



12 May 2022



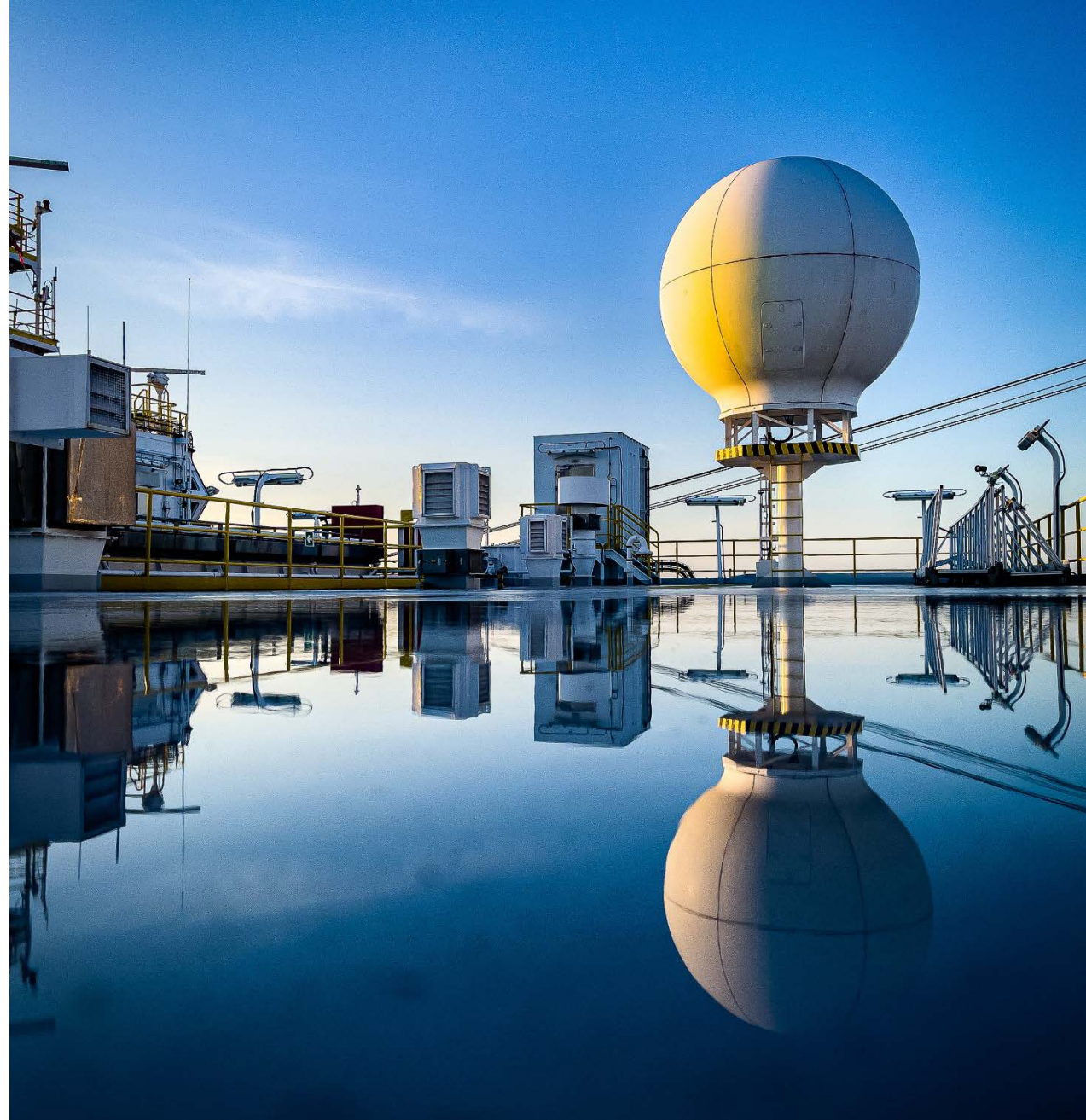
# Q1 2022 results and business update

# 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. 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. 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.

# Agenda

- **Highlights Q1 2022**
- Financial results Q1 2022
- Commercial update
- Status and strategy



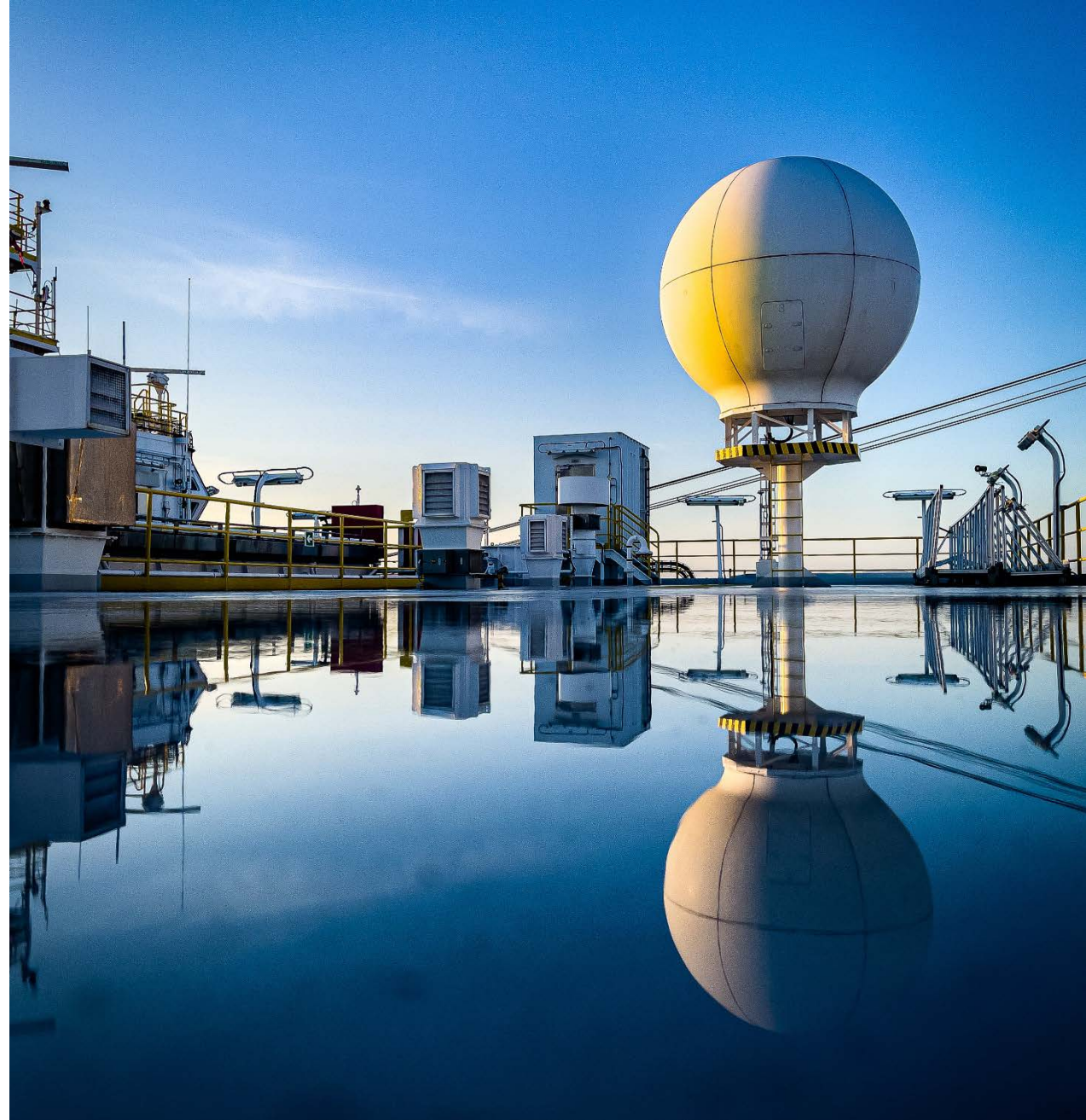
# Highlights – Q1 2022

- Fleet utilisation and financial results
  - Fleet utilisation of 68.1 per cent (25.7 per cent), the highest first quarter utilisation rate since 2015
  - EBITDA of USD 4.8 million for the quarter (negative USD 10.1 million)
  - Cash flow from operations in Q1 was negative 0.4 million (negative USD 7.6 million) as 2 vessels were ramping up for contracts and one vessel was largely on standby in-field between 2 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 a bid process conducted in Q1 2022
  - Safe Eurus 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
  - Significant increase in order backlog just after quarter end



