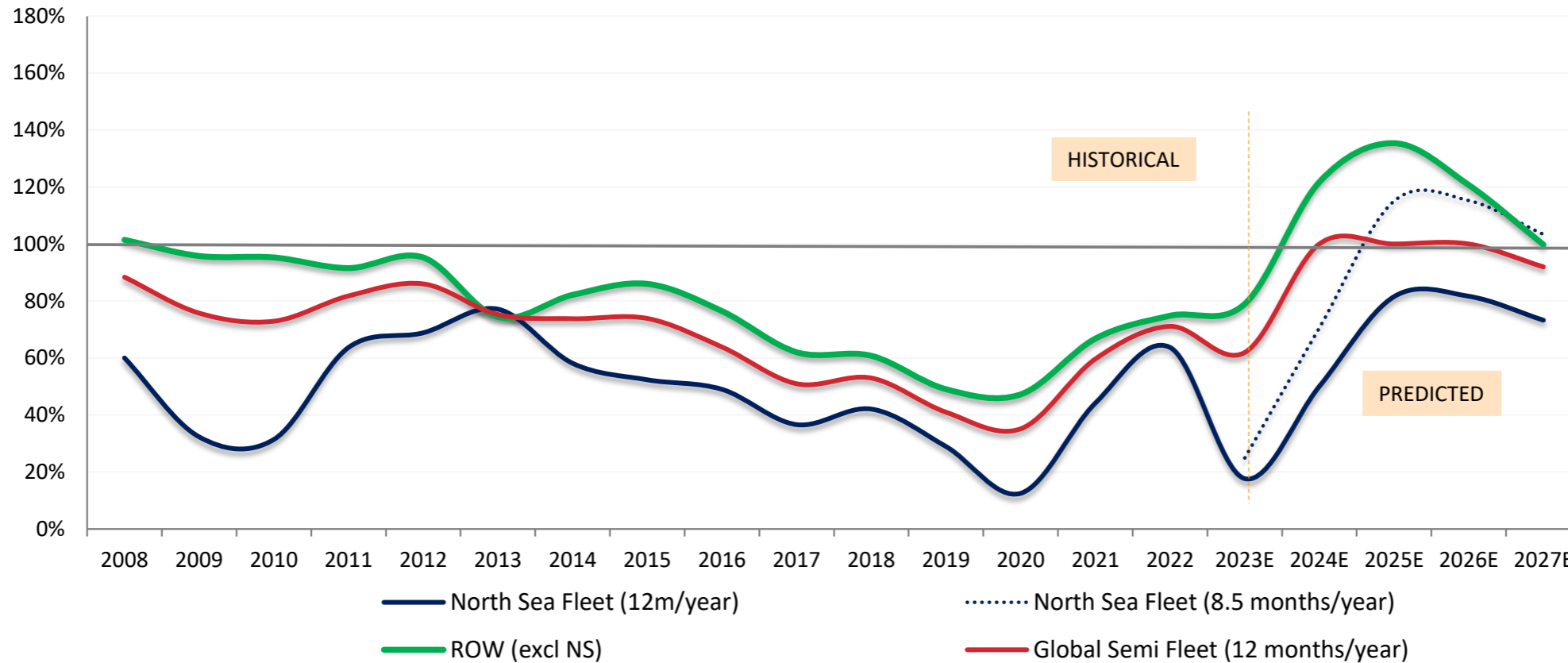
WORK TYPE (BROWNFIELD/GREENFIELD) HISTORICALLY AND PREDICTED FUTURE DEMAND



Fleet utilisation

Uptick in activity level and reduced fleet resulting in increased expected utilisation

HISTORICAL AND PREDICTED SEMI-SUB ACCOMMODATION FLEET UTILISATION - NORTH SEA AND WORLD FLEET



Shift in market balance in 2024 due to that some work has been cancelled or moved to 2025.

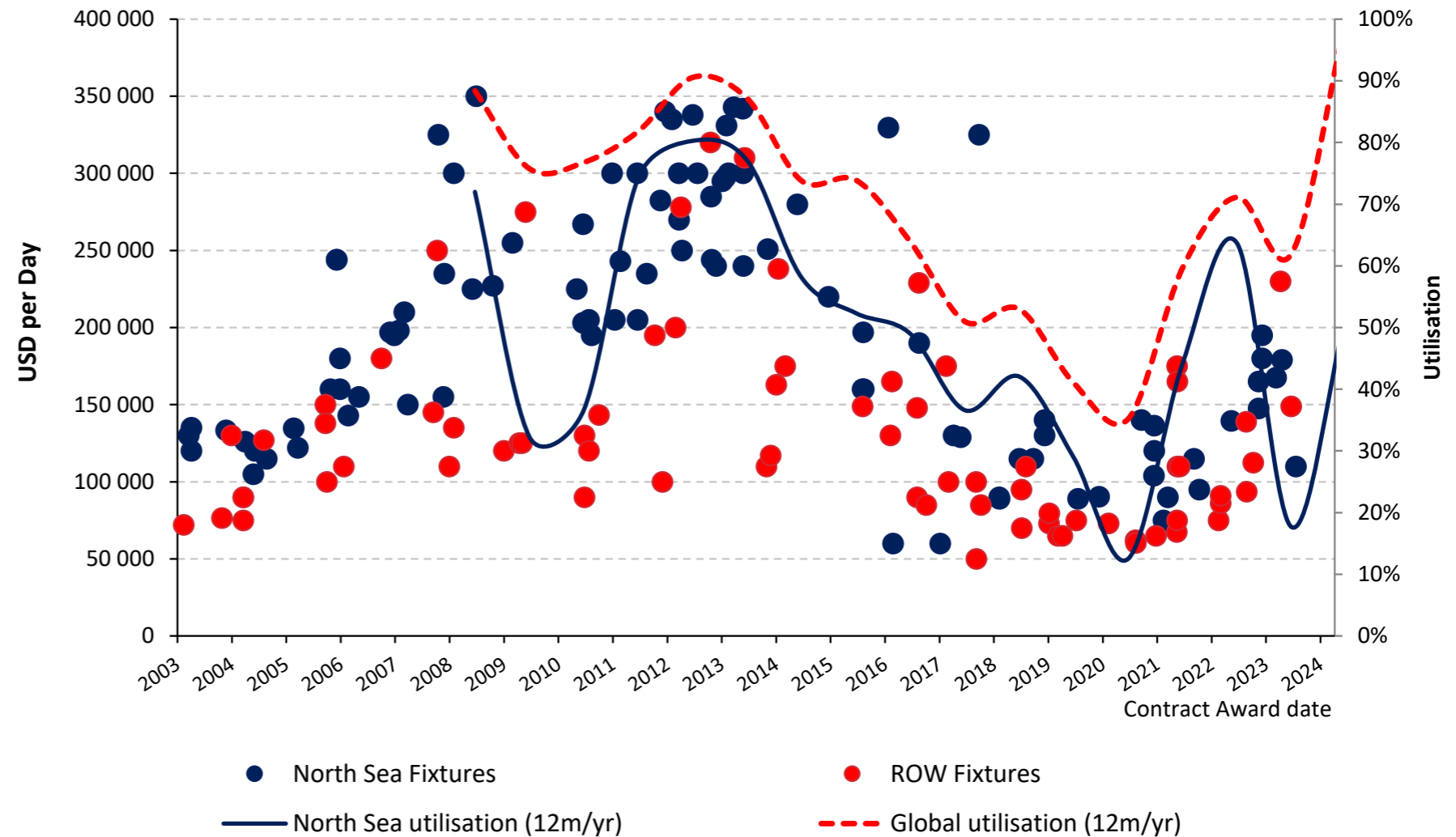
Day-rate development – North Sea and RoW

Higher utilization, improved day rates

COMMENT

- North Sea market generally has the highest day-rates due to market barriers related to stringent regulatory requirements and harsh environments
- Modern Semi-submersibles dominate North Sea demand as they can operate more seamlessly in the difficult conditions due to positioning capabilities
- Further, supply is expected to continue to reduce in the future due to the aging of the global fleet, however it will take some years before the market is back in balance
- High Specification vessels also tend to receive charter first and when supply and demand is in balance longer lead time before contract start up
- Floatel has five modern accommodation units (of which four DP3) and is expected to be strongly positioned in a recovering market

HISTORICALLY OBSERVED DAY-RATES (INITIAL CONTRACTS, FIRM PERIOD) – NORTH SEA & ROW



Latest Petrobras bidding rounds (no mob fees)

ORDENAMENTO - 7004055932 (N16)					
Nº	EMPRESA LICITANTE	UNIDADE	Valor Total Virtual (VTV) (JULGAMENTO)	Per day USD	Comments
1	POSH	ARCADIA IMO 9639995	167 900 000.00	115 000.00	Likely winner
	POSH	XANADU IMO 9640009	167 900 000.00	115 000.00	Likely winner
3	NORTRANS	TEMIS IMO9693135	175 297 236.00	120 066.60	Disqualified
4	ARENDAL SPIRIT AS	ARENDAL SPIRIT IMO 9757046	182 500 000.00	125 000.00	
5	OOS INTERNATIONAL BV	STAVANGER SPIRIT IMO 9763198	192 720 000.00	132 000.00	
6	OOS INTERNATIONAL BV	WEST ORION IMO 8768567	198 560 000.00	136 000.00	
7	PROSAFE AS	BOREAS IMO 9649823	219 000 000.00	150 000.00	
8	PROSAFE AS	NOVA IMO 9672911	226 300 000.00	155 000.00	
	PROSAFE AS	VEGA IMO 9710024	226 300 000.00	155 000.00	
10	TSC OFFSHORE PTE LTD	HAI SHI 5 IMO 9826524	236 520 000.00	162 000.00	
11	FORTIS OPERATIONS AS	EDDA FORTIS IMO 9689483	248 200 000.00	170 000.00	

ORDENAMENTO - 7004096026 (N15)					
Nº	EMPRESA LICITANTE	UNIDADE	Valor Total Virtual (VTV) (JULGAMENTO)	Per day USD	Comments
1	AQUARIUS BRASIL B.V.	AQUARIUS BRASIL IMO 9147306	160 436 480.00	109 888.00	Disqualified
2	POSH SEMCO PTE LTD	ARCADIA IMO 9639995	167 900 000.00	115 000.00	Likely winner
	POSH SEMCO PTE LTD	XANADU IMO 9640009	167 900 000.00	115 000.00	Likely winner
4	NORTRANS OFFSHORE II PTE LTD	TEMIS IMO 9693135	175 297 236.00	120 066.60	Disqualified
5	ARENDAL SPIRIT AS	ARENDAL SPIRIT IMO 9757046	182 500 000.00	125 000.00	
6	OOS INTERNATIONAL BV	STAVANGER SPIRIT IMO 9763198	192 720 000.00	132 000.00	
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12	FORTIS OPERATIONS AS	EDDA FORTIS IMO 9689483	248 200 000.00	170 000.00	

