



FIRST QUARTER 2022

(Figures in brackets refer to the corresponding period of 2021)

EBITDA¹ for the first quarter was USD 4.8 million (negative USD 10.1 million), reflecting a higher activity level and the highest first quarter fleet utilisation rate of 68.1 per cent (25.7 per cent) since 2015. Liquidity² at the end of the quarter was USD 64.7 million. In addition, a significant increase in the order backlog was secured just after quarter end.

Recent highlights

Fleet utilisation and financial results:

- Fleet utilisation of 68.1 per cent in Q1 (25.7 per cent), the highest first quarter utilisation rate since 2015
- EBITDA of USD 4.8 million in Q1 (negative USD 10.1 million)
- Cash flow from operations in Q1 was negative USD 0.4 million (negative USD 7.6 million) as two vessels were ramping up for contracts and one vessel was largely on standby in-field between two operating periods
- Liquidity of USD 64.7 million (USD 141.7 million) at the end of the quarter

Operations and commercial:

- 5 of 7 vessels in operation in all or parts of the quarter
- Good operating performance and zero incidents in the quarter
- Safe Notos was awarded a four-year, USD 110 million contract by Petrobras as a result of bid process conducted in Q1 2022
- Safe Euruss was announced the winner of a four-year, USD 126 million contract by Petrobras with contract award expected within June
- Safe Boreas could come into contention for a 650-day contract with Petrobras

Operations

The fleet utilisation rate in the first quarter of 2022 was 68.1 per cent (Q1 2021: 25.7 per cent). This is the highest first quarter utilisation since 2015.

Safe Zephyrus started operations for bp at ETAP in the UK North Sea on 22 January 2022. The vessel is on a 10-month contract with up to four months of options.

Safe Caledonia, after a period of in-field standby, resumed full operations for TotalEnergies at the Elgin platform in the UK on 7 March 2022. The vessel will be on contract until December 2022. In addition, there is a 30-day option.

Safe Boreas commenced a contract on the Norwegian Continental Shelf on 1 May 2022. This contract has a firm duration of three months and two additional one-month options. Safe Boreas could come into contention for a 650-day contract with Petrobras.

Safe Euruss has been providing safety and maintenance support to Petrobras in Brazil since November 2019 and was in full operation in the quarter. The contract has a firm duration until February 2023. Safe Euruss was announced the winner of a four-year, USD 126 million contract by Petrobras with contract award expected within June.

¹ EBITDA = operating result before depreciation, amortisation, interests and taxes

² Liquidity = cash and deposits

Safe Notos has been operating for Petrobras in Brazil since December 2016 and was in full operation in the quarter. The contract has a firm duration until mid-July 2022. Safe Notos was awarded a four-year, USD 110 million contract by Petrobras as a result of bid process conducted in Q1 2022.

Safe Concordia has been operating in Trinidad and Tobago since July 2021 and was fully utilised during this quarter. The vessel was awarded a 160-day contract by BP Trinidad and Tobago with start-up in direct continuation of her current contract at Cassia C, 24 March 2022. The contract has a firm duration until 31 August 2022 and four one-week options.

Safe Scandinavia was idle in the quarter and is laid up in Norway while being actively marketed.

Financials

First quarter 2022

EBITDA for the first quarter was USD 4.8 million (negative USD 10.1 million). The increase in EBITDA was mainly due to higher revenues, partially offset by higher operating expenses. Higher revenues and higher operating expenses were driven by higher fleet utilisation. Activity level was generally high including ramping up the Safe Zephyrus and the Safe Boreas for new contracts and keeping the Safe Caledonia in standby in-field for large parts of the quarter between operating periods.

Depreciation was USD 7.2 million (USD 8.2 million) in the quarter.

Operating loss for the first quarter amounted to USD 2.4 million (operating loss of USD 59.0 million). Improvement in operating result was mainly due to the increase in EBITDA and that there were no impairment charges in this quarter. In Q1 2021, an impairment of USD 40.7 million was made to the account due to the final judgement in the Westcon dispute.

Interest expenses amounted to USD 3.4 million (USD 14.0 million). Lower interest expenses are a result of the significant debt reduction following the successful completion of the financial restructuring in December 2021.

Other financial cost was USD 4.0 million (USD 16.7 million). Higher other financial costs in Q1 last year were mainly due to a one-off effect of USD 13.8 million resulting from the Westcon court judgement.

Net loss equalled USD 11.9 million (net loss of USD 90 million) in the quarter.

Cash flow from operations was negative USD 0.4 million in the quarter (negative USD 7.6 million) as two vessels were ramping up for contracts and a third vessel was largely on standby in field.