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# Income statement

(Unaudited figures in USD million)

	Q1	
	2022	2021
Operating revenues	36	16
Operating expenses	(31)	(26)
<b>Operating results before depreciation</b>	<b>5</b>	<b>(10)</b>
Depreciation	(7)	(8)
Impairment	0	(41)
<b>Operating (loss) profit</b>	<b>(2)</b>	<b>(59)</b>
Interest expenses	(3)	(14)
Other financial items	(4)	(17)
<b>Net financial items</b>	<b>(7)</b>	<b>(31)</b>
<b>(Loss) Profit before taxes</b>	<b>(10)</b>	<b>(90)</b>
Taxes	(2)	(0)
<b>Net (Loss) Profit</b>	<b>(12)</b>	<b>(90)</b>
<b>EPS</b>	<b>(1.35)</b>	<b>(1,022.88)</b>
<b>Diluted EPS</b>	<b>(1.35)</b>	<b>(1,022.88)</b>

- Fleet utilisation of 68.1 per cent (Q1 2021: 25.7 per cent)
- Higher operating revenues and expenses mainly due to higher activity level and higher utilisation for the quarter including ramping up the Safe Zephyrus and Safe Boreas for new contracts, and partly standby in-field between operations for the Safe Caledonia
- Reported EBITDA was USD 4.8 million (negative USD 10.1 million). The increase in EBITDA was mainly driven by higher vessel activity
- Significantly reduced interest expenses following the financial restructuring
- Lower other financial costs due to the finalisation of the financial restructuring as well as Westcon court case

# Balance sheet

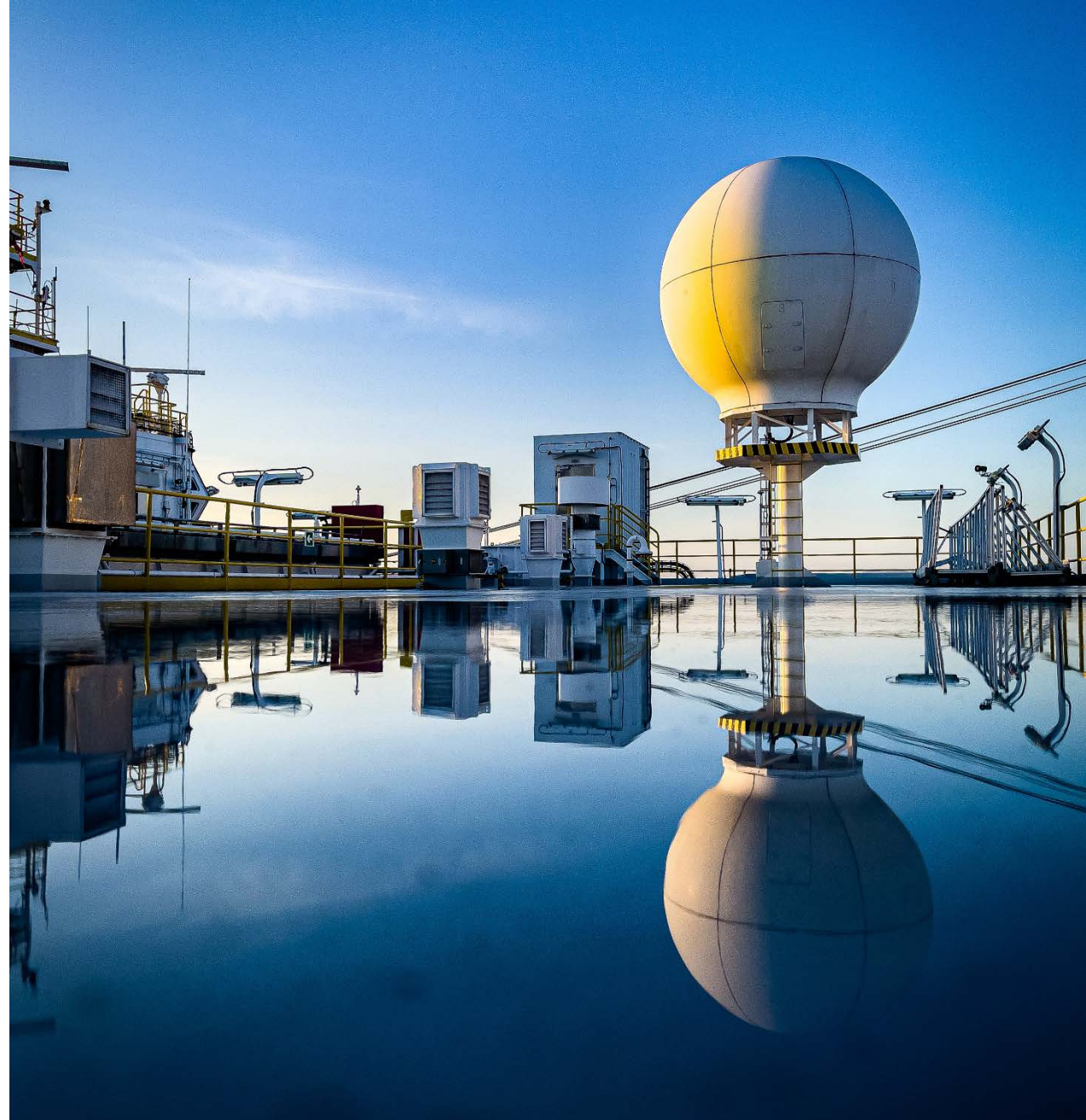
(Unaudited figures in USD million)

	31.03.22	31.03.21
Vessels	396	415
New builds	0	1
Other non-current assets	2	3
<b>Total non-current assets</b>	<b>397</b>	<b>419</b>
Cash and deposits	65	142
Other current assets	25	25
<b>Total current assets</b>	<b>90</b>	<b>167</b>
<b>Total assets</b>	<b>487</b>	<b>586</b>
Share capital	498	9
Other equity	(472)	(1,048)
<b>Total equity</b>	<b>25</b>	<b>(1,039)</b>
Interest-free long-term liabilities	2	2
Interest-bearing long-term debt	422	80
<b>Total long-term liabilities</b>	<b>424</b>	<b>82</b>
Other interest-free current liabilities	36	95
Current portion of long-term debt	2	1,447
<b>Total current liabilities</b>	<b>38</b>	<b>1,542</b>
<b>Total equity and liabilities</b>	<b>487</b>	<b>586</b>
<b><u>Key figures:</u></b>		
Working capital	52	(1,376)
Liquidity	65	142
Interest-bearing debt	424	1,528
Net Interest-bearing debt	359	1,386
Book equity ratio	5.2%	-177.4%

