



11 September 2019



Pareto Oil & Offshore Conference

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Contents

- **Who we are**
- Fleet status
- Strategy: Plan the work, work the plan
- Merger update
- Conclusion: Prosafe anno 2019

Who we are

1 Prosafe is a leading owner and operator of semi-submersible accommodation vessels globally

2 World's most diversified fleet of 7 semi-submersible accommodation-, service- and safety vessels, 2 new-builds at yard and 1 tender support vessel

3 Mid to late cyclical, typically exposed to brownfield MMO type work as well as hook-up and decommissioning. Providing beds at sea as well as offices, logistics, utilities and cranes

4 Ongoing fleet renewal with delivery of one new-build in summer of 2019 and additional two vessels at yard

5 Ongoing merger with Floatel International to create the largest and most versatile fleet in the global accommodation market

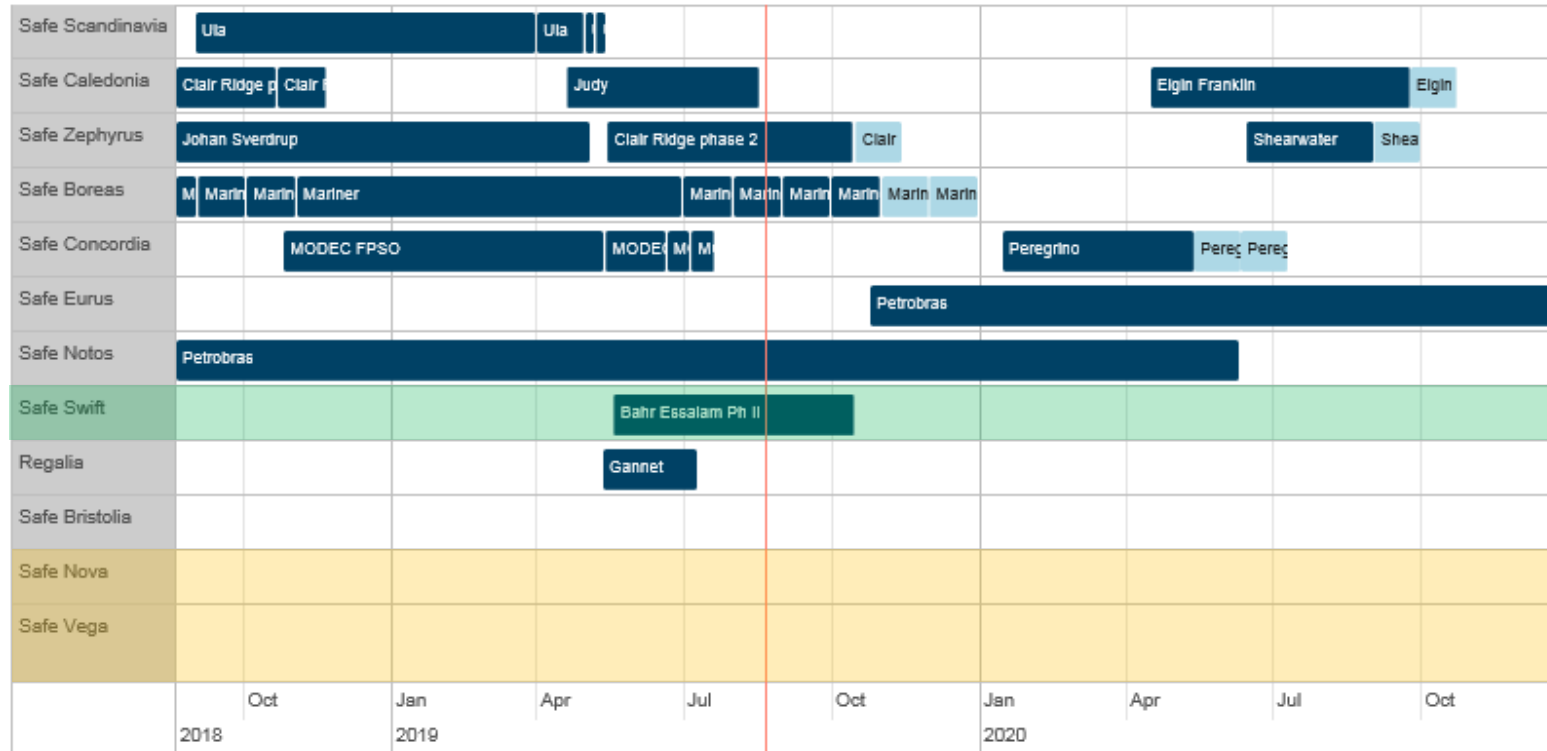


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Fleet status: Contracts, wins and extensions

Contract backlog



: Safe Swift technically and commercially managed on behalf of owners

Contracting update

- **Safe Caledonia** contracted by Total UK for 162 days from mid-April 2020 with a 30-day option. Subsequently, either Safe Boreas or Safe Zephyrus will conduct the Shell Shearwater contract;
- **Safe Eurus** 3-year contract with Petrobras signed and vessel delivered early July. Contract commencement within fourth quarter 2019;
- **Safe Concordia** contracted by Equinor Brazil from January 2020 for 120 days plus up to 60 days of options;
- **Safe Boreas** extended by Equinor at Mariner through October 2019.

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The key focus areas since 2016



1

Modernize the fleet




- Transformative agreement with Cosco in 2018

Fleet renewal

- COSCO agreement:
 - Agreement for delivery and financing of three new-builds
 - \$55 million cash discount
 - \$431m seller's credit
 - Performance based amortisation profile
 - Interest rate 0-4% year 0-5 after delivery
 - High delivery optionality
 - No stacking costs paid by PRS
- Eurus delivered summer in 2019 and is en route to commence contract with Petrobras in Brazil
- 7 vessels scrapped since 2016; Jasmina, Britannia, Hibernia, Lancia, Regency, Astoria and Bristolia (in process)

