Prosafe

Company Presentation

Pareto Securities' Energy Conference

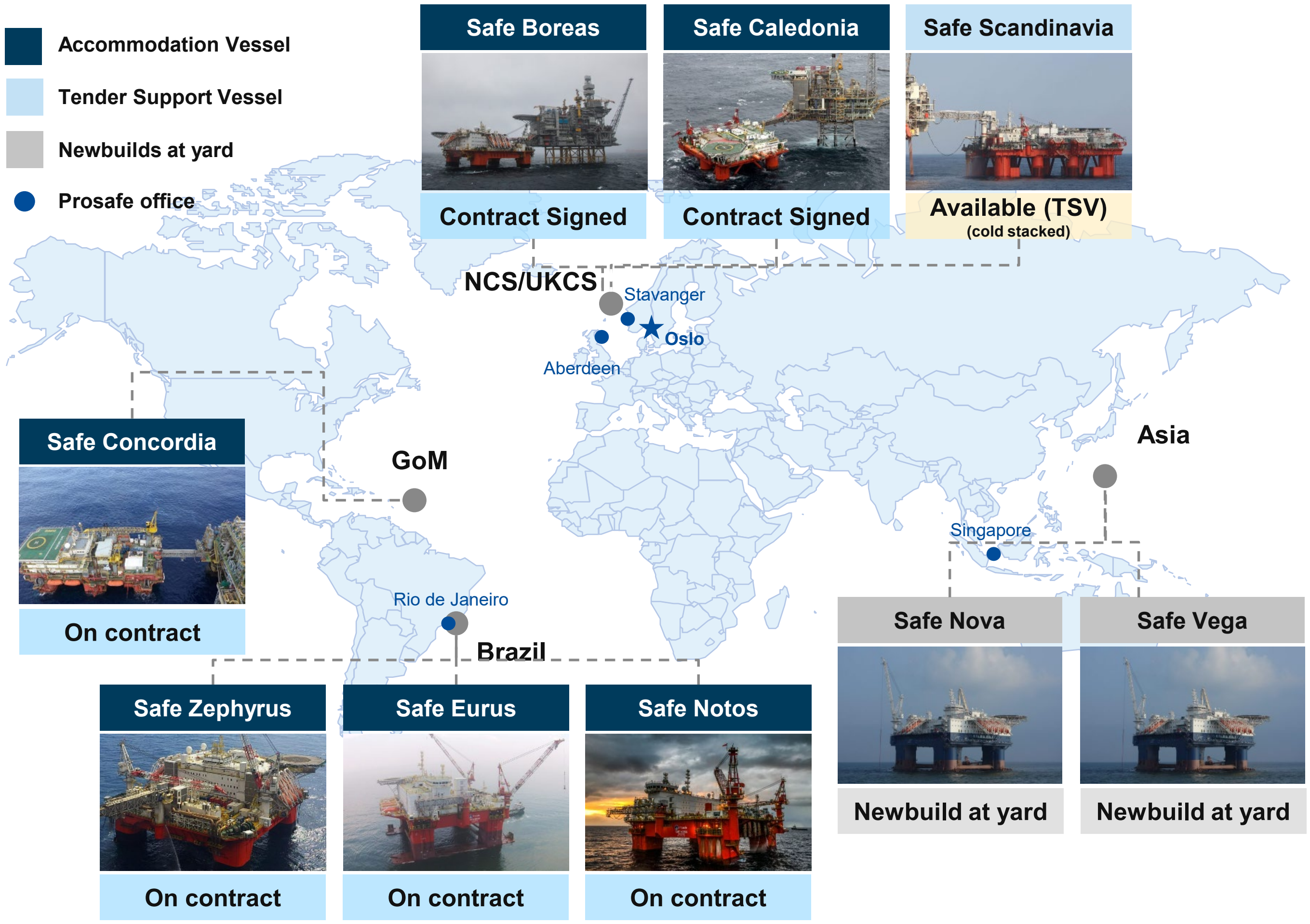
11 September 2024

Disclaimer

All statements in this presentation other than statements of historical fact are forward-looking statements, which are subject to a number of risks, uncertainties, and assumptions that are difficult to predict and are based upon assumptions as to future events that may not prove accurate. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “believe”, “may”, “will”, “should”, “would be”, “expect” or “anticipate” or similar expressions, or the negative thereof, or other variations thereof, or comparable terminology, or by discussions of strategy, plans or intentions. Although we believe that the expectations reflected in such forward -looking statements are reasonable, these forward-looking statements are based on a number of assumptions and forecasts that, by their nature, involve risk and uncertainty. Various factors could cause our actual results to differ materially from those projected in a forward-looking statement or affect the extent to which a particular projection is realized. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation as anticipated, believed or expected. To the extent this information includes information sourced from third parties, such as concerning the industry in which Prosafe operates, has not prepared such information and assumes no responsibility for it. Prosafe does not intend and does not assume any obligation to update any industry information or forward-looking statements set forth in this presentation to reflect subsequent events or circumstances.

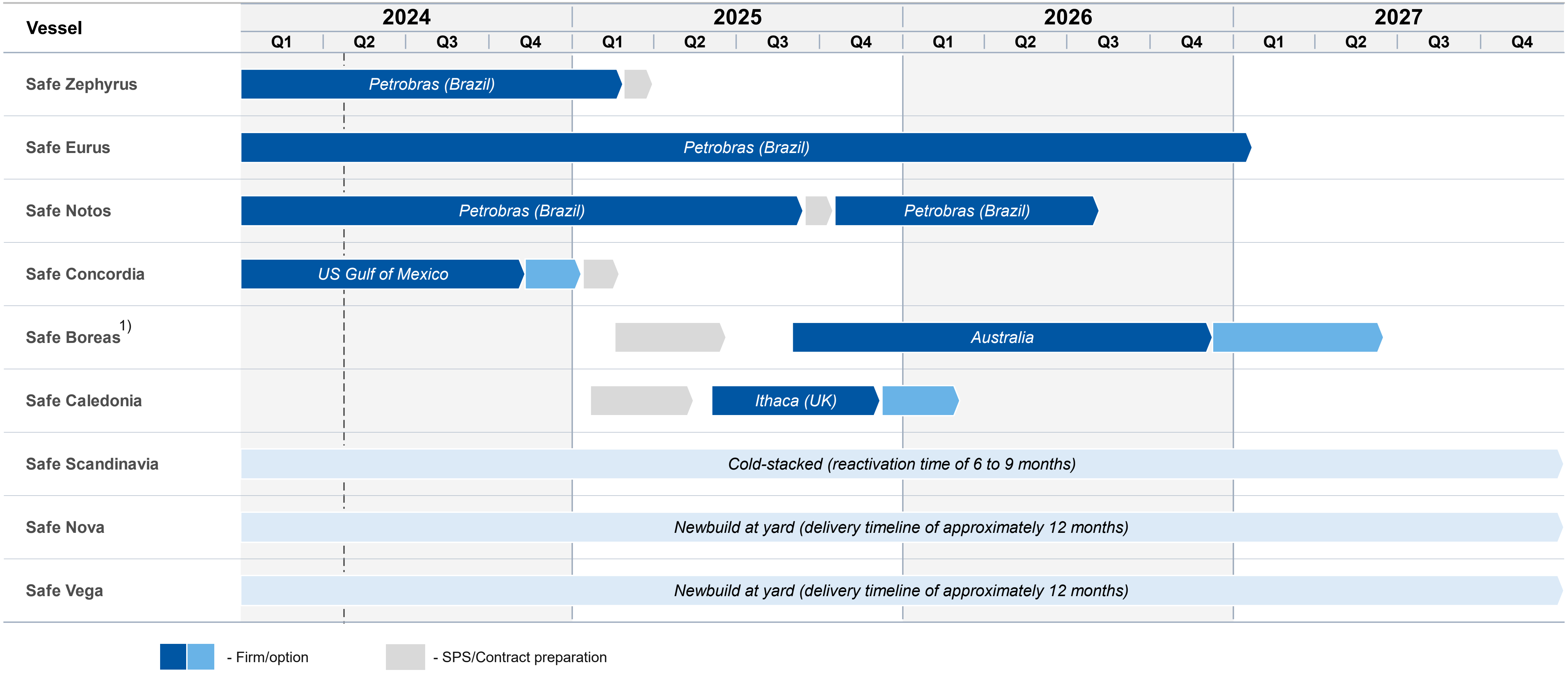
Prosafe – A leader in offshore accommodation