- Total assets of USD 487 million
- **Liquidity** per Q1 2022 of **USD 65 million**
- **Book equity** of USD 25 million
- Net interest-bearing debt of USD 359 million per Q1 2022, whereof only USD 2 million is short-term debt
- The significant reduction in net interest-bearing debt and positive equity ratio are mainly a consequence of the successful completion of the financial restructuring in December 2021

# Agenda

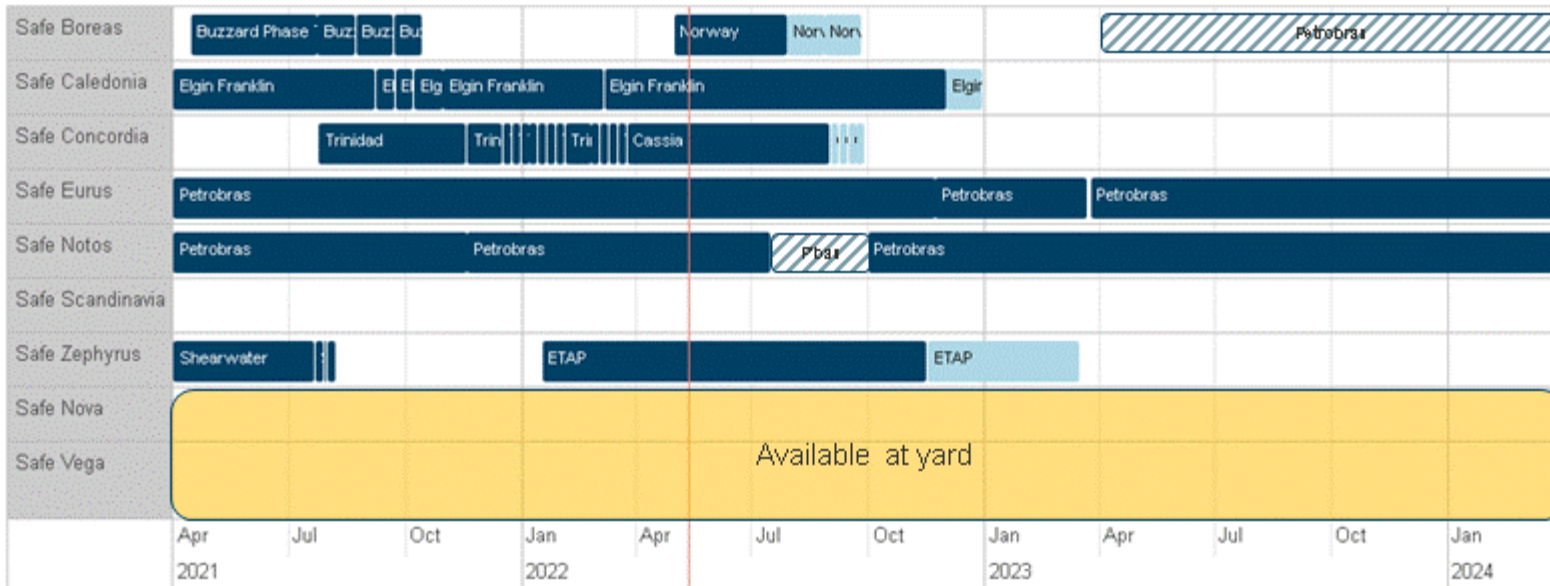
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# At least 6 of 7 vessels working in 2022

## Contract backlog

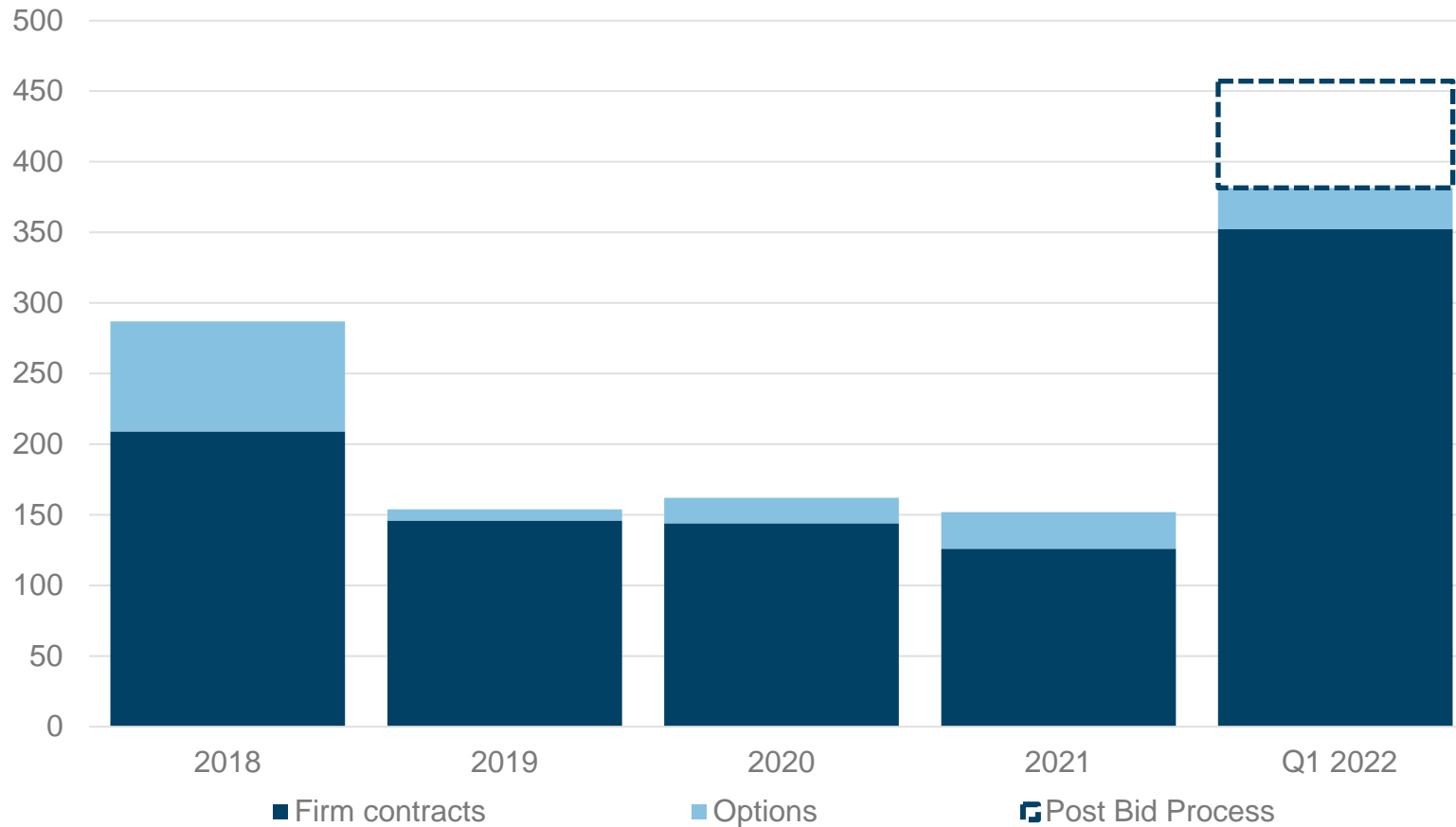


## Contracting update

- **Safe Boreas:** commenced a 90-day contract on the Norwegian Continental Shelf on 1 May 2022. The contract has an option of up to 60 days. Safe Boreas could come into contention for a 650-day contract with Petrobras.
- **Safe Caledonia:** Commenced a 270-day contract with one 30-day option in early March 2022.
- **Safe Concordia:** has been operating in Trinidad since 15 July 2021 until now. As bp has chartered the vessel to continue operations at the Cassia C platform from 24 March 2022, the firm duration of contract is through to and including 31 August 2022. In addition, bp has 4 x one-week options.
- **Safe Eurus:** On contract with Petrobras till late Q1 2023. Safe Eurus was announced the winner of the bid process for a four-year contract with Petrobras, although remains subject to an appeal process commencing 11 May for a 5-day period.
- **Safe Notos:** The contract with Petrobras has been extended through to mid-July 2022 and may be extended further to align with the recent award for a new four-year contract commencing October 2022.
- **Safe Scandinavia:** being actively marketed.
- **Safe Zephyrus:** On 22 January 2022, the vessel commenced a 10-month firm contract with 4 x one-month options with bp at ETAP in the UKCS.
- **Safe Nova and Safe Vega:** The delivery date was initially 31 August 2021. Prosafe did not request delivery and Cosco did not tender ready for delivery. Prosafe and COSCO are in dialogue about extending the delivery options.