Total assets at 31 March amounted to USD 487 million (USD 585.7 million). Total liquidity at the end of the quarter was USD 64.7 million (USD 141.7 million). The decrease in total assets was mostly due to depreciation of vessels and reduction in cash balance, partially offset by investment in tangible assets.

At the end of the quarter, net interest-bearing debt equalled USD 359 million (USD 1,385.8 million) and the book equity ratio was 5.2 per cent (negative 177.4 per cent). The significant reduction in net interest-bearing debt and positive equity ratio were mainly a consequence of the successful completion of the financial restructuring in December 2021.

Outlook

The general outlook has improved significantly over the last few months as the oil price has recovered from the low levels and energy security and diversification have come on the agenda again. The development in the market for energy is anticipated to lead to a multi-year increase in the investments for oil and gas. Demand for offshore accommodation rigs is mainly driven by maintenance,

modification and life extension of existing oil and gas infrastructure. It is further anticipated that the industry's focus on electrification and other emission reducing investments, including the emerging market for carbon capture and storage, will be positive for the demand for offshore accommodation in the longer term.

Prosafe has recently significantly improved its order backlog, and activity level in 2022 will be high with at least 6 of 7 vessels being on contract for all or parts of the year. Looking ahead, the Safe Boreas could come into contention for a 650-day contract with Petrobras.

While Brazil is offering visibility and long-term contract opportunities, visibility in the North Sea beyond 2022 remains low in line with traditional contracting patterns where contracts normally materialize 6-12 months prior to commencement. In light of these different characteristics between the key geographical markets in Brazil and the North Sea, Prosafe pursues a portfolio strategy with a view to combine some vessels on long-term charter with the remaining fleet available to pursue opportunities as they arise.

Prosafe continues to believe the industry needs consolidation and further recycling of older vessels to achieve a sustainable market balance and will seek to play an active role in any future consolidation. In addition, Prosafe may consider adjacent development opportunities within oil and gas as well as ocean industries in order to protect and create value.

The Board of Directors emphasizes that valuations in the financial statements and forward-looking statements contained in this report are based on various assumptions made by management, which could depend on factors beyond its control, and are subject to risks and uncertainties. Accordingly, actual results may differ materially.

11 May 2022

The Board of Directors of Prosafe SE

.....
Glen O. Rødland
Non-executive Chairman

.....
Alf C. Thorkildsen
Deputy Chairman

.....
Birgit-Aagaard Svendsen
Non-executive Director

.....
Nina Udnes Tronstad
Non-executive Director

.....
Halvard Idland
Non-executive Director

CONDENSED CONSOLIDATED INCOME STATEMENT

| (Unaudited figures in USD million) | Q1 | | Full Year |
|--|---------------|-------------------|---------------|
| | 2022 | 2021 | 2021 |
| Operating revenues | 35.5 | 16.0 | 141.1 |
| Operating expenses | (30.7) | (26.1) | (116.2) |
| Operating results before depreciation | 4.8 | (10.1) | 24.9 |
| Depreciation | (7.2) | (8.2) | (33.0) |
| Impairment | 0.0 | (40.7) | (41.7) |
| Operating loss | (2.4) | (59.0) | (49.8) |
| Interest income | 0.0 | 0.0 | 1.0 |
| Interest expenses | (3.4) | (14.0) | (37.9) |
| Other financial items | (4.0) | (16.7) | 1,017.7 |
| Net financial items | (7.4) | (30.7) | 980.8 |
| (Loss)/Profit before taxes | (9.8) | (89.7) | 931.0 |
| Taxes | (2.1) | (0.3) | (3.1) |
| Net (loss)/profit | (11.9) | (90.0) | 927.9 |
| EPS | (1.35) | (1,022.88) | 263.27 |
| Diluted EPS | (1.35) | (1,022.88) | 263.27 |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| (Unaudited figures in USD million) | Q1 | | Full Year |
|---|---------------|---------------|--------------|
| | 2022 | 2021 | 2021 |
| Net (loss)/profit for the period | (11.9) | (90.0) | 927.9 |
| Foreign currency translation | 0.9 | (0.5) | (2.3) |
| Pension remeasurement | 0.0 | 0.0 | (0.1) |
| Other comprehensive income | 0.9 | (0.5) | (2.4) |
| Total comprehensive income | (11.0) | (90.5) | 925.5 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited figures in USD million)