- Owner and operator of high-end accommodation vessels with 25% market share
- 6 vessels working or contracted with backlog extending into 2027
- Headquartered in Norway, with offices in UK, Brazil and Singapore
- Improving outlook across all markets
- Attractive entry point in offshore cycle



4 Modern harsh environment vessels	**3** Legacy vessels	**2** Newbuilds at yard

Fleet status, building backlog for 2025 and beyond

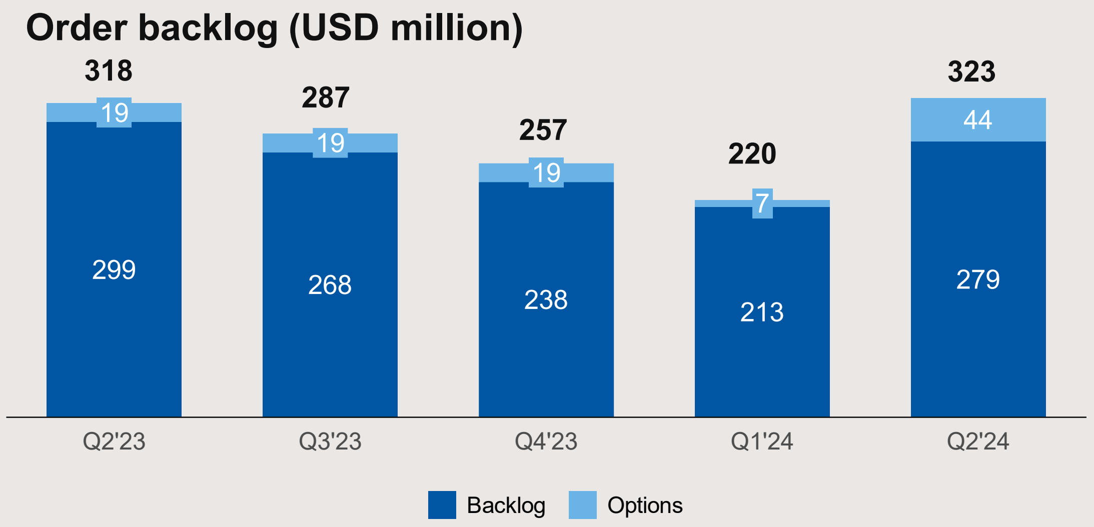


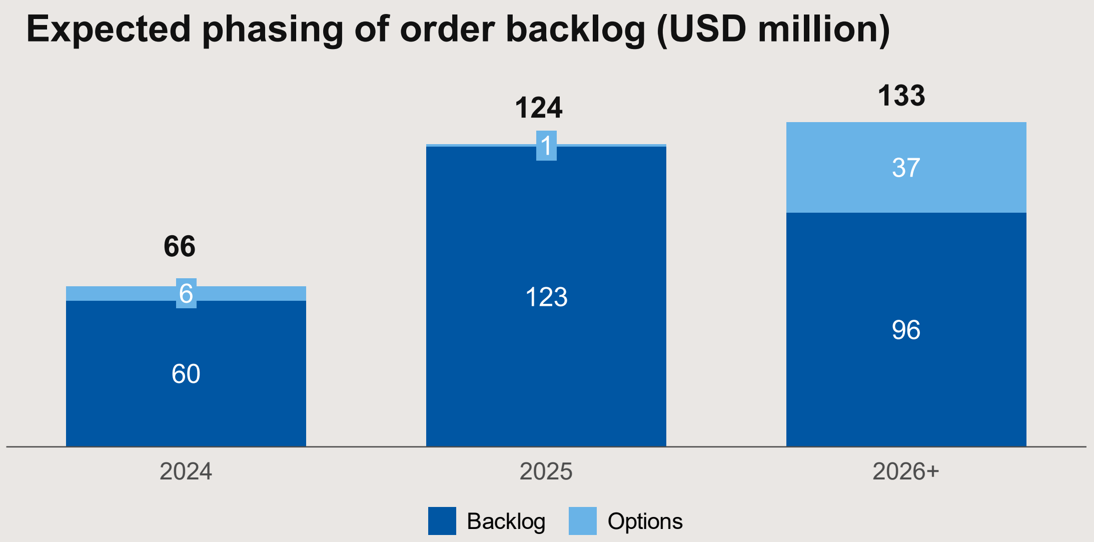
1) Boreas contract start-up between 01 October 2025 and 01 April 2025. Firm period of 15 months with up to 6 months of options.