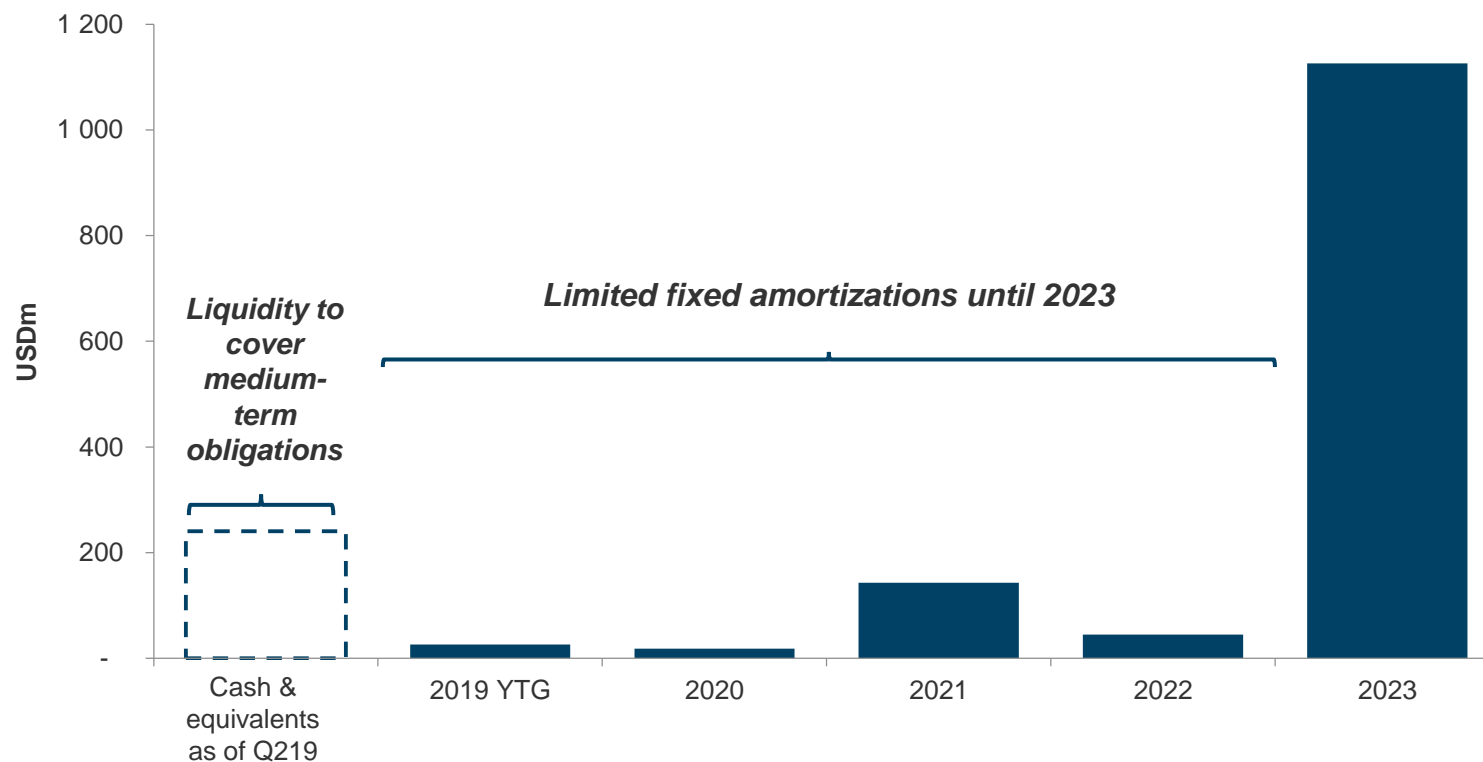
Prosafe fleet

Bristolia				
Astoria				
Jasminia				
Britannia			Eurus	
Hibernia	Scandinavia		Boreas	
Lancia	Regalia		Zephyrus	Vega
Regency	Caledonia	Concordia	Notos	Nova
1980s	1980s	2005	2015+	2020+

-  PRS options
-  PRS fleet
-  Retired since 2016

2 Liquidity and long-term financing in place

Available liquidity and debt maturity overview



Key terms

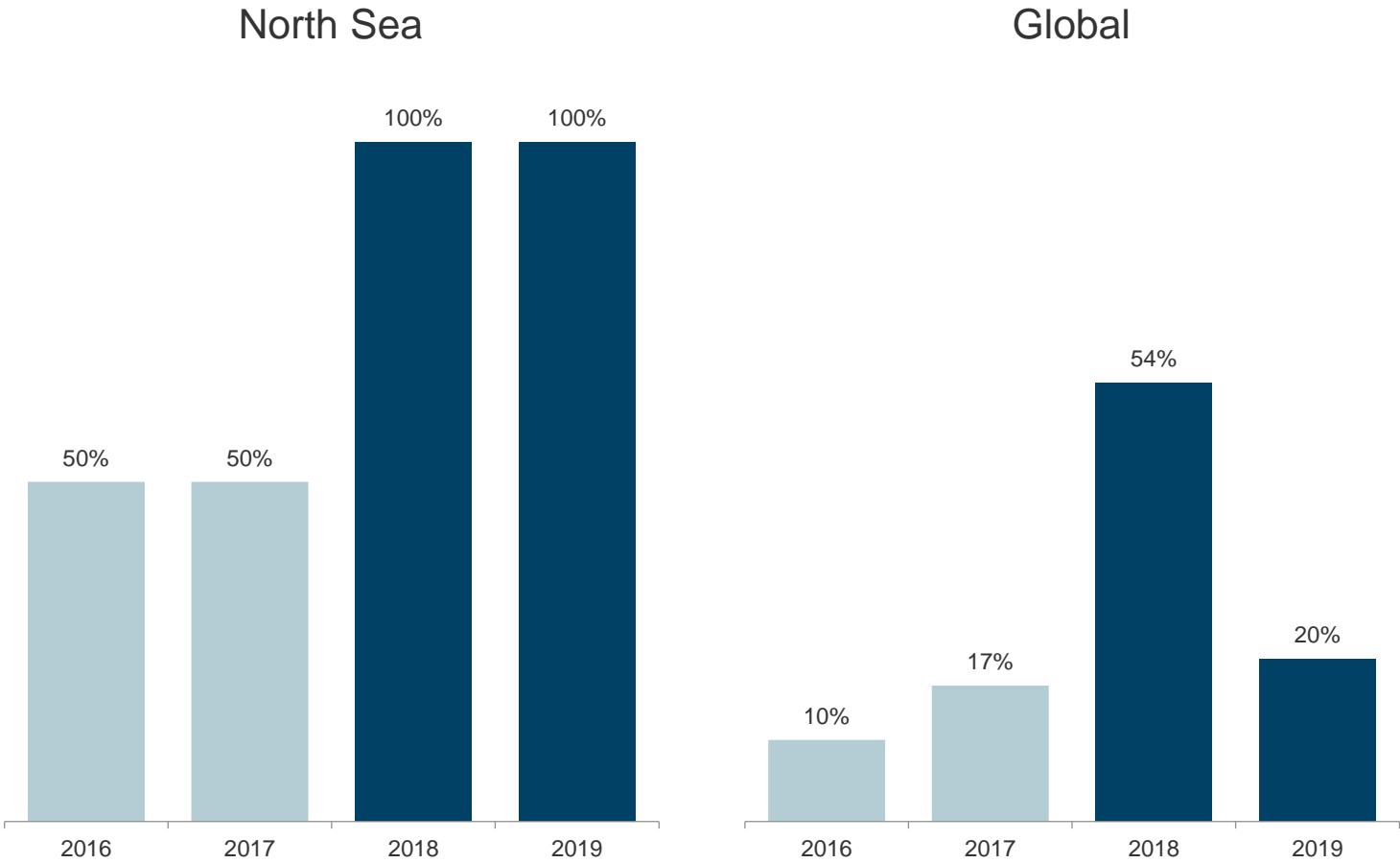
- Minimum cash covenant of USD 65 million. Other covenants deferred
- Assume maturity of the main \$1.3b facility is extended from 2022 to 2023