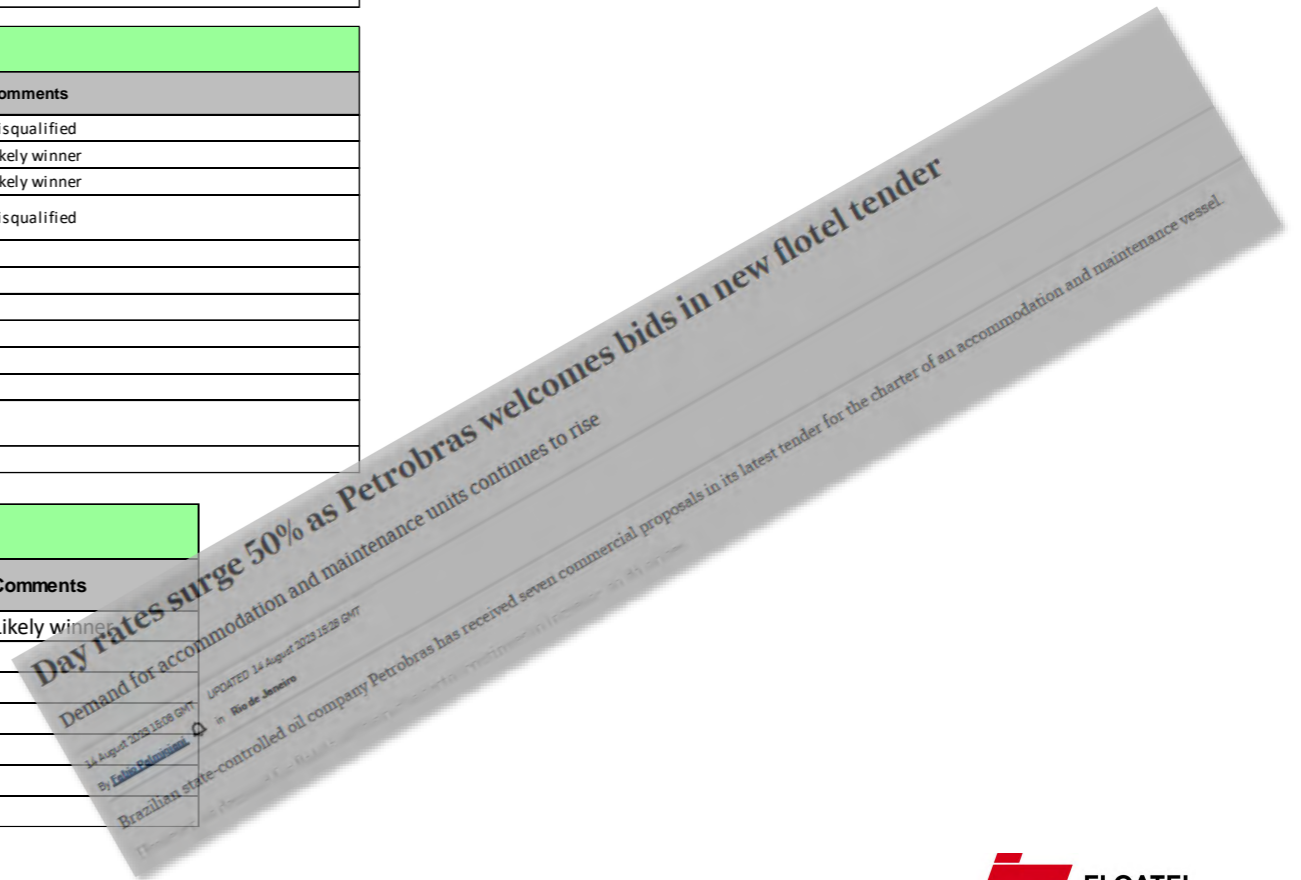
ORDENAMENTO - 7004115563 (N5)					
Nº	EMPRESA LICITANTE	UNIDADE	Valor Total Virtual (VTV) (JULGAMENTO)	Per day USD	Comments
1	VENUS SHIPPING BV	VENUS	70 266 000.00	117 110.00	Likely winner
2	ARENDAL SPIRIT AS	ARENDAL SPIRIT	73 200 000.00	122 000.00	
3	OOS INTERNATIONAL BV	STAVANGER SPIRIT	83 700 000.00	139 500.00	
4	NORTRANS ACCOMMODATION PTE LTD	TEMIS	87 171 960.00	145 286.60	
5	PROSAFEAS	SAFE NOVA	123 000 000.00	205 000.00	
6	PROSAFE AS	SAFE VEGA	123 000 000.00	205 000.00	
7	TSC OFFSHORE PTE L TO	HAISHI5	136 800 000.00	228 000.00	

Results from three public bids; N15, N16 and N5.

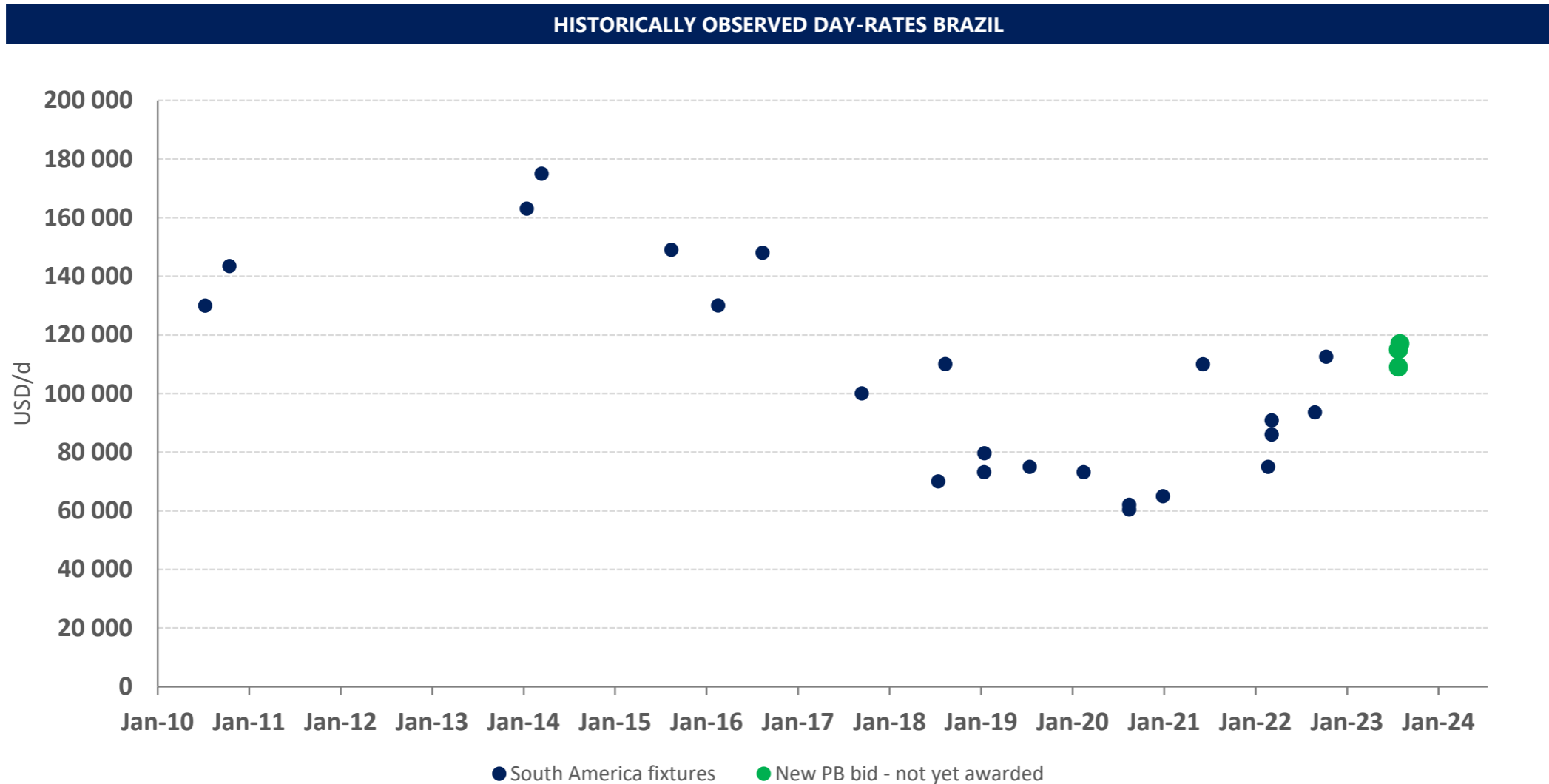
Bid N40 is private and not disclosed. Start date mid 2024, period 4 years.

We declined all 4.

Final winners not yet disclosed.



Day-rate development – Brazil and rest of South America

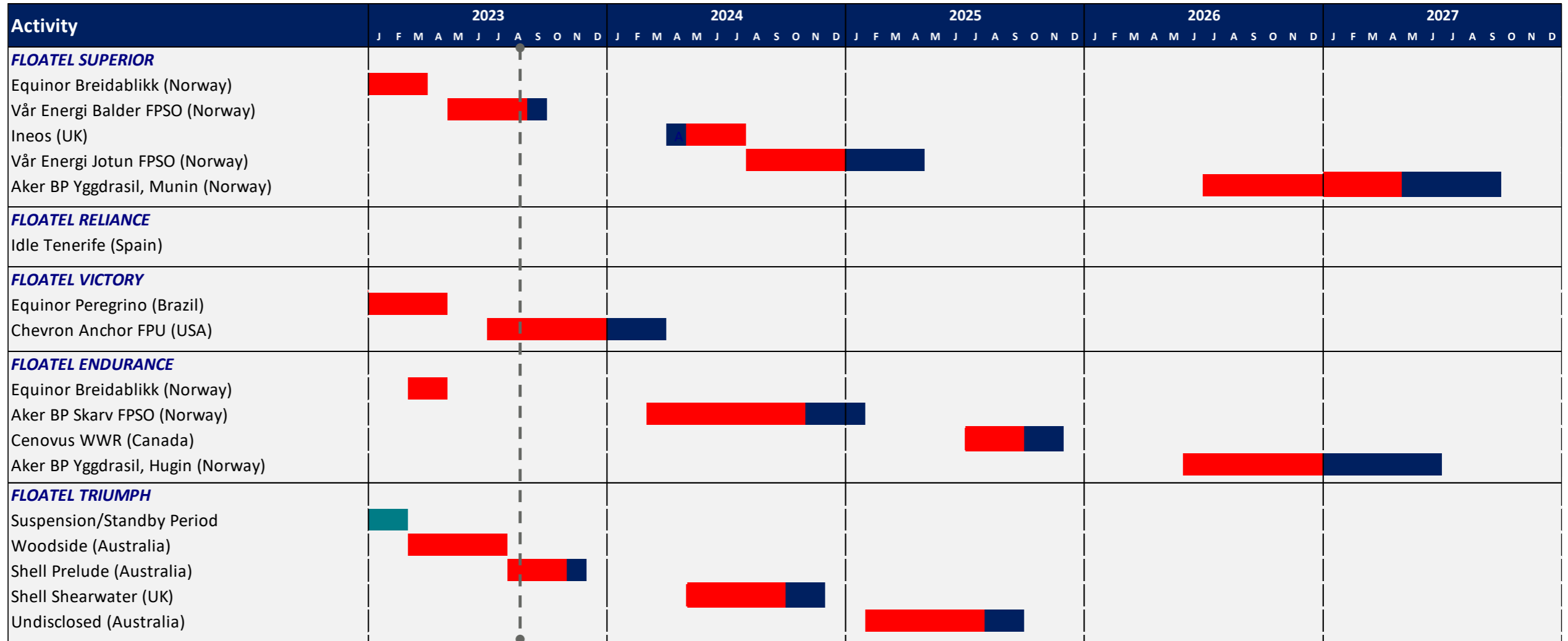


Operational and Financial Overview



Floatel Victory, Peregrino FPSO, Brazil

Present fleet commitment – September 2023

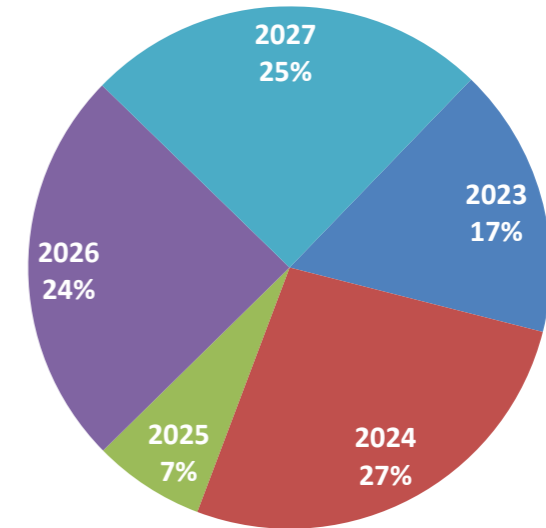
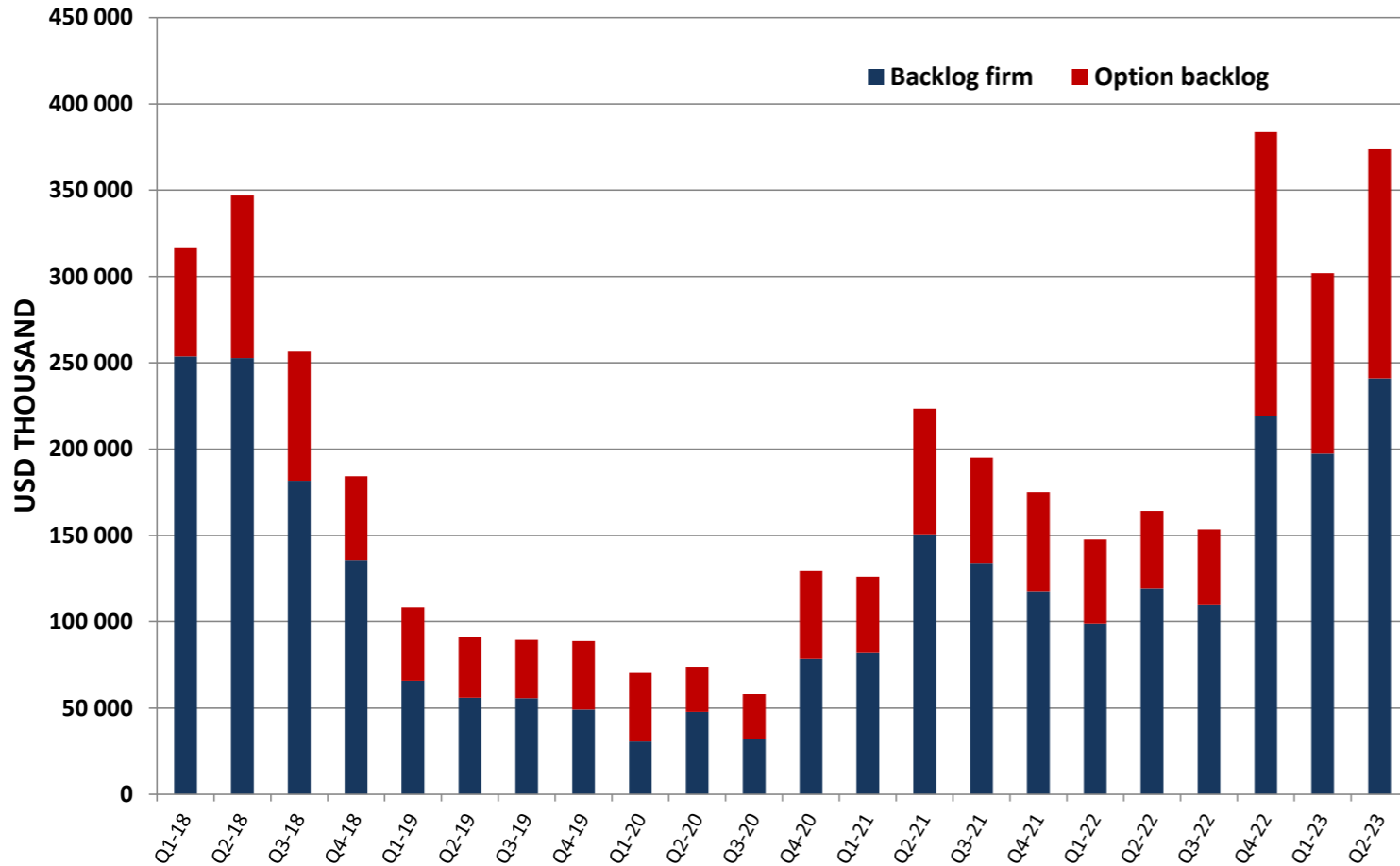


Date:
September-23

Key: Firm ■ Options ■ Paid Standby ■

FIL Back-log end of June 2023

Firm order book \$241 million, option work \$132 million

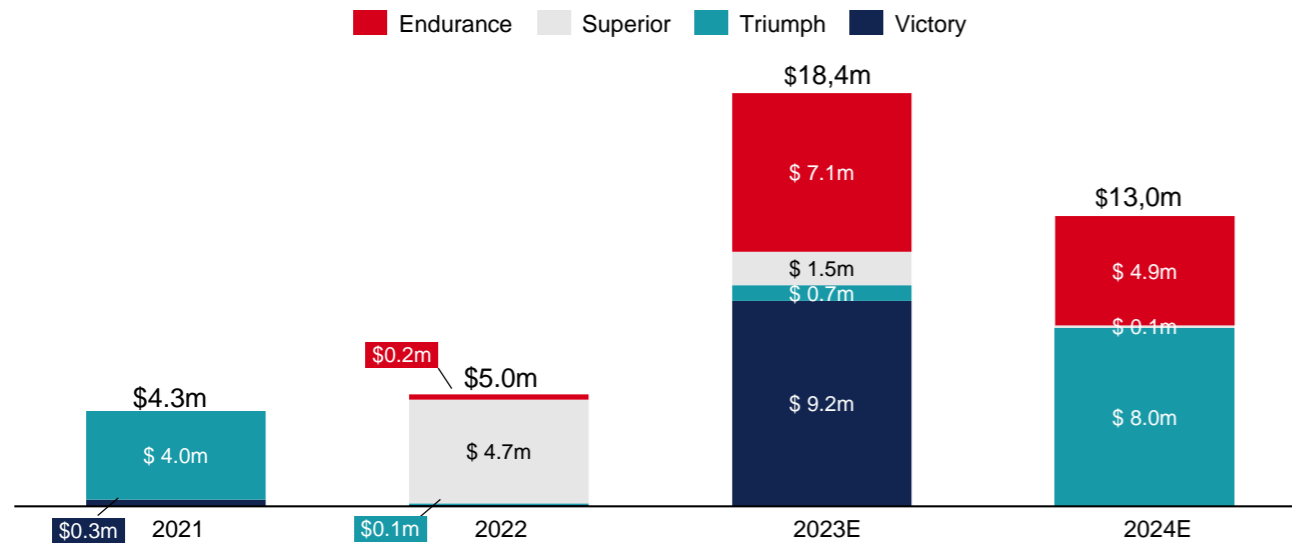


Backlog distribution 2023-2027 including option work

Backlog as reported in Q2 2023 report. Backlog as of end August 2023 including new work awarded after Q2 2023 (including Ineos, Inpex, Shell and Cenovus) is approximately \$326m firm plus \$178m option.

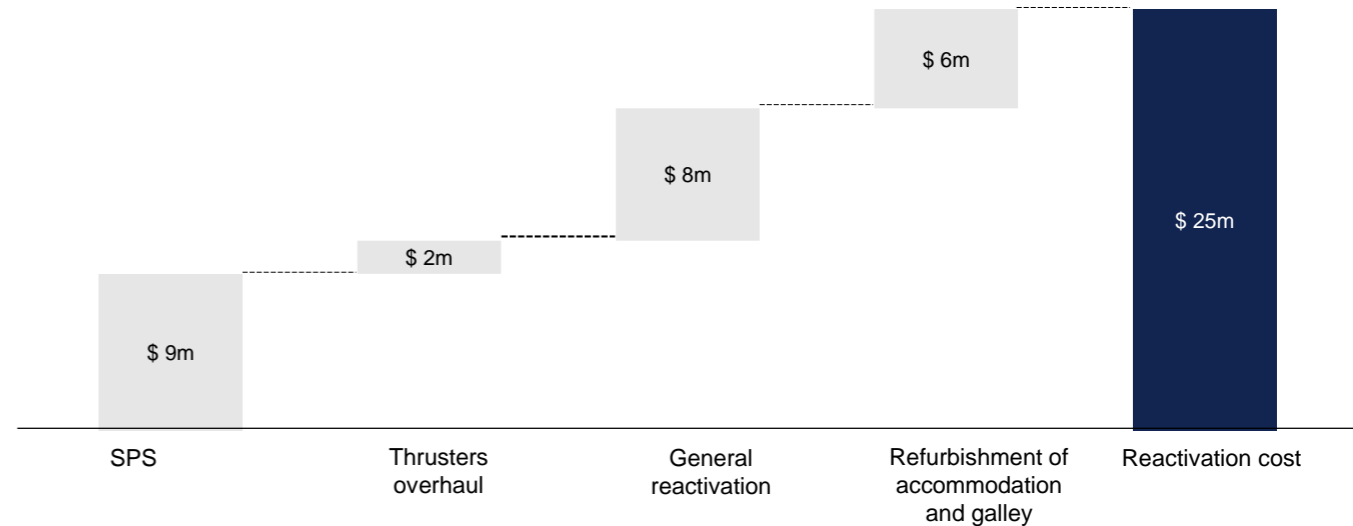
Upcoming Capex

Estimated capex schedule



Detailed capex split (\$m)	2021	2022	2023E	2024E
SPS	1.9	-	8.4	2.5
Thrusters	1.8	4.6	0.4	6.9
Maintenance capex	0.6	0.4	5.9	1.0
Mid-life capex	-	-	3.7	2.5
Total	4.3	5.0	18.4	13.0

Approximately \$25m to reactivate Floatel Reliance



Floatel Reliance

- Reliance stacked in Tenerife, Spain, since last contract, which ended in March 2016
- The vessel is actively marketed for new charters
- Floatel has good visibility on reactivation cost and has shown good capex discipline
- Estimated reactivation period of 7-9 months
- Upgrades and contract requirements are not included



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