Prosafe

Improved backlog and visibility

- Backlog of USD 323 million
- Safe Boreas[1)] and Safe Caledonia contracts worth USD 137 million with options
  - Significant up-front payments
- Discussing Safe Zephyrus extension from February 2025
- Expect Concordia options to be exercised
- Discussions for 2026 and 2027 work
- Focus on achieving sustainable capital structure prior to 2025 debt maturity



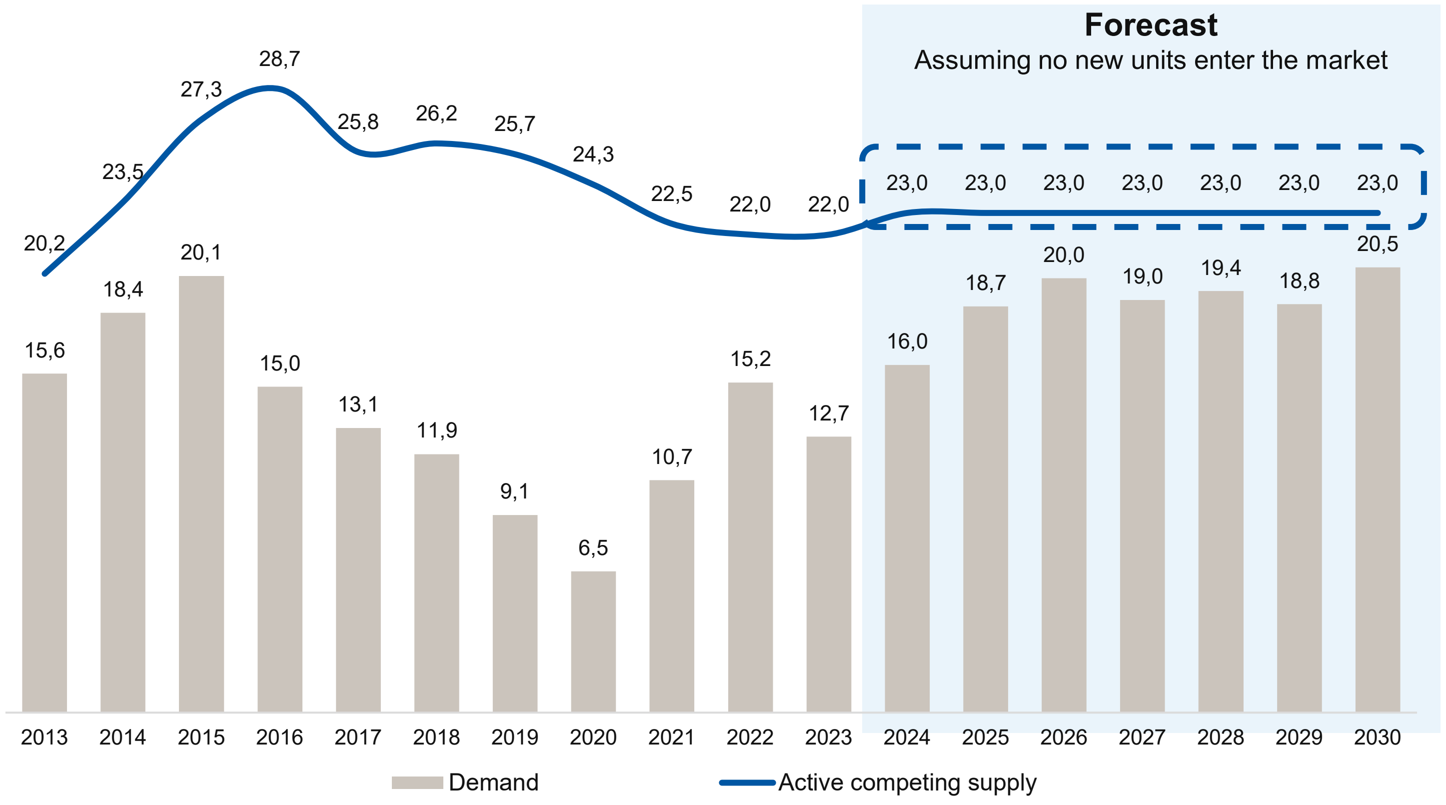


1) Reimbursable expenses, e.g crew cost, fuel and other transportation cost are excluded from the backlog. Standby rate is not considered in the backlog for the period October 2025 to April 2025 to extent applicable

Market tightening to 2030 and beyond

- Brazil is key demand driver
- Prosafe is the market leader in Brazil with ~30% market share
- North Sea tie-ins and maintenance driving demand from 2026
- RoW demand from projects in Australia, West Africa and Guyana
- Upside potential post 2030 from new regions

Offshore accommodation demand and supply development
(vessel years)



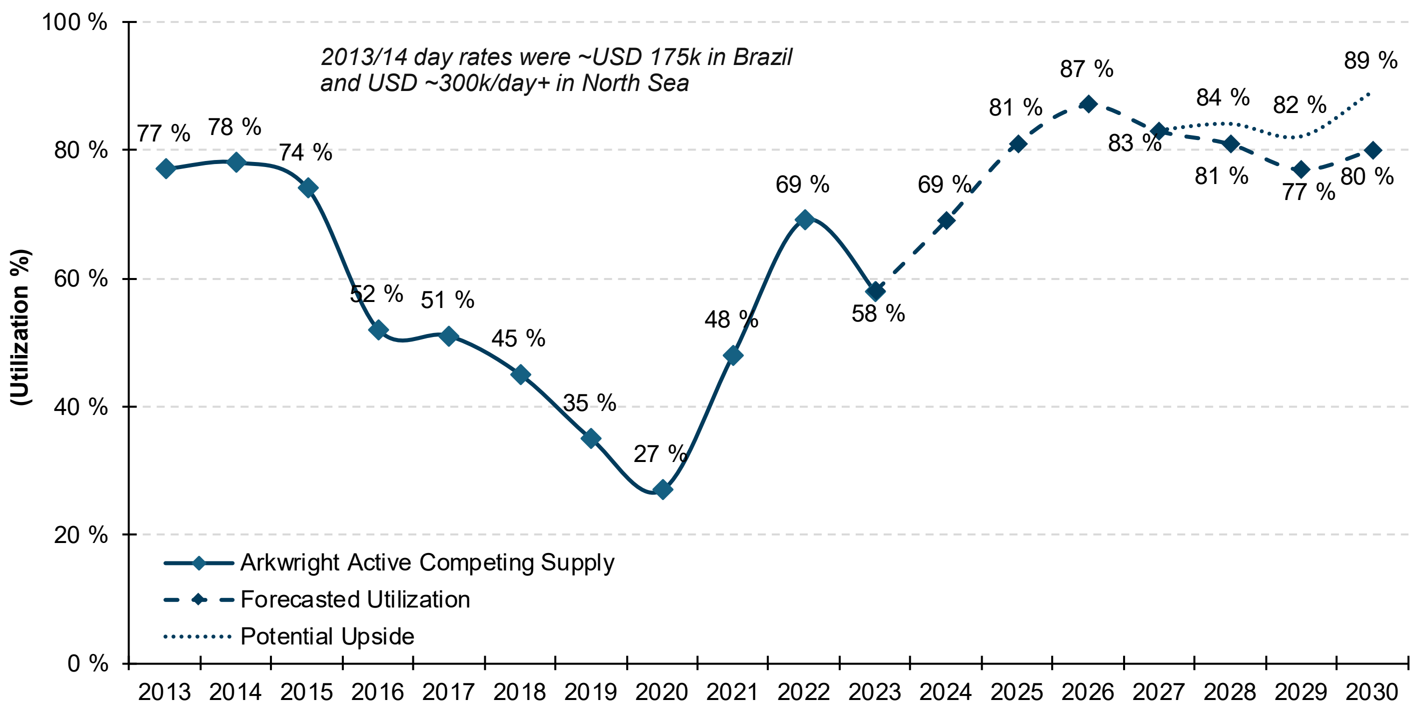
Source: Clarksons, HIS, Prosafe, Spinergie, Company Information and Arkwright research report
Note: Contracted demand including firm LOIs, excluding options