# Order backlog improving and anticipated to further improve

Indicative order backlog (USD million)\*



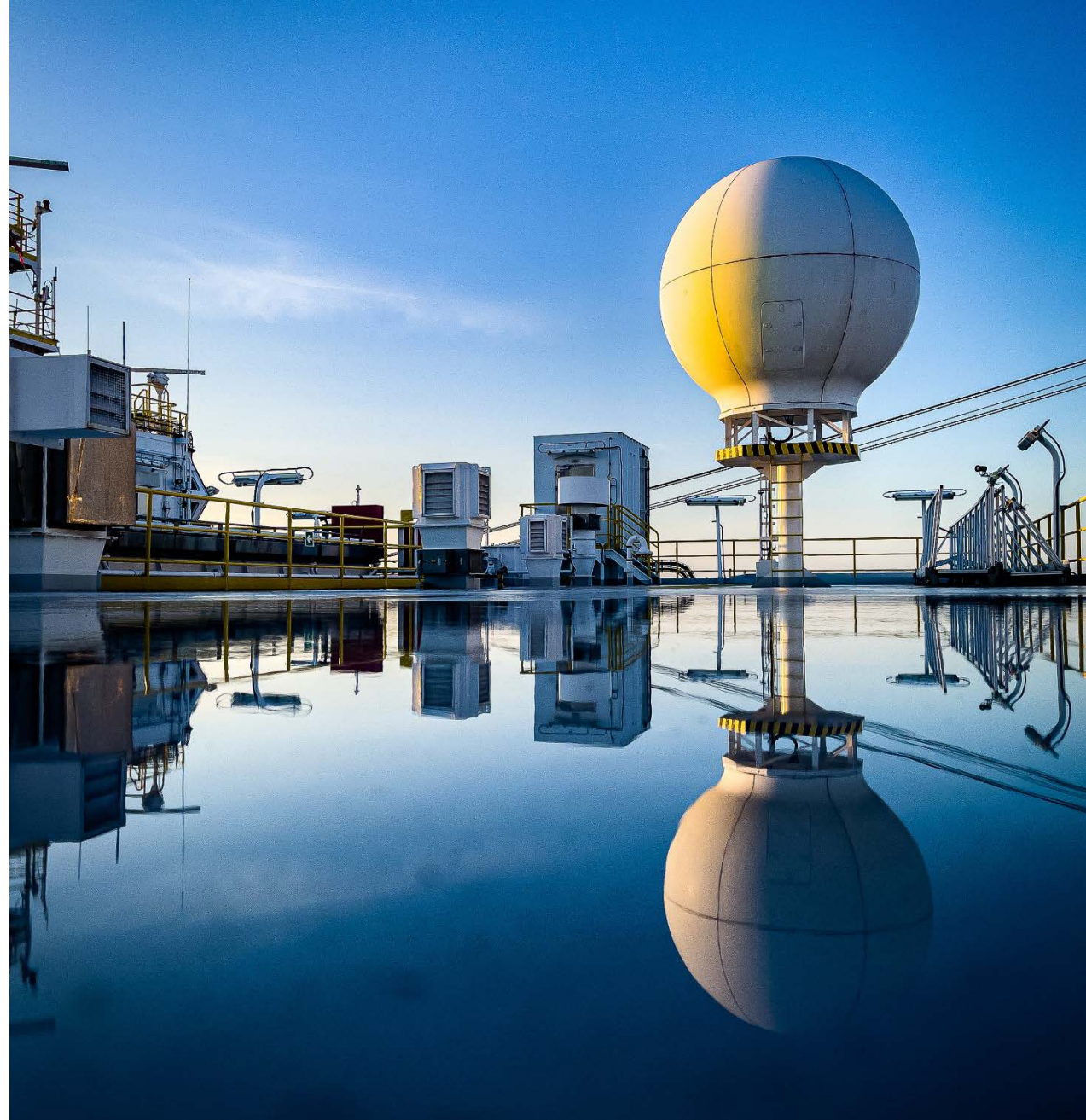
\*Indicative order backlog based on Q1 2022, incl. Safe Notos and Safe Eurus contracts and potential award to Safe Boreas in Brazil

## Ongoing commercial processes

- **Significant increase in order backlog just after quarter end**
- **Safe Notos:** was awarded a four-year contract by Petrobras as a result of a bid process conducted in Q1 2022
- **Safe Eurus:** on contract with Petrobras till late Q1 2023. Safe Eurus has been announced the winner of the bid process for a four-year contract with Petrobras, although remains subject to an appeal process commencing 11 May for a 5-day period
- **Safe Boreas:** could come into contention for a 650-day contract with Petrobras
- Well above 50% of options have historically been called. Several examples of all options called and contracts even running well beyond initial period including options

