

Hamilton, Bermuda, March 21, 2023 - Paratus Energy Services Ltd. (“Paratus” or the “Company”) today announced a trading update for the fourth quarter 2022 and updates on Paratus, its subsidiaries and associated companies (“Paratus Group”).

## **1. Key Financial Highlights**

### **1.1 Paratus**

In the fourth quarter ending December 31, 2022, Paratus generated \$52 million in revenue and \$24 million in EBITDA<sup>1</sup>. In the third quarter ending September 30, 2022, Paratus generated \$50 million in revenue and \$21 million in EBITDA<sup>1</sup>.

### **1.2 SeaMex Group**

During the fourth quarter period ending December 31, 2022, Paratus’ wholly owned subsidiary SeaMex Holdings, Ltd. (“SeaMex”) and its subsidiaries (collectively with SeaMex, “SeaMex Group”) generated \$52 million in revenue and \$27 million in EBITDA. Compared to the third quarter, revenue increased 4.0% and EBITDA increased 8.0%. For the fourth quarter ending December 31, 2022, SeaMex Group earned an average contractual rate of \$115 thousand per day and ended with \$547 million in contract backlog<sup>2</sup>.

As previously announced, SeaMex has received a termination notice from PEMEX regarding the West Titania jack-up, with an effective termination date of March 16, 2023. SeaMex remains in dialogue with PEMEX regarding a potential extension of the West Titania contract, as well with third parties regarding other potential market opportunities for the rig.

SeaMex is pleased to announce that the company is currently in the process of moving the offshore drilling operations in-house. Following a transition period which is expected to last up to 6 months, the company intends to manage and operate its wholly owned fleet of jack-up rigs on a standalone basis under its own brand later this year.

### **1.3 Joint Venture in Seabras Group**

Seabras UK Limited (“Seabras”), a wholly owned subsidiary of Paratus, holds a 50% equity interest in Seabras Sapura Holding GmbH, its associated company, Seabras Sapura Participações S.A and their subsidiaries (collectively with Seabras, “Seabras Group”).

During the fourth quarter period ending December 31, 2022, Seabras Group generated \$113 million in revenue and \$81 million in EBITDA. Compared to the third quarter, revenue and EBITDA increased by 3.7% and 22.7%, respectively. For the fourth quarter, Seabras Group earned an average contractual rate of \$204 thousand per day and ended with \$707 million in contract backlog.

On December 23, 2022, Seabras completed a full repayment of its secured bank debt facilities which were raised in connection with the construction of the Diamante, Topazio, Onix, Jade, and Rubi vessels (“Bank

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<sup>1</sup> The figures presented for Paratus do not consider revenue and EBITDA from Seabras Group as Seabras is not consolidated in the Paratus financial statements due to Paratus’ 50% equity ownership of Seabras

<sup>2</sup> SeaMex backlog is calculated at the dayrate floor and is subject to market rate adjustments

Facilities”)<sup>3</sup>. Following the Bank Facilities repayment, the only outstanding third-party debt obligation is the Esmeralda vessel financing from the Brazilian Merchant Maritime Fund, which has a maturity of 2032 and is collateralized by the Esmeralda vessel (“Esmeralda Facility”).

## **2. Other Updates**

### **2.1 Completion of the Share Acquisition Transaction**

On September 30, 2022, Hemen Investments Ltd (“Hemen”), an entity ultimately controlled by trusts established by John Fredriksen for the benefit of his immediate family members, funds and accounts managed by Lodbrok Capital LLP (“Lodbrok”), and Melqart Asset Management (UK) Ltd (“Melqart”) (collectively, the “Acquiring Shareholders”) entered into separate agreements with Seadrill Investment Holding Company Limited (“Seadrill”) to acquire all of Seadrill’s ownership interests in Paratus (the “Share Acquisition Transaction”). The Share Acquisition Transaction closed on February 24, 2023, following the satisfaction of customary closing conditions, including the approval of competition authorities in relevant jurisdictions.

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<sup>3</sup> The Bank Facilities comprised of two separate loan agreements – one relating to Diamante and Topazio (totaling approximately \$537 million at issuance) and another relating to Onix, Jade and Rubi (totaling approximately \$769 million at issuance)

## Schedule 1. Key Financial Highlights

Unaudited Financials			
(US \$ in Millions)	Q4 2022	Q3 2022	Q4 2021 <sup>(1)</sup>
<b>SeaMex Group</b>			
Gross Debt <sup>(2)</sup>	\$46	\$44	\$221
Cash and Restricted Cash	77	46	53
Net Debt <sup>(3)</sup>	(31)	(2)	168
Revenue	52	50	54
EBITDA	27	25	31
Contract Backlog <sup>(4)</sup>	547	600	828
Receivables Balance	114	98	318
<b>Seabras Group</b>			
Gross Debt <sup>(2)</sup>	114	313	377
Cash and Restricted Cash	38	171	111
Net Debt <sup>(3)</sup>	76	142	266
Revenue	113	109	97
EBITDA	81	66	56
Contract Backlog	707	802	938
<b>Paratus Energy Services<sup>(5)</sup></b>			
Gross Debt <sup>(2)</sup>	727	708	
Cash and Restricted Cash	94	68	
Net Debt <sup>(3)</sup>	633	640	