Prosafe

Increasing utilization creates opportunity for available supply

- Utilisation expected to match 2014 peak levels by 2025/26
- 6 non-active units, 3 controlled by Prosafe
  - 4 newbuilds: **Safe Nova, Safe Vega,** Stavanger Spirit, Crossway Dolphin
  - 2 cold-stacked: **Safe Scandinavia** and Floatel Reliance
- Prosafe positioned to increase market share in improving market

Active competing supply: Implied utilisation



Source: Clarksons, HIS, Prosafe, Spinergie, Company Information and Arkwright
Note: Contracted demand including firm LOIs, excluding options

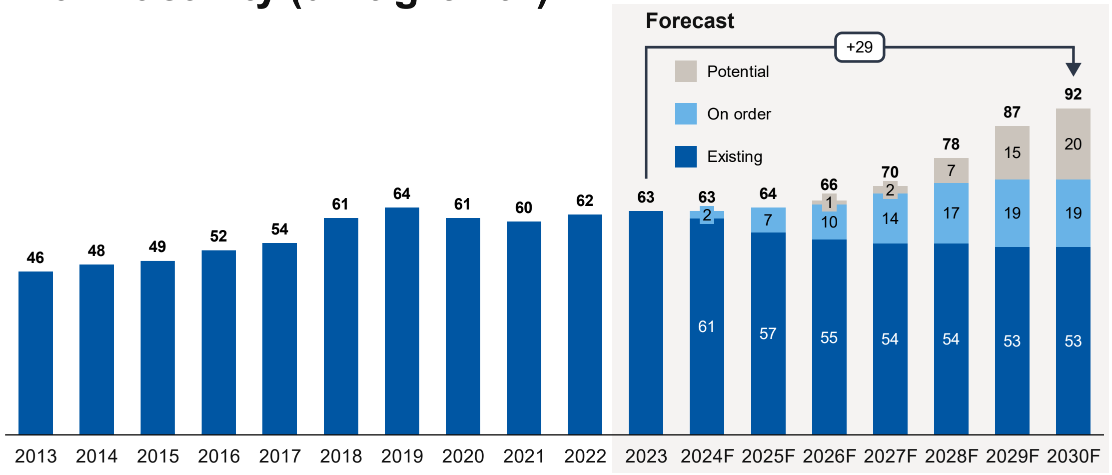
Prosafe

Brazil – Strong demand development

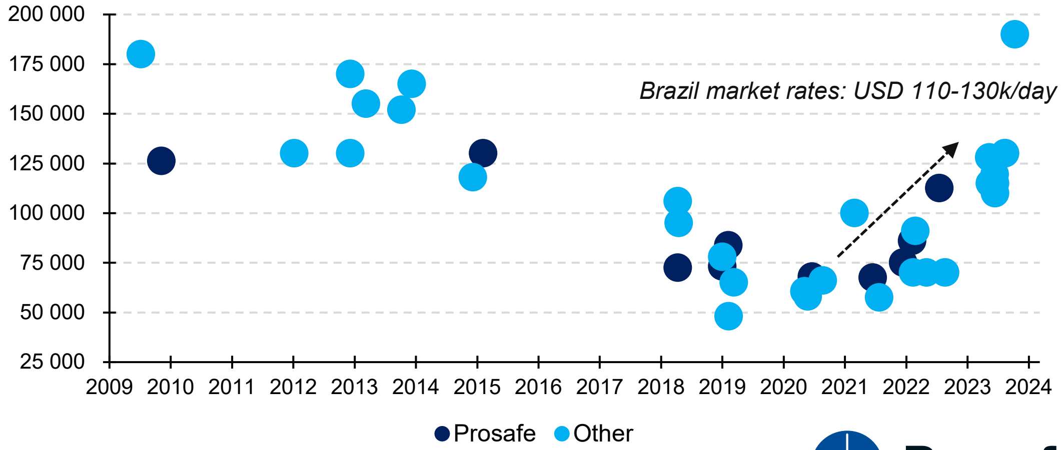
- Oil and gas production expected to double to ~ 5 - 6 million boed in 2030
- 19 FPSOs on order and 20 additional units may be ordered
- FPSOs drive accommodation demand, typically 2-3 years after delivery
- Long-term demand expected to grow by 3 to 5 units

Market participants:

Brazil activity (unit growth)



Brazil rate development (USD per day)

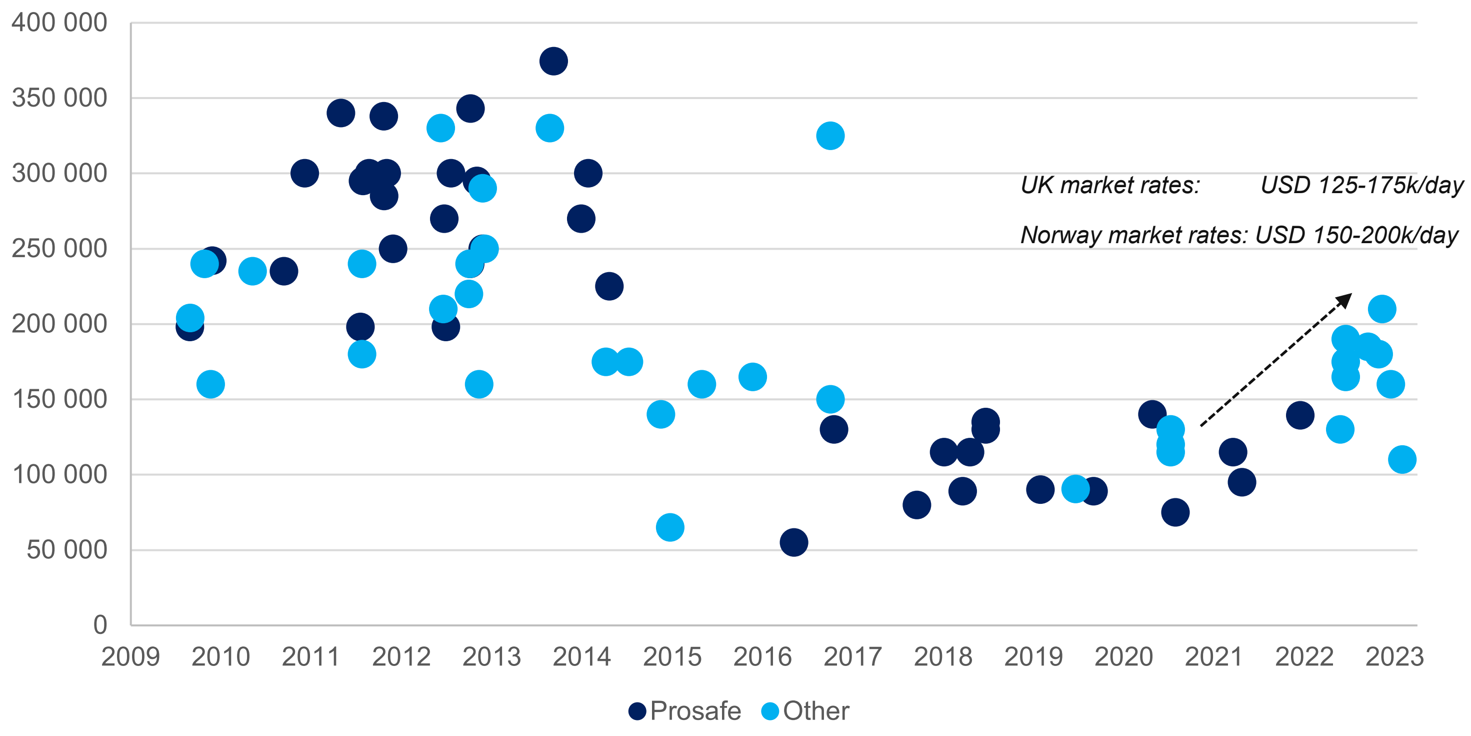


Source: Prosafe and Arkwright
Note: Recent contract at $190,000/day understood to be Equinor Baccalau Hook-up (short duration contract)

North Sea – Recovery in rates and demand

- Market rebounding with recovery in rates
- Hook up and maintenance activity
- Currently 5 accommodation units working
- UK market recovery driven by required maintenance
- Ongoing client discussions for 2026 and 2027

North Sea rate development (USD per day)



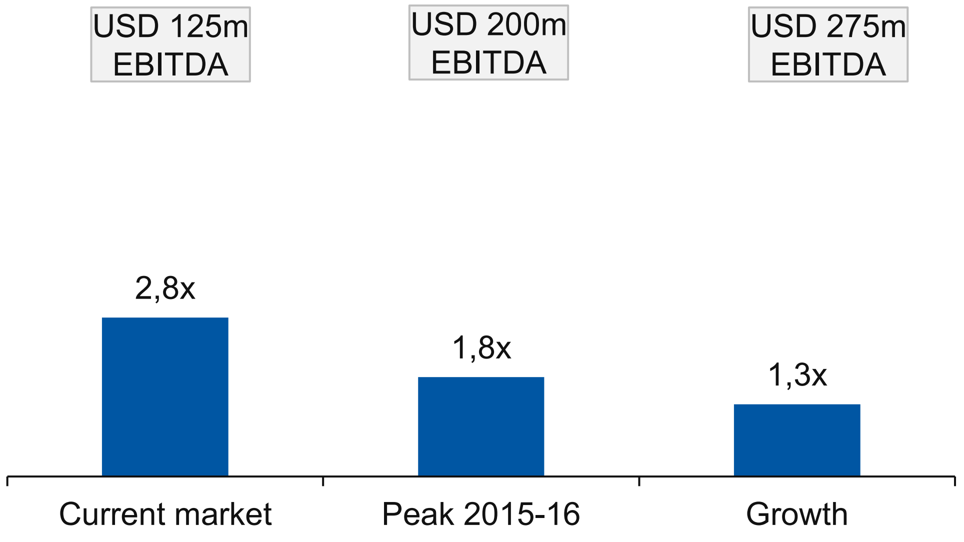
Source: Prosafe

Indicative earnings potential in an improving market

Fleet EBITDA potential, assuming re-activation of Caledonia and Boreas, Concordia SPS and Eurus / Notos day rate reset

USD million	Current market[1]	Peak[2] 2014-15	Growth Case[3]
EBITDA/vessel North Sea	**22**	50	40
EBITDA/vessel Brazil/RoW	**25**	30	30
# vessels in North Sea	**2**	2	3
# vessels in Brazil/RoW	**4**	4	6
EBITDA	**144**	220	300
Selling, General & Administrative (SG&A)[4]	**(19)**	(20)	(25)
Illustrative EBITDA	**125**	**200**	**275**

Current NIBD of USD 352m[5] vs EBITDA potential

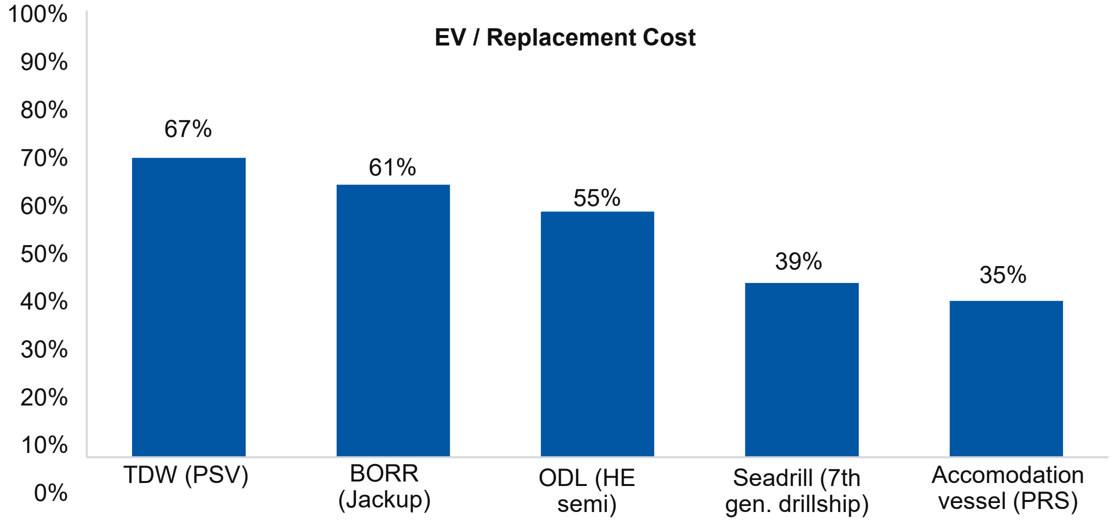


1) Based on latest observable and relevant fixtures of ~USD 200k/day in North Sea and ~USD 120k/day in Brazil, excluding Safe Scandinavia. Notos and Eurus contracted to 2026 / 2027 at below market rates. Mobilisation, re-activation, life extension, thruster overhaul and Special Period Survey costs not included
2) Excluding Mexico and Safe Scandinavia during TSV operation. Excludes Safe Scandinavia
3) Includes newbuilds Nova and Vega plus Safe Scandinavia, calculations exclude required delivery payments, mobilisation and reactivation costs
4) Expected underlying SG&A run rate
5) NIBD per Q2'24, NIBD is reduced by a USD 7.6 million fair value adjustment of which USD 2.0 million is short-term