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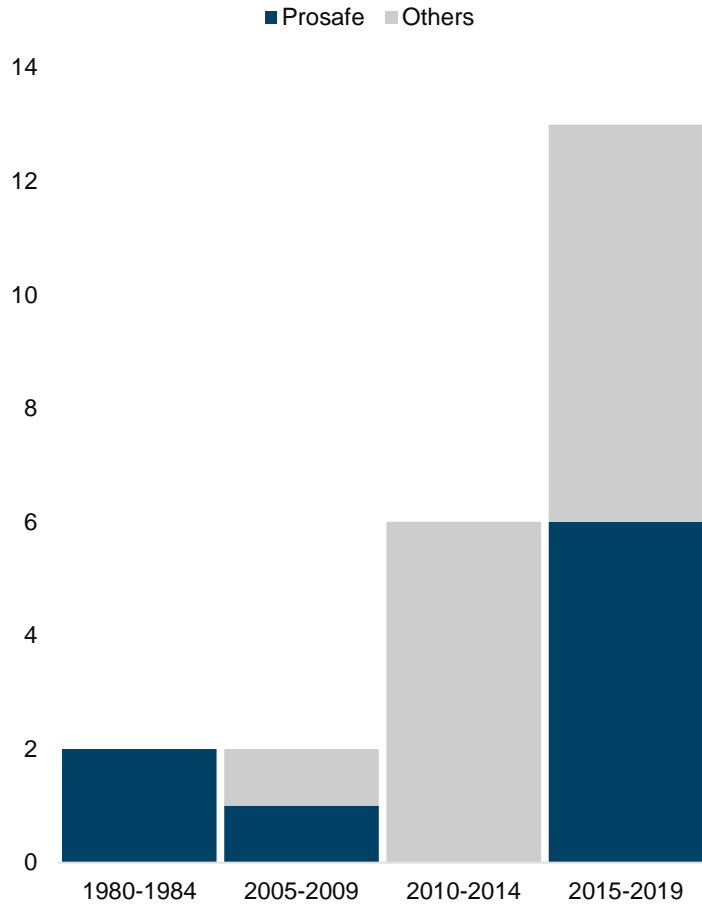
- Highlights Q4 2021
- Financial results Q4 2021
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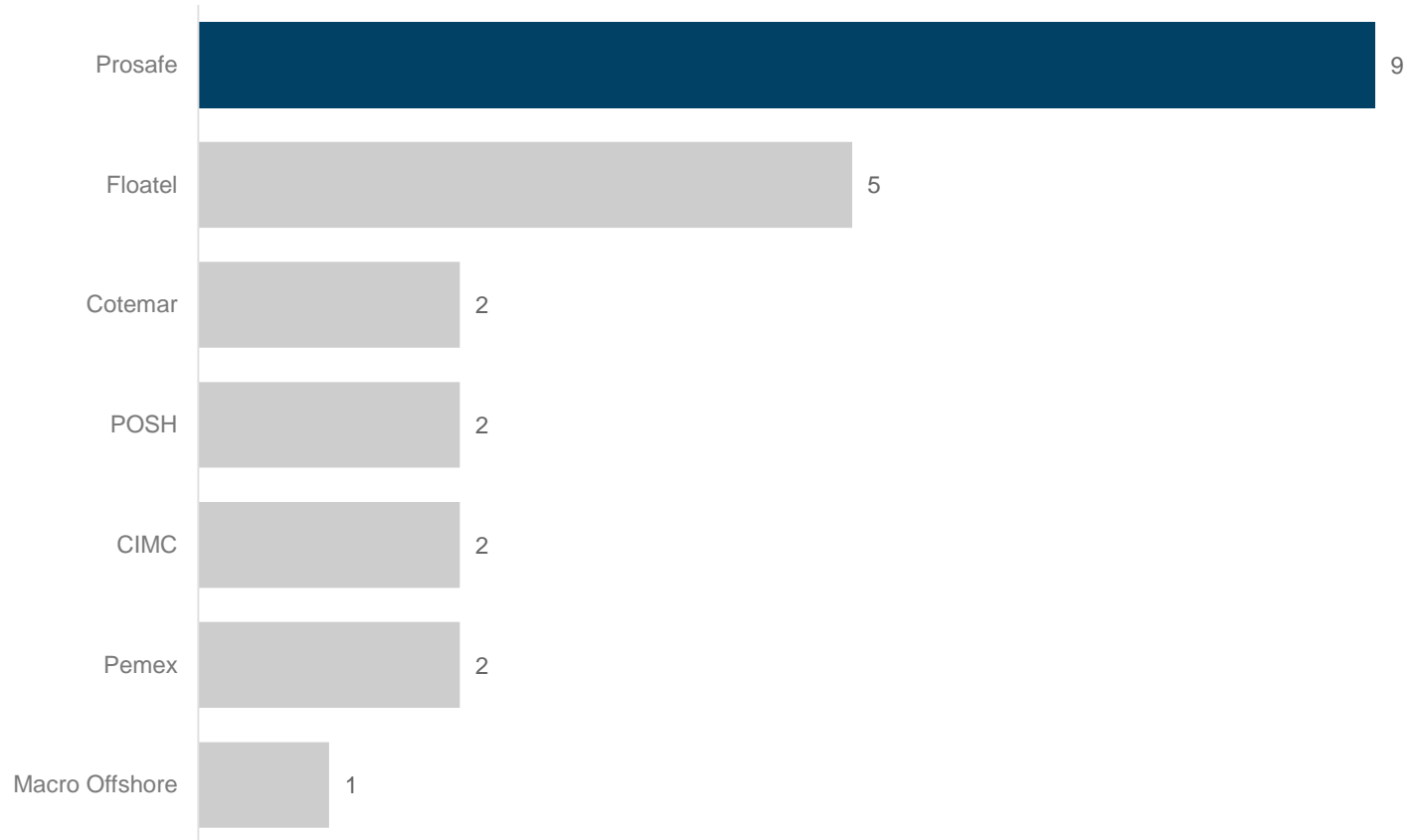
# The largest owner of high-end offshore accommodation vessels

- Controls 9 of the global fleet of about 23 vessels (incl. two newbuilds at yard)

# vessels per construction year



# of competitive accommodation vessels per operator



# Efficient cost and spend levels anticipated over the next years

- Next SPS'es are in 2024-2026\*

## Opex

- Modern and versatile vessels with 10-30 years remaining life
- SG&A costs of ca \$14m per year
- Offhire cost of ca \$3 – 12k/ day depending on layup mode, duration and location
- Safe Scandinavia is an older vessel and has been cold stacked since 2019. Current running costs of ca \$3k/day. Future requirements will determine if we need a SPS or not for the vessel.
- Maintenance capex of ca \$1-2m/year per rig on average, including SPS costs expected to be around of \$4-5m/vessel every 5 years.

## SPS Schedule

	2022	2023	2024	2025	2026
Boreas					
Zephyrus					
Eurus					
Notos					
Caledonia					
Concordia					
Scandinavia					

*Actively marketed*

\*) Brazil contracts may lead us to have to do SPS on vessels earlier to ensure continuous operations

# Oil & gas will play a key role through the energy transition

## Outlook

The process of adapting to the energy transition will be complex and time consuming.

Oil & gas is a key contributor in all IEA's scenarios for future energy consumption.

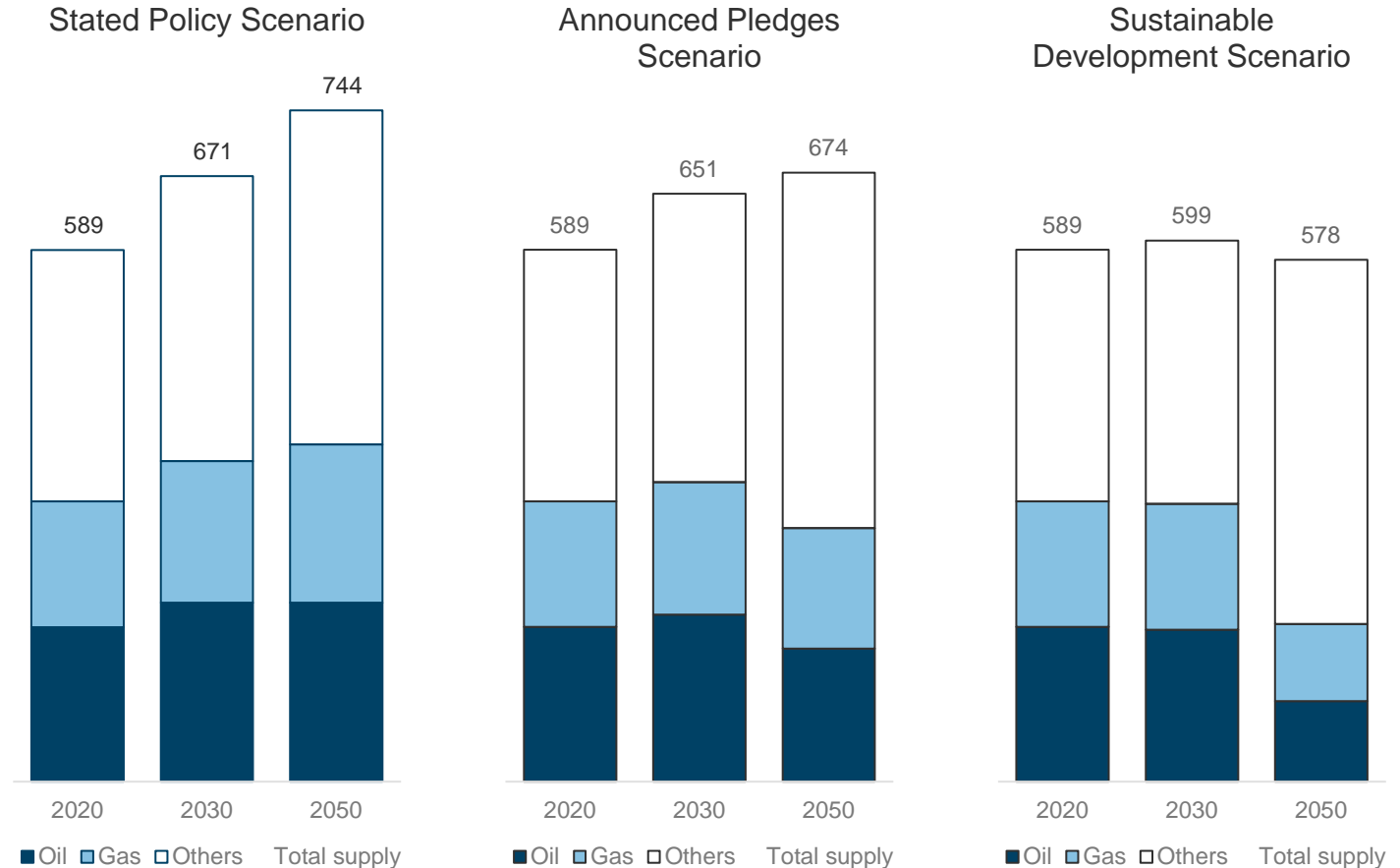
### Key challenges:

- Oil & gas reservoirs deplete naturally as they are produced
- The "easy" barrels are produced first and are gone

### Key implications:

- Need for new discoveries and field developments
- Maximizing production from existing assets
- Maintaining existing infrastructure

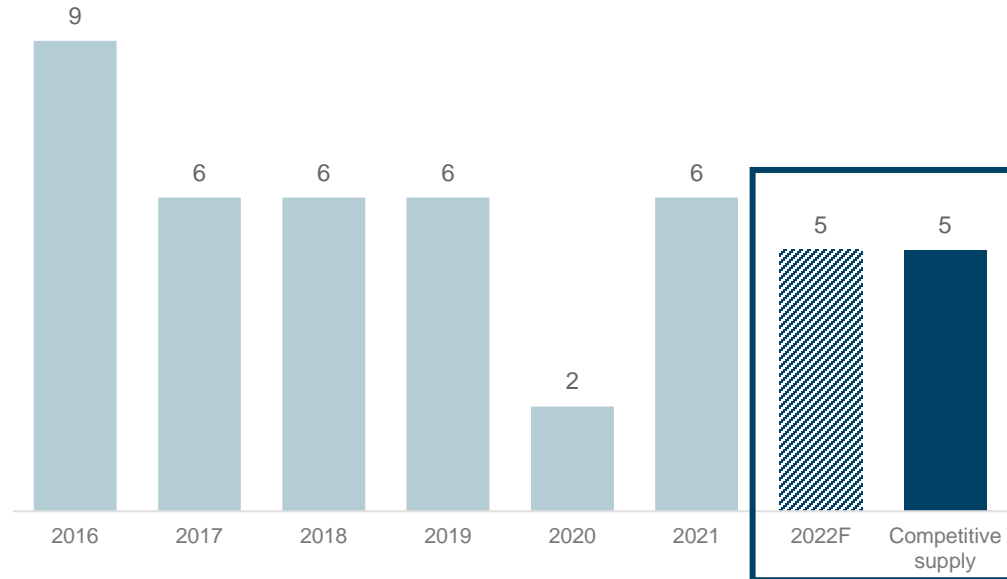
## Global energy supply according to IEA (EJ)



Gas includes unabated and natural gas with CCUS

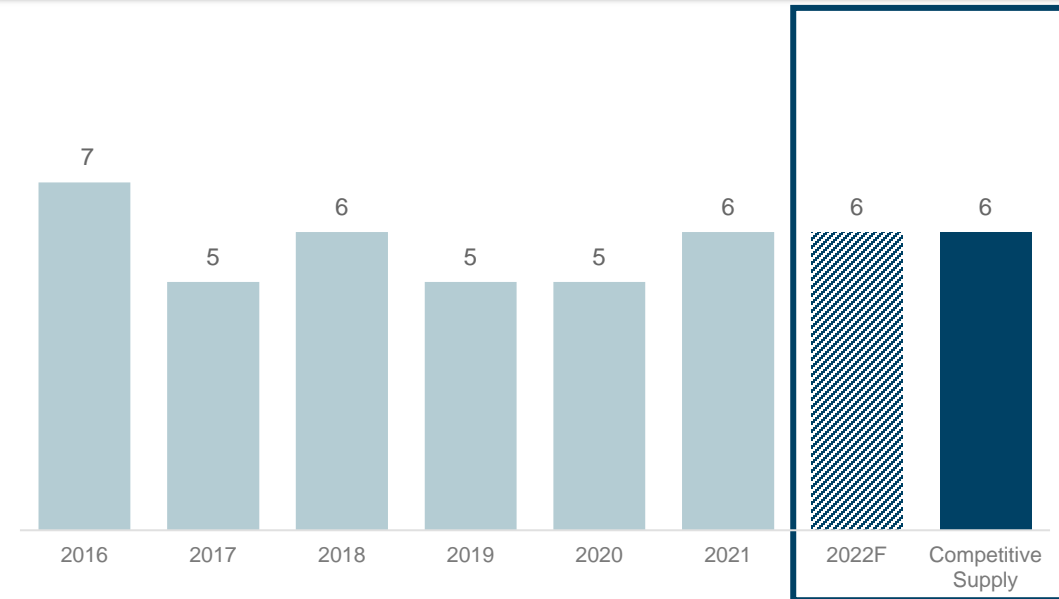
# Markets tightening in Brazil and the North Sea

North Sea: # vessels working\*



- North Sea market tightening as all five competitive vessels are booked for work in 2022
- Only less competitive vessels available (stacked vessels including Safe Scandinavia)

Brazil: # vessels working for Petrobras\*



- Brazilian market tightening as activity is picking up
- Petrobras is the largest client and its fleet of flotels (UMS) will increase from 5 to at least 6 next year based on the recent and announced tenders and award. Petrobras' current technical requirement effectively limits supply to newer and traditional DP3 semi-submersibles
- Remaining available supply is stacked and/ or less competitive units

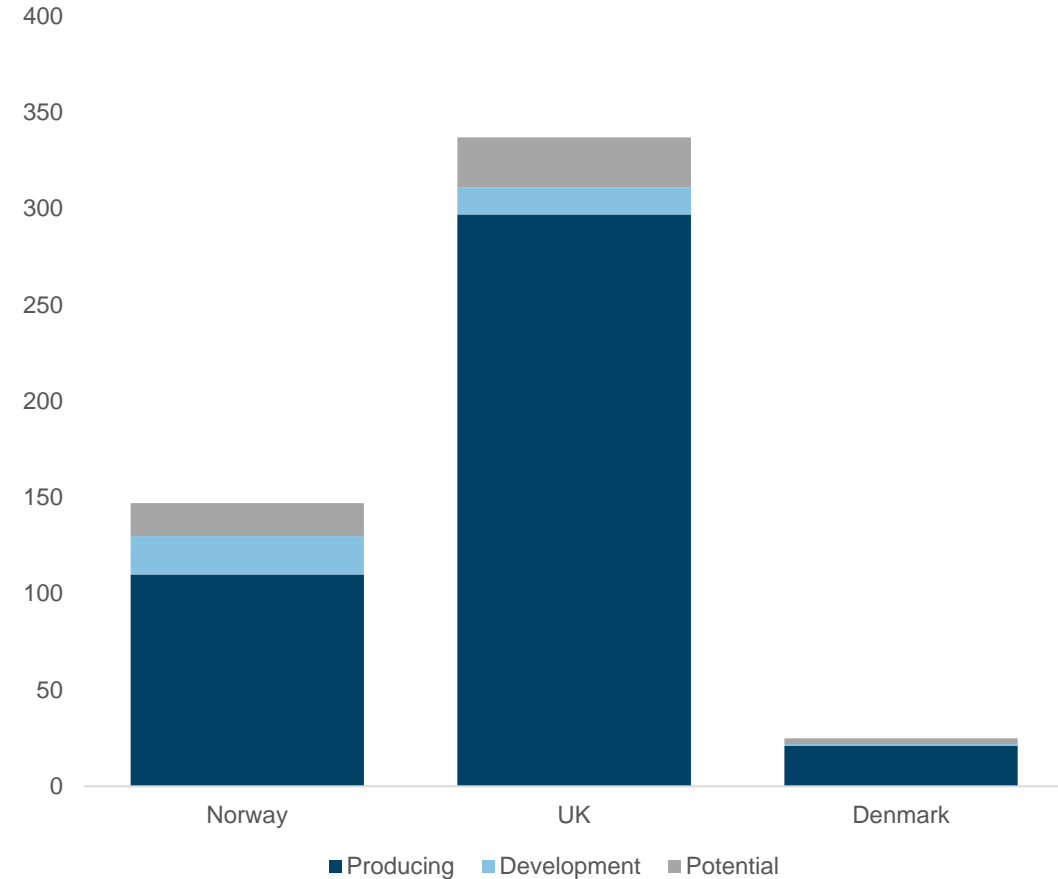
\*Excluding vessels on contract in other regions. 2022: semis following Petrobras technical qualifications

# North Sea market: high 2022 activity. Positive indicators

## North Sea

- The NCS will continue to be attractive driven by cost competitiveness, low emissions, and long-term oriented regulators
- Norwegian activity is increasing after the introduction of the tax package; More than 35 developments underway (primarily subsea)
- Long-term view positive as illustrated by the recent APA round in Norway, where more than 50 licenses were awarded to more than 20 operators. Stable regulatory regime.
- Electrification and Carbon Capture Storage (CCS) may add activity going forward

## # Fields in production (source: Spinerjie)



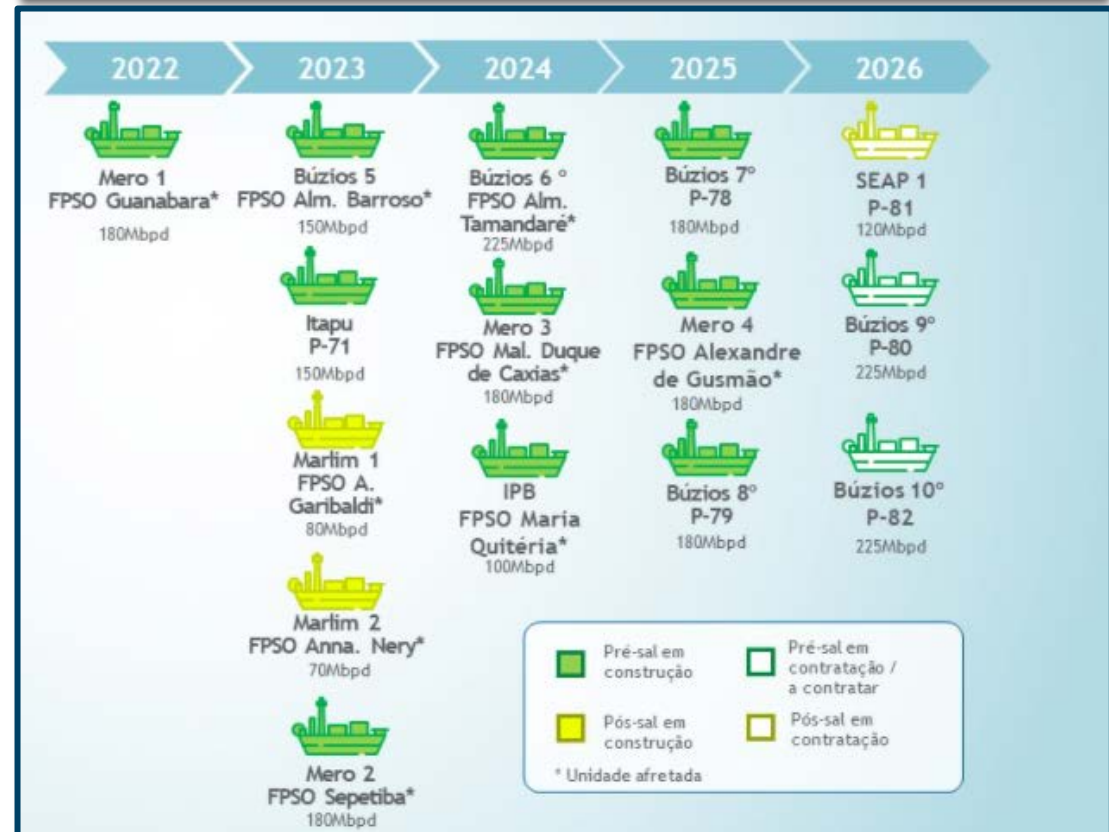


# Brazil: Increasing activity and focus on high end vessels

## Brazil

- 20 new FPSOs announced & planned to be installed over the next years
- Some of existing fleet to be phased out but large potential in life-extension projects
- New FPSOs have additional topside weight & equipment (up to 60% to current FPSOs) and less space to carry out maintenance
- Brazilian authorities are increasingly auditing asset integrity management of all FPSO operators in Brazil
- Corrosive environment requiring continuous maintenance

## Brazil FPSO Projects 2022 – 2025 (Source: Petrobras)



# Our strategic focus

- Drive consolidation of the offshore accommodation industry
- Continue to strive for best performance on safety and costs
- Continue to strive for commercial outperformance
- Actively address GHG emissions on our vessels

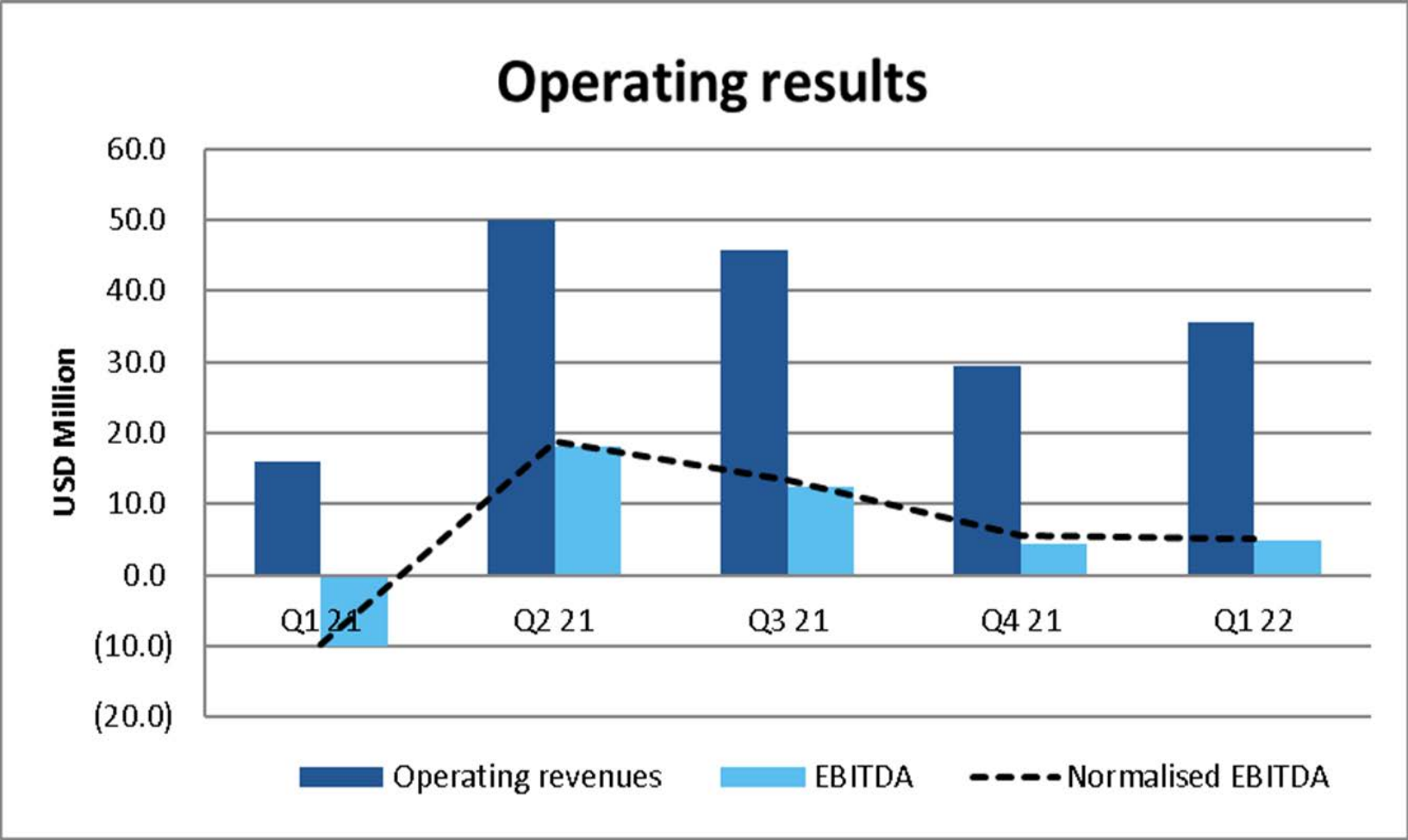
# Summary – Q1 2022

- Q1 highlights
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  - Good operating performance and zero incidents in the quarter
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  - Safe Eurus 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.
  - Significant increase in order backlog just after quarter end
- Outlook and focus
  - Positive macro indicators and activity levels in the oil & gas industry
  - Consolidation remains on the agenda
  - Actively addressing GHG emissions on our vessels
  - Well placed to protect and create value as opportunities arise on the back of high activity in the industry fuelled by the energy transition and increased focus on energy security

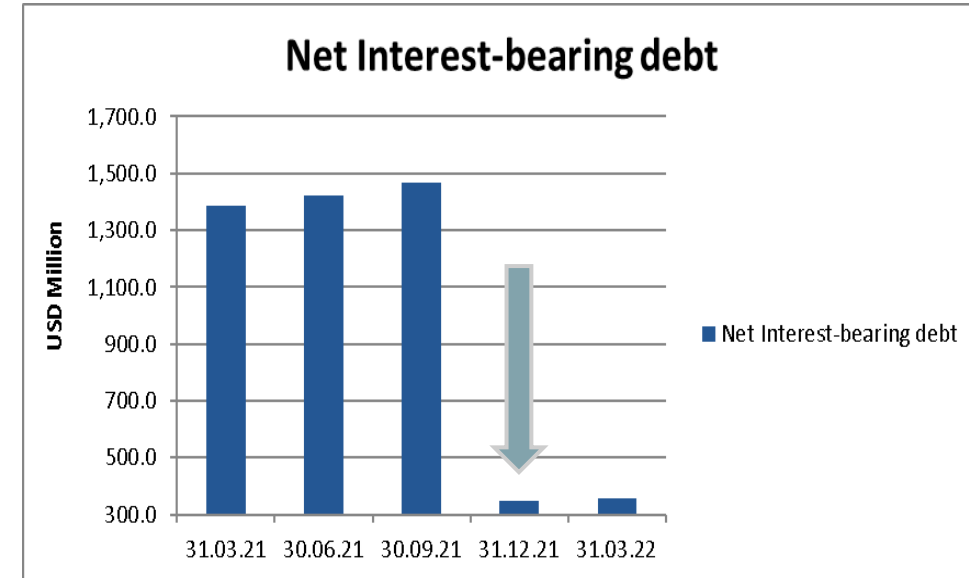
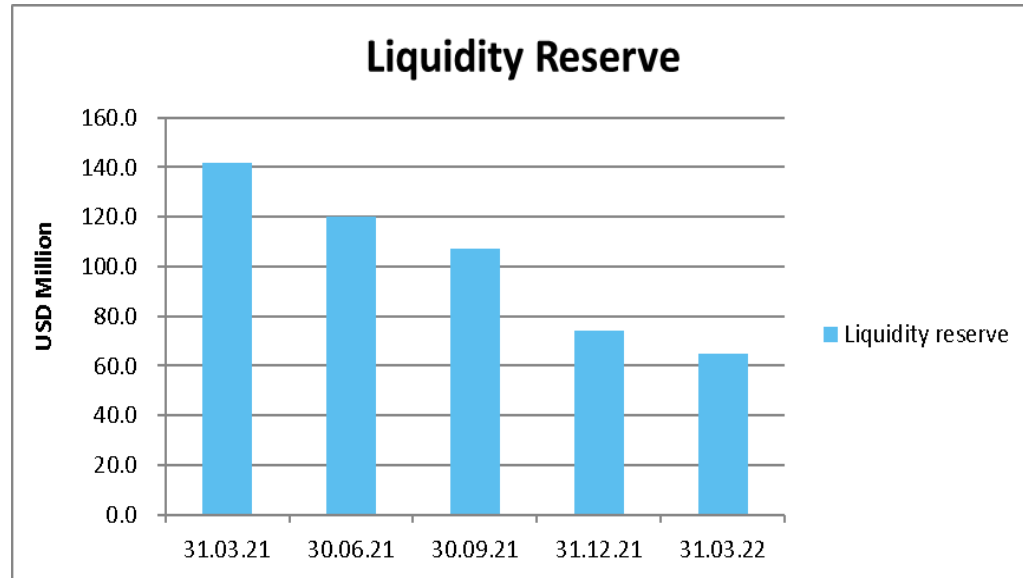


# Appendix

# Development of operating results



# Liquidity reserve & Net interest-bearing debt



- Over USD 1 billion improvement on net interest-bearing debt since December 2021

# Operating revenue

(USD million)	Q1 22	Q1 21	Q4 21	2021
Charter income	32.3	15.1	24.0	121.7
Other income	3.2	0.9	5.4	19.4
<b>Total</b>	<b>35.5</b>	<b>16.0</b>	29.4	<b>141.1</b>