3

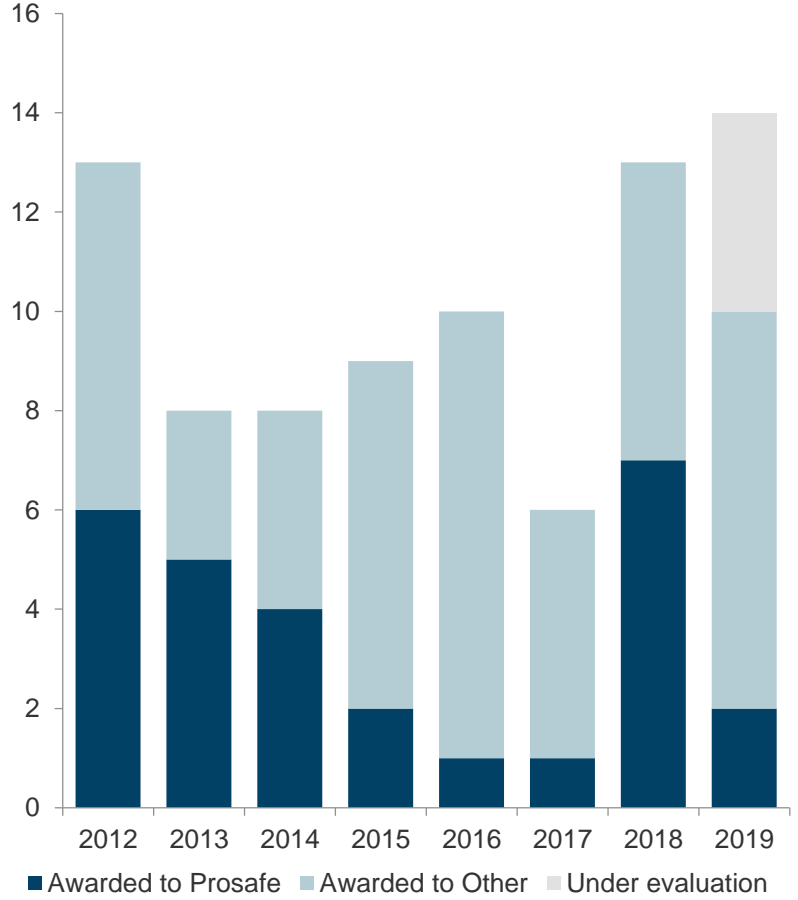
Commercial win record

- 100% North Sea win record in 2018 and 2019

Tender win rate



Global tender activity

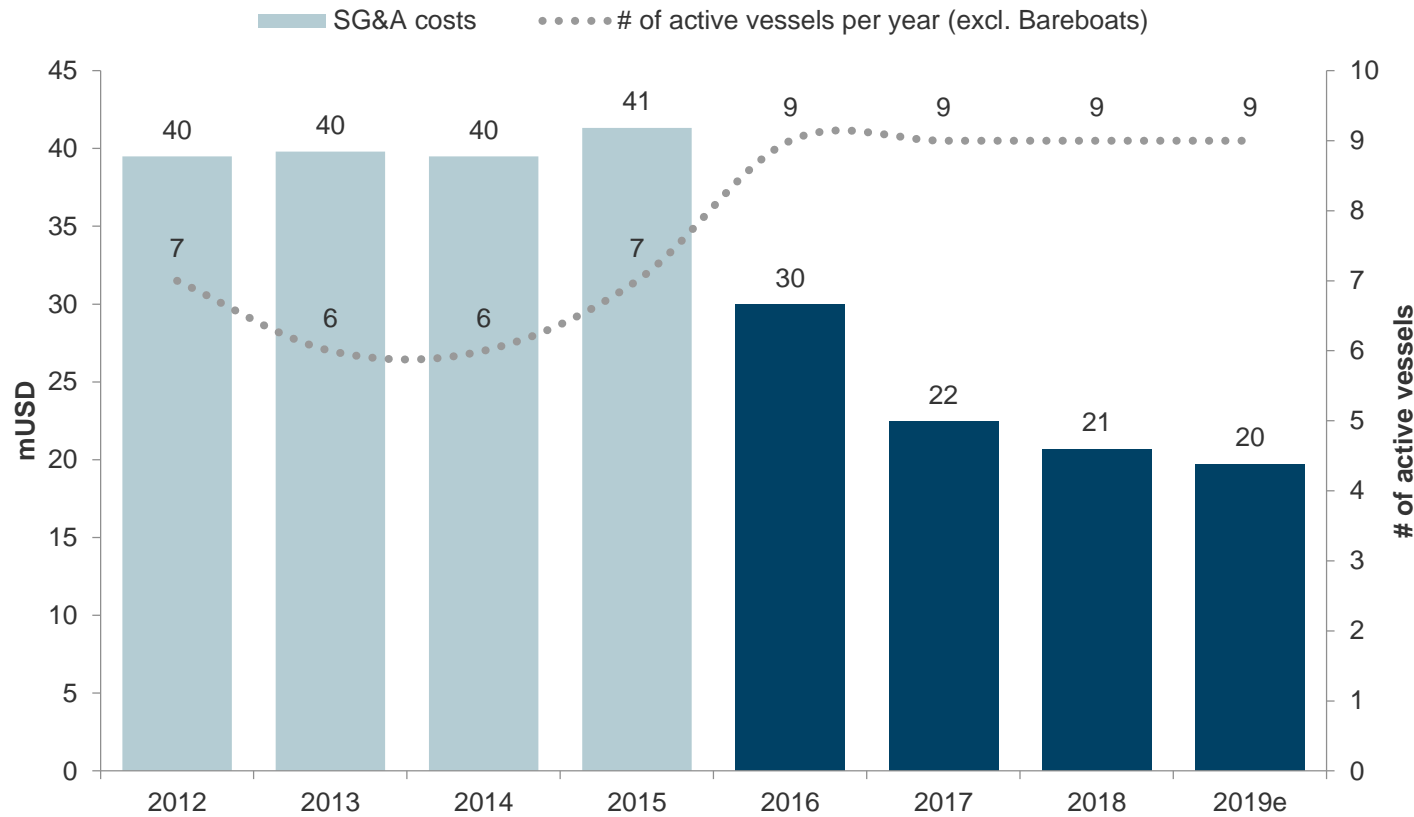


4

Reduce the cost base

- Cost levels significantly reduced

SG&A* costs down by 50% since 2015



*Excluding one-offs

CPD down 35% on average

Opex (CPD USD k/d)	NCS	UK	NCS (TSV)	UKCS	Brazil
	DP	DP	Moored	Moored	DP
2014	75-80	60-65	100-105	50-55	60-65
2019	60-65	33-36	75-80	25-30	34-38

Stacking CPD (USD k/d)	Warm stack	Cold stack
2016	15-30	5-10
2019	10-18	3-8

4

Reduce the cost base

- Prosafe won. Westcon appealed.

- Ruling on 8 March 2018: The Court issued its judgement in favour of Prosafe, and decided that Westcon must pay Prosafe NOK 344 million plus interest and NOK 10.6 million legal costs
- Westcon has filed an appeal. Prosafe filed a counter appeal on 28 May 2018
- Prosafe will continue to pursue its case in order to improve on the result in the first instance
- Timing for next court hearing 2H2020



Global consolidation

- Merging with Floatel

Prosafe fleet



Floatel fleet

Modern
semis



Nova



Vega



Eurus



Zephyrus



Notos



Concordia



Boreas



Superior



Victory



Endurance



Triumph

Core modern fleet with an average age of ~4.4 years



Reliance

Upgraded/
Converted



Regalia



Caledonia



Scandinavia

To be
scrapped



Bristolia

- ✓ Creates the largest and most versatile fleet in **the global** accommodation space
- ✓ Total fleet of 15 semis – of which 12 are modern **harsh environment semis**
- ✓ The combined entity is anticipated to realize significant cost and efficiency synergies
- ✓ Existing financing structure unchanged with **limited fixed amortisations until 2023**
- ✓ Combined company better equipped to operate in the global market and with improved customer offering

Delivering on the key focus areas since 2016



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Update: Merger process with Floatel

- Creditor process
 - Prosafe and Floatel have received support from their majority banks to the merger subject satisfactory documentation, approval by Floatel bondholders, competition authorities and EGM

- Competition clearance
 - Have been informed by UK authorities that the merger cannot be cleared unconditionally in phase one
 - Phase two in Norway is ongoing. Formal decision expected towards end October

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Prosafe anno 2019 – Transformed and repositioned

1

The largest and most modern fleet

- World's largest fleet of semi-submersible offshore accommodation vessels (8+2 units)
- Two new-builds at Cosco with one delivered summer of 2019
- 50% of the fleet will be less than 4 years old

2

Merger with Floatel

- Creates the largest and most versatile fleet
- Total fleet of 15 semis – of which 12 are modern harsh environment
- Anticipates to realise significant cost and efficiency synergies

3

Cost efficient and with financial flexibility

- Continues to seek efficiency gains
- Limited debt service and interest expenses in the years to come
- Covenant relief & maturity extension option

4

Positioned for next phase

- Fleet renewal
- Finalise merger with Floatel
- Internationalisation