Prosafe

Attractive entry point in cycle

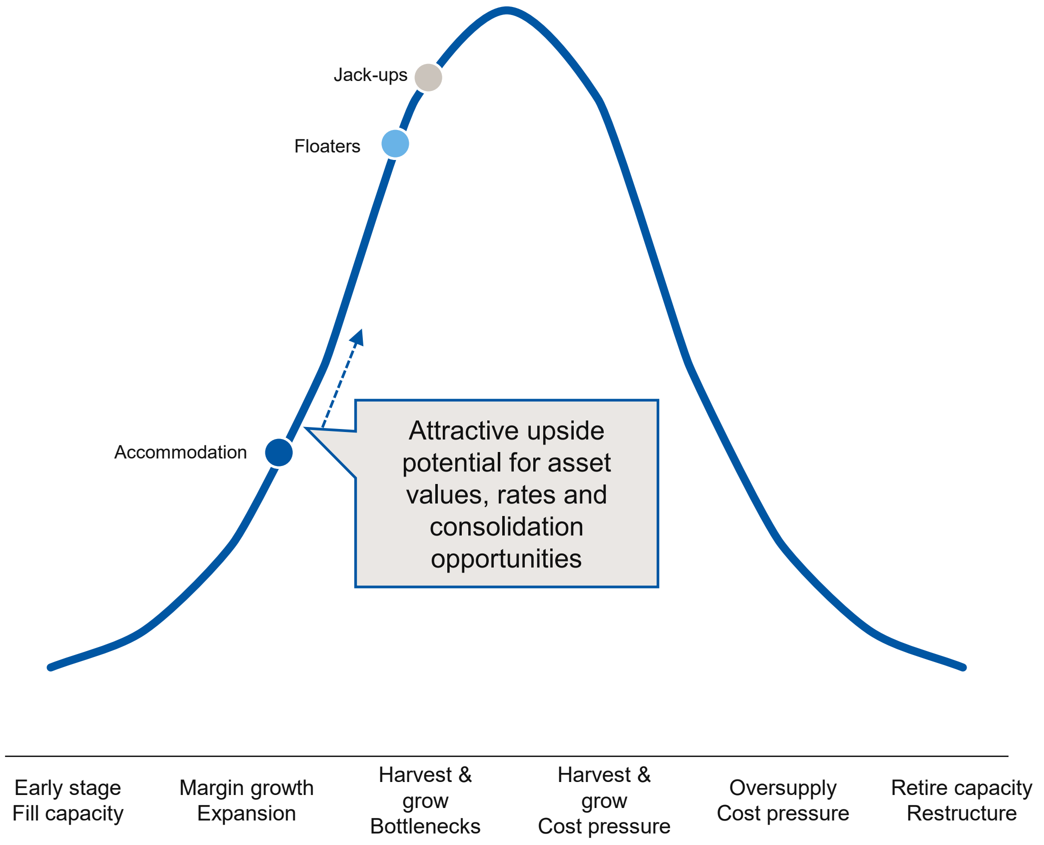
Accommodation vessels attractively priced compared to other assets[1]



- Attractive EV / replacement value versus comparable assets
- Accommodation vessels trading at 30-45% of historical newbuild cost
- Current NIBD of USD 352m and EV of USD 410m versus replacement of USD 1.0 to 1.5bn

Attractive entry-point in cycle[2]

Current market characteristics



1) Source: Sparebank 1 Markets, Factset, Prosafe.
2) Source: DnB Markets

Prosafe

Highlights

Market leader with significant share of capacity in a tightening market and access to newbuilds at attractive lead time

Positioned for long-term value creation driven by Brazil demand

High earnings potential, favourable replacement value

Focus on achieving sustainable capital structure prior to 2025 maturity

Prosafe

Appendix

Highlights Q2 2024

Operations and HSSE

- Good operating and safety performance on all vessels
- Utilisation of 56%, four out of seven vessels operating during the quarter
- Strong commercial performance
  - Conditional Letter of Intent (LOI) for Safe Boreas signed in May
  - LOI for Safe Caledonia signed in July
  - Discussing Safe Zephyrus contract extension with Petrobras

Financials

- Q2 revenue of USD 34.2 million and EBITDA of USD 6.6 million
- Liquidity of USD 65.9 million at end of Q2
- Closely monitoring compliance with the minimum liquidity covenant into 2025
- Investigating potential measures to strengthen liquidity and balance sheet

Outlook

- Improving Brazil market with rising day rates and long durations on the back of increased demand, further tenders expected going forward
- North Sea operators planning future campaigns with continued bidding for 2025 and initial discussions regarding 2026
- Expect higher utilisation and earnings growth for the coming years

Prosafe

Vessel update - Brazil

Safe Eurus
DP3 – Worldwide[1]

- Contracted to Petrobras until Q1 2027
- 97% utilisation in 2024
- Next SPS in 2028

Safe Notos
DP3 – Worldwide[1]

- Contracted to Petrobras until Q3 2026
- 100% utilisation in 2024
- Next SPS likely to be conducted between September/October 2025
- Thruster overhauls (some or all) to be undertaken in conjunction with SPS in 2025 and/or post contract in 2026

Safe Zephyrus
DP3 - Worldwide

- Contracted to Petrobras until February 2025
- 99% utilisation in 2024
- Next SPS likely to be conducted in Q2 / Q3 2025
- Thruster overhauls (some or all) to be undertaken in conjunction with SPS in 2025 and/or post potential contract extension

1) Worldwide operations excluding Norwegian Continental Shelf (NCS)

Vessel update – North Sea and rest of world

Safe Boreas
DP3 - Worldwide

- LoI signed for operations in Australia
- Duration of 15 months with up to 6 months of options. Start-up between 1 October 2025 and 1 April 2026
- Contract value from USD 75 million to USD 100 million subject to options
- Estimated total cost of USD ~23-25 million for SPS, thruster overhaul and other re-activation works. Up-front payments from client
- Final contract expected in Q3 2024

Safe Caledonia
TAMS - UK North Sea

- LoI signed for UK. Start-up June 2025. 6 months with up to 3 months options
- Contract value from USD 26 million to USD 37 million depending on options
- Estimated total cost of USD ~13-14 million for SPS and re-activation
- Up-front payments structured to remain cash neutral until contract start
- Final contract expected in Q3 2024

Safe Concordia
DP2 – Worldwide[2]

- Firm contract to 10 November 2024 with options remaining. Expect options to be exercised
- 100% utilisation in 2024
- SPS due March 2025. Estimated at USD 15 to 20 million. Life extension will require additional capex
- Depending on contract opportunities, may lay-up vessel after US Gulf of Mexico project

Safe Scandinavia
TSV/accommodation - UK / NCS

- Tender assist ("TSV") or accommodation support
- Accommodation capacity
  - 155 beds NCS
  - ~300 beds UK / Rest of world
- Potential option to re-activate should market improve significantly
- Reactivation estimate of USD ~20 million
- USD 1 million per annum to lay-up

2) Worldwide excluding North Sea (UK and NCS)
NCS – Norwegian Continental Shelf
TAMS – Thruster assisted mooring system

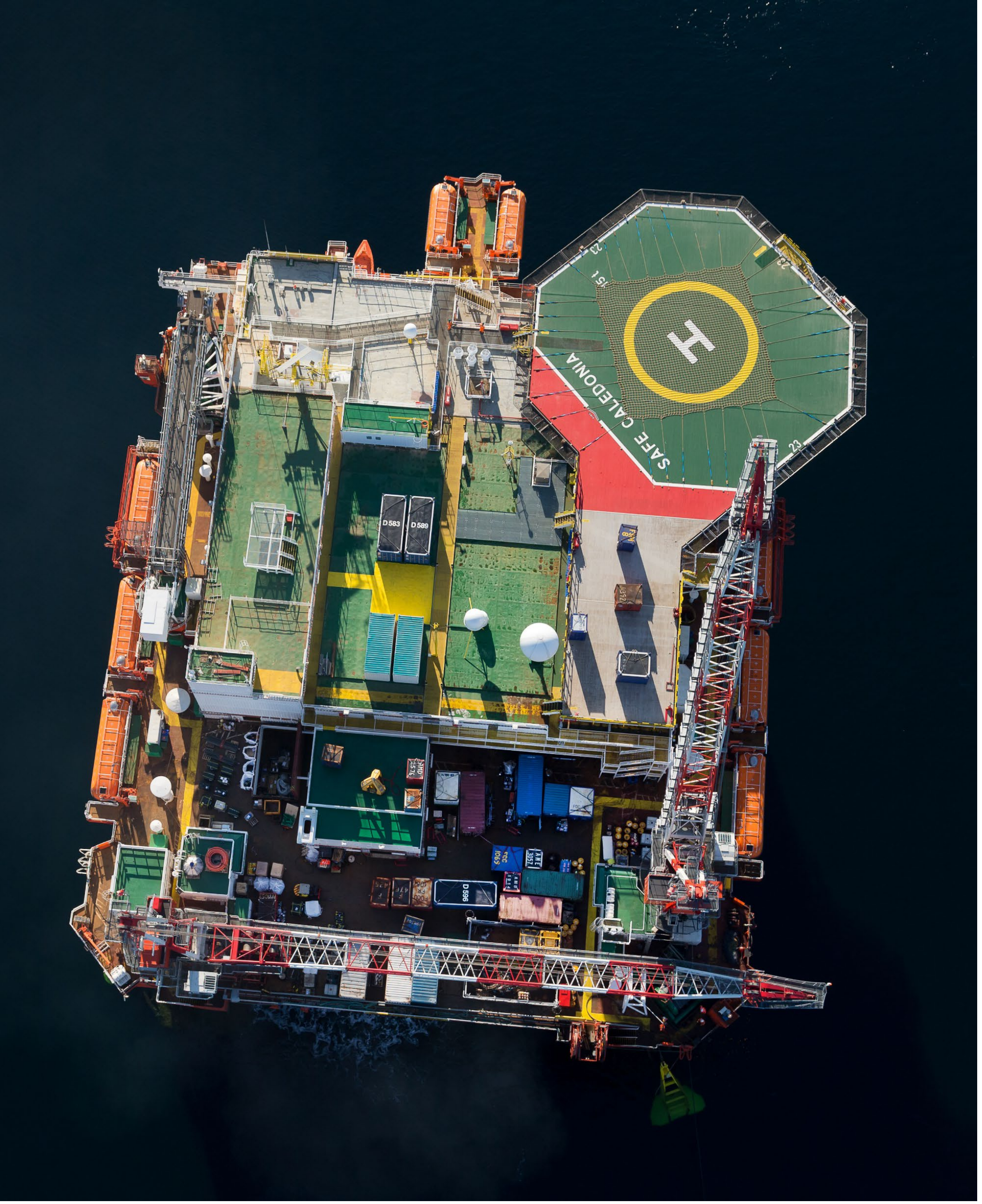
Prosafe

Safe Boreas preparing for long-term contract

- Gangway connected operations to support project offshore Western Australia
- Firm duration of 15 months with up to 6 months of options
  - Start-up between 1 October 2025 and 1 April 2026 in Australia
- Contract value ranging from USD 75 million to USD 100 million depending on options
- Safe Boreas to mobilise from the North Sea within Q2 2025
  - Estimated total cost of USD ~23-25 million for SPS, thruster overhaul and other re-activation works. Up-front payments from client structured to remain cash neutral (included in USD 75 million contract value)
  - Client will cover cost of mobilisation from North Sea to South-East Asia (SEA), stand-by rate prior to contract start in SEA as well as crew costs and fuel during mobilisation and contract [1)]
- Final contract executed in August 2024

1) Reimbursable expenses, e.g crew cost, fuel and other transportation cost are excluded from the backlog and operating costs. Standby rate is not considered in the backlog for the period October to April to extent applicable

Prosafe



Safe Caledonia awarded UK North Sea contract

- Gangway connected operations to support Ithaca Energy on the Captain field
- Firm duration of 6 months with up to 3 months of options
  - Start-up in June 2025
- Contract value ranging from USD 26 million to USD 37 million depending on options
- SPS and maintenance prior to contract start
  - Estimated total cost of USD ~13-14 million, up-front payments from client structured to remain cash neutral through SPS and mobilisation (included in USD 26 million contract value)
- Final contract executed in August 2024

SPS/maintenance capex

- Maintenance capex of ~USD 1-3 million per vessel per year. Higher in Brazil than North Sea and increasing over time due to increasing age of assets
- 5-year SPS cost of USD 9 to 11 million per vessel, including life extension / repair work and any contract modifications / hull cleaning required
- 10-year thruster overhaul cost of USD 6 to 8 million per vessel
- All Boreas thrusters to be overhauled prior to contract start in Australia
- Approximately 50% of Zephyrus and Notos thrusters to be overhauled in conjunction with upcoming SPSs in 2025. Remaining thrusters will be overhauled upon future contract extensions / off-hire periods
- Eurus thruster overhaul likely in conjunction with next SPS or contract extension in 2027 / 2028
- SPS usually takes 1-2 months to complete and is targeted to be completed in off hire season in North Sea, between contracts in Brazil and/or in agreement with Petrobras

SPS Schedule

	2025	2026	2027	2028
Boreas	Q1 / Q2 prior to contract			
Zephyrus	Q2 / Q3			
Notos	Q3 / Q4			
Eurus				H2
Caledonia	Q1 prior to contract			
Concordia	March - subject to contract			
Scandinavia	Subject to contract			

Prosafe

Analytical information

P&L information

Item	2024 Estimated (USDm)	2025 Estimated (USDm)	Comment
SG&A[1]	**~18-20**	**~20-21**	SG&A increase driven by increased activity
Depreciation	**~32-33**	**~33-34**	Straight line depreciation
Interest payable	**~29-31**	**~25-29**	Assuming current financing and falling interest rates
Tax payable	**~2-3**	**~3-5**	Norwegian deferred tax asset base of USD 1.7bn per year end 2022, local and contract specific taxes
Capex 2024	**~14-15**		2024 capex mainly for Safe Eurus, Safe Notos, Safe Concordia and new ERP system. No re-activation spend
Boreas		**~23-25**	SPS, all thrusters, maintenance and re-activation
Caledonia		**~13-14**	SPS, re-activation
Zephyrus		**~18-20**	SPS, thrusters, maintenance
Notos		**~15-17**	SPS, thrusters, maintenance
Other 2025 capex		**~5-8**	Eurus engine overhauls

Indicative opex/day by region

Region	2024 / 2025 Opex Estimated (USDk/day)
UK (DP-Boreas/Zephyrus)	35-45k
UK (Moored – Caledonia)	25-30k
Brazil[3]	50-54k
Norway (DP – Boreas/Zephyrus)[2]	60-65k
RoW (Concordia)	35-45k
RoW (Boreas AUS)[5]	15-20k
US GoM (Concordia)[2]	45-50k
Scandinavia (cold)	2.5-3k
Stacking (warm)[4]	10-20k

1) Expected run-rate level, excluding one-offs and non-cash option costs. May increase based on activity
2) Excluding amortisation of mobilisation cost.
3) Including approximately USD 5 -10/day in fuel cost
4) Ramp-up and ramp-down before and after contract at full operational cost. Stacking cost and re-activation highly dependent on time in lay-up and region
5) Significant portions of operating spend will be covered by the client while operating in Australia including all crew costs and fuel while on contract

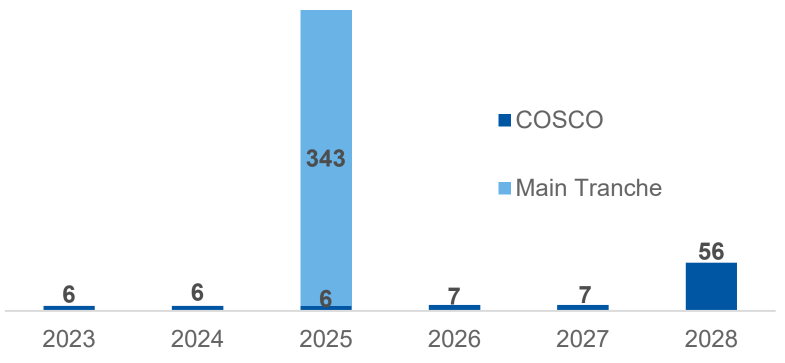
Prosafe

Outstanding debt

Two tranches

	Main tranches	COSCO Sellers Credit
Outstanding debt	$343m (250m + 93m Notos)	$81.5m
Pledged vessels	Boreas, Zephyrus, Caledonia, Concordia, Scandinavia, Notos	Eurus
Interest rate	SOFR + Credit Adjustment Spread* + 2.5%. Unhedged	2%
Amortizations	Cash sweep above $67m forecasted liquidity on 12-month forward basis	50-50 EBITDA split. Minimum $6m/year, $7m/year from Q3 2026
Maturity	31 Dec 2025	~Q3 2028 or when debt reaches ~$50m
PCG	PSE fully liable	$60m
Financial Covenant	2024 cash > $28 million	
	Cash held in the COSCO tranche and restricted cash shall be deducted when calculating compliance with the cash covenant. At end Q2 2024, USD 1.9m was held in the COSCO tranche and USD 2.4m was restricted	*Newbuilds (Nova and Vega) could be added to the COSCO silo. Cross default provisions in place vis-à-vis Eurus and Nova/Vega*
	Major corporate actions including M&A, new indebtedness and delivery of new vessels require 2/3 approval by the lenders	*Delivery of newbuilds requires 2/3 approval of lenders in main tranches*

Debt maturity profile



Ringfenced structure with restrictions on funding between 2 respective funding groups

*Change from LIBOR to SOFR resulted in a Credit Adjustment Spread of 0,26%

Two newbuilds available at yard

- Only two DP3 newbuild semis available at yard
  - 500 POB and suited for Petrobras requirements
  - Ongoing dialogue with the yard on how to facilitate delivery in expected future Petrobras tenders
  - Long-term contracts required to justify delivery
  - Typhoon in late September 2022 caused material damage that must be repaired prior to delivery

Existing delivery terms with COSCO (under discussion):

- Remaining purchase price for vessels:
  - $210m (Nova), $212m (Vega), total $422m, includes mobilisation costs of ~$20m each
- Funding at favourable credit terms:
  - Sellers Credit: $165m (Nova), $167m (Vega), 10-year term from August 2018
  - Estimated cash/equity requirement[1]: $45m (Nova), $45m (Vega), total for both vessels of $90m

Fixed interest rate mechanism

Average day rate	Year 1-2	Year 3-5	Year 6 to maturity
< USD 99k	-	-	2 %
USD 100k - 124k	-	2 %-3%	3 %-5%
USD 125k - 149k	-	3 %-4%	5 %-8%
> USD 150k	-	4 %	8 %

1) Cash / equity requirement includes USD 25 million in yard installment due on delivery plus USD 20 million in estimated mobilization costs. Additional costs may be required subject to agreement with COSCO

Prosafe

Tax

- Prosafe SE is a permanent tax resident in Norway and its Norwegian tax resident subsidiaries have a base for deferred tax assets of approximately USD 1.7 billion as at end 2023. The deferred tax assets are currently not recognized in the financial statements. In Q4 2023, the Norwegian tax authorities initiated a review of the basis for a portion of the deferred tax losses. This review may lead to a reduction in the unrecognized deferred tax asset base. At this time, Prosafe does not believe that this will have a material impact on Prosafe’s financial position irrespective of the outcome of this review
- The company will from time to time operate in countries where local taxes will apply. These taxes are included in the opex assumptions in this presentation where applicable. In relation to the historical Concordia contract in Trinidad and Tobago, a remaining tax provision of USD 6 million is provided for in the accounts
- Prosafe and OSM Thome have jointly received a Tax Assessment from the Brazilian Tax Authorities imposing import taxes and customs penalties related to the challenging of the special customs regimes used to import the Safe Concordia for the Modec contract in the period from October 2018 to July 2019. Both Prosafe and OSM Thome have presented an administrative defence, challenging the view of the Brazilian Tax Authorities. Based on external advice, Prosafe is of the view that the enquiry has no merit, hence it has not made any provisions in the financial statements

Prosafe

Prosafe

We are headquartered in Norway and have offices in the UK, Brazil and Singapore

prosafe.com