| | 31.03.22 | 31.03.21 | 31.12.21 |
|---|--------------|------------------|--------------|
| Vessels | 395.5 | 414.7 | 397.0 |
| New builds | 0.0 | 1.1 | 0.0 |
| Other non-current assets | 1.9 | 3.2 | 2.2 |
| Total non-current assets | 397.4 | 419.0 | 399.2 |
| Cash and deposits | 64.7 | 141.7 | 73.9 |
| Other current assets | 24.9 | 25.0 | 19.7 |
| Total current assets | 89.6 | 166.7 | 93.6 |
| Total assets | 487.0 | 585.7 | 492.8 |
| Share capital | 497.5 | 9.1 | 497.5 |
| Other equity | (472.2) | (1,048.1) | (461.2) |
| Total equity | 25.3 | (1,039.0) | 36.3 |
| Interest-free long-term liabilities | 2.2 | 2.3 | 2.2 |
| Interest-bearing long-term debt | 421.8 | 80.1 | 422.4 |
| Total long-term liabilities | 424.0 | 82.4 | 424.6 |
| Other interest-free current liabilities | 35.8 | 94.9 | 31.0 |
| Current portion of long-term debt | 1.9 | 1,447.4 | 0.9 |
| Total current liabilities | 37.7 | 1,542.3 | 31.9 |
| Total equity and liabilities | 487.0 | 585.7 | 492.8 |

KEY FIGURES IN CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited figures in USD million)

| | 31.03.22 | 31.03.21 | 31.12.21 |
|---------------------------|----------|-----------|----------|
| Total assets | 487.0 | 585.7 | 492.8 |
| Working capital | 51.9 | (1,375.6) | 61.7 |
| Liquidity | 64.7 | 141.7 | 73.9 |
| Interest-bearing debt | 423.7 | 1,527.5 | 423.3 |
| Net Interest-bearing debt | 359.0 | 1,385.8 | 349.4 |
| Book equity | 25.3 | (1,039.0) | 36.3 |
| Book equity ratio | 5.2% | (177.4)% | 7.4% |

Notes:

1. Working capital = Currents Assets-Current Liabilities
2. Liquidity = Cash and deposits
3. Net Interest-bearing debt = Interest-bearing debt - Cash and deposits
4. Book equity ratio = (Book equity / Total asset) * 100

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

| (Unaudited figures in USD million) | Q1 | | Full Year |
|---|--------------|---------------|---------------|
| | 2022 | 2021 | 2021 |
| (Loss)/Profit before taxes | (9.8) | (89.7) | 931.0 |
| Gain from extinguishment of debt | 0.0 | 0.0 | (1,030.5) |
| Loss/(Gain) on sale of non-current assets | 0.5 | 0.0 | (1.0) |
| Depreciation | 7.2 | 8.2 | 33.0 |
| Impairment | 0.0 | 40.7 | 41.7 |
| Financial income | 0.0 | 0.0 | (1.0) |
| Financial costs | 3.4 | 14.0 | 37.9 |
| Change in working capital | (3.0) | 19.9 | 14.6 |
| Other items from/(used in) operating activities | 0.8 | (0.8) | (1.0) |
| Taxes received/(paid) | 0.5 | 0.1 | (1.3) |
| Net cash flow (used in)/ from operating activities | (0.4) | (7.6) | 23.4 |
| Acquisition of tangible assets | (5.9) | (10.5) | (17.3) |
| Net proceeds from sale of tangible assets | 0.0 | 0.0 | 1.6 |
| Interests received | 0.0 | 0.0 | 1.0 |
| Net cash flow used in investing activities | (5.9) | (10.5) | (14.7) |
| Repayment of interest-bearing debt | (0.6) | (0.5) | (77.6) |
| Refinancing cost | 0.0 | 0.0 | (17.5) |
| Interests paid | (2.3) | 0.0 | 0.0 |
| Net cash flow used in financing activities | (2.9) | (0.5) | (95.1) |
| Net cash flow | (9.2) | (18.6) | (86.4) |
| Cash and deposits at beginning of period | 73.9 | 160.3 | 160.3 |
| Cash and deposits at end of period | 64.7 | 141.7 | 73.9 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| (Unaudited figures in USD million) | Q1 | | Full Year |
|--------------------------------------|-------------|------------------|----------------|
| | 2022 | 2021 | 2021 |
| Equity at beginning of period | 36.3 | (948.5) | (948.5) |
| New share issue | 0.0 | 0.0 | 59.3 |
| Comprehensive income for the period | (11.0) | (90.5) | 925.5 |
| Equity at end of period | 25.3 | (1,039.0) | 36.3 |

NOTE 1: GENERAL INFORMATION

Prosafe SE is a public limited company domiciled in Stavanger, Norway. Prosafe SE is listed on the Oslo Stock Exchange with ticker code PRS. The consolidated financial statements for the first quarter of 2022 were authorised for issue in accordance with a resolution of the Board of Directors on 11 May 2022. The accounting figures are unaudited.

NOTE 2: ACCOUNTING PRINCIPLES

This interim financial report has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU IAS 34 Interim Financial Reporting. The accounting principles adopted are consistent with those of the previous financial year.

NOTE 3: SUBSEQUENT EVENTS

There were no subsequent events in the quarter.