### Notes:

1. Represent the results of the Predecessor entity
2. Excludes intercompany debt, any amortization of fees and fair value adjustment; represents debt principal only
3. Net debt is calculated as gross debt less cash and restricted cash
4. Contract backlog takes into account West Titania's termination date of March 16, 2023
5. The figures presented for Paratus do not include financials from Seabras as Seabras is not consolidated in the Paratus financial statements due to Paratus' 50% equity ownership of Seabras

## Schedule 2. Fleet Status Report

### SeaMex Group

Rig Name	Generation / Type	Built	Location	Client	Start	Expire
West Defender	BE	2007	Mexico	PEMEX	Mar-20	Jan-26
West Courageous	BE	2007	Mexico	PEMEX	Mar-20	Nov-26
West Intrepid	BE	2008	Mexico	PEMEX	Mar-20	May-26
West Oberon	BE	2013	Mexico	PEMEX	Mar-20	Oct-25
West Titania <sup>(1)</sup>	BE	2014	Mexico	PEMEX	Mar-20	Mar-23

### Seabras Group

Vessel Name	Generation / Type	Built	Location	Client	Start	Expire
Sapura Diamante	PLSV	2014	Brazil	Petrobras	Oct-21	Apr-25
Sapura Topazio	PLSV	2014	Brazil	Petrobras	Mar-22	Mar-25
Sapura Esmeralda	PLSV	2016	Brazil	Petrobras	Apr-16	Jul-24
Sapura Onix	PLSV	2015	Brazil	Petrobras	Sep-15	Oct-23
Sapura Onix	PLSV	2015	Brazil	Enauta	Jan-24	Sep-24
Sapura Jade	PLSV	2016	Brazil	Petrobras	Feb-16	Apr-24
Sapura Rubi	PLSV	2016	Brazil	Petrobras	Aug-16	Sep-24

Notes:

1. The expiration date of West Titania reflects PEMEX's termination notice

## **Paratus -- Forward-Looking Statements**

This release includes forward-looking statements. Such statements are generally not historical in nature, and specifically include statements about the Company's and / or the Paratus Group's (including any member of the Paratus Group) plans, strategies, business prospects, changes and trends in its business and the markets in which it operates. These statements are based on management's current plans, expectations, assumptions and beliefs concerning future events impacting the Company and / or the Paratus Group and therefore involve a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, which speak only as of the date of this news release. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, management's reliance on third party professional advisors and operational partners and providers, the Company's ability (or inability) to control the operations and governance of certain joint ventures and investment vehicles, oil and energy services and solutions market conditions, subsea services market conditions, and offshore drilling market conditions, the cost and timing of capital projects, the performance of operating assets, delay in payment or disputes with customers, the ability to successfully employ operating assets, procure or have access to financing, ability to comply with loan covenants, liquidity and adequacy of cash flow from operations of its subsidiaries and investments, fluctuations in the international price of oil or alternative energy sources, international financial, commodity or currency market conditions, including, in each case, the impact of COVID-19 and related economic conditions, changes in governmental regulations, including in connection with COVID-19, that affect the Paratus Group, increased competition in any of the industries in which the Paratus Group operates, the impact of global economic conditions and global health threats, including in connection with COVID-19, our ability to maintain relationships with suppliers, customers, joint venture partners, professional advisors, operational partners and providers, employees and other third parties and our ability to maintain adequate financing to support our business plans, factors related to the offshore drilling, subsea services, and oil and energy services and solutions markets, the impact of global economic conditions, our liquidity and the adequacy of cash flows for our obligations, including the ability of the Company's subsidiaries and investment vehicles to pay dividends, political and other uncertainties, the concentration of our revenues in certain geographical jurisdictions, limitations on insurance coverage, our ability to attract and retain skilled personnel on commercially reasonable terms, the level of expected capital expenditures, our expected financing of such capital expenditures, and the timing and cost of completion of capital projects, fluctuations in interest rates or exchange rates and currency devaluations relating to foreign or U.S. monetary policy, tax matters, changes in tax laws, treaties and regulations, tax assessments and liabilities for tax issues, legal and regulatory matters, customs and environmental matters, the potential impacts on our business resulting from climate-change or greenhouse gas legislation or regulations, the impact on our business from climate-change related physical changes or changes in weather patterns, and the occurrence of cybersecurity incidents, attacks or other breaches to our information technology systems, including our rig operating systems. Consequently, no forward-looking statement can be guaranteed.

Neither the Company nor any member of the Paratus Group undertakes any obligation to update any forward-looking statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict all of these factors. Further, we cannot assess the impact of each such factors on our businesses or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement.