

Paratus Energy

Interim Results

Third Quarter 2025



Paratus Energy

THIRD QUARTER 2025 RESULTS

Unless the context indicates otherwise, "Paratus," the "Company," "we," "us," "our," and similar terms, all refer to Paratus Energy Services Ltd., while "Paratus Group" or the "Group" refers collectively to the Company and its consolidated subsidiaries and its ownership in Joint Ventures ("JV"). All references to "USD" and "\$" in this report denote U.S. dollars unless otherwise indicated.

Company overview

Paratus is a holding company of a group of energy services companies and is comprised of its wholly owned subsidiary Fontis Holdings Ltd. and its subsidiaries (collectively "Fontis") and 50/50 joint venture interest in Seagems joint venture, comprising of Seabras Sapura Holding GmbH and Seabras Sapura Participacoes SA, (collectively "Seagems" or the "JV"). Paratus also held a 23.8% ownership in Archer Limited ("Archer") until 25 September 2025, at which time the shares were sold. Paratus is listed on the Euronext Oslo Børs under the ticker "PLSV".

- **Fontis** is a provider of drilling services, operating a fleet of five high-specification jack-up rigs – *Defender*, *Courageous*, *Intrepid*, *Oberon*, and *Titania FE* - currently located in Mexico, out of which four rigs are under the contract with a state-owned company in Mexico. *Titania FE* is as of the reporting date warm-stacked in Mexico.
- **Seagems** is a subsea services company, operating a fleet of six multipurpose pipe-laying support vessels - *Diamante*, *Topazio*, *Esmeralda*, *Onix*, *Jade* and *Rubi* – with capabilities for subsea engineering, installation, and other services, under contract in Brazil.

Q3 2025 highlights and post quarter-end developments

Key highlights from Q3 2025 and notable post-quarter developments include:

- Maintained strong operational performance with fleet technical utilization of approximately 99%.
- Combined segment revenues increased 20% quarter-over-quarter to \$127 million¹, while EBITDA rose 38% to \$78 million¹, driven by higher dayrates and increased operational days at Seagems, as well as \$12 million of previously unrecognized revenue at Fontis. Excluding this, EBITDA was \$66 million¹ (Q2 2025: \$57 million¹).
- Monetized the Company's ~24% shareholding in Archer for \$48 million consistent with its focus on portfolio optimization and simplification of the corporate structure.
- Ended the quarter with \$144 million¹ in Group cash and \$659 million¹ in net debt.
- Post Q3, declared a \$0.22 per share quarterly dividend for Q3 2025, consistent with previous quarters.
- In October–November, Fontis collected \$96 million from its client in Mexico with payments made via a Mexican government investment fund, bringing 2025 receipts to \$309 million to date.

¹ Combined segment results are presented in accordance with management reporting. In this context, Seagems' financial results are presented using proportional consolidation of accounting. However, in our financial reporting under US GAAP, Seagems' financial results are reported using the equity method, presented under "Share in results from joint ventures".

Operational review for the third quarter of 2025

(In \$ millions, unless stated otherwise)

Selected figures

	Combined Segment figures*	
	Three months ended	
	September 30, 2025	June 30, 2025
Contract revenues	127.4	106.5
Adjusted EBITDA	77.8	56.5
Net income	46.0	5.6
Cash and cash equivalents	144.1	93.1
Net debt	659.4	631.5
Net Leverage Ratio	2.6	2.6
Technical utilization rate	99.0%	98.4%
Contract backlog	794.7	907.8

*Combined segment results are presented in accordance with management reporting. In this context, Seagems' financial results are presented using proportional consolidation of accounting. However, in our financial reporting under US GAAP, Seagems' financial results are reported using the equity method, presented under "Share in results from joint ventures".

The following operational review is based on **management reporting** as defined in the alternative performance measures ("APM") section of this report. See also Note 3 - Segment information in the financial statements.

The Group, including the Company's share in Seagems, reported revenues of \$127.4 million and Adjusted EBITDA of \$77.8 million (Q2 2025: \$106.5 million and \$56.5 million, respectively).

Fontis

Fontis reported contract revenues of \$54.8 million (Q2 2025: \$43.8 million), reflecting the recognition of \$12.1 million in previously unrecognized revenue from the Titania FE contract, acknowledged by its client.

Reported operating expenses (Opex) totaled \$19.5 million for the quarter, down from \$25.6 million in Q2 2025, as the main portion of the Titania FE rig move costs had been incurred in the previous period. General and administrative expenses (G&A) amounted to \$0.5 million (Q2 2025: \$0.4 million). Adjusted EBITDA for the quarter was \$34.8 million, compared to \$17.8 million in Q2 2025, reflecting the \$12.1 million in variable revenue and lower Opex.

During Q3 2025, Fontis achieved an average dayrate of \$116 thousand per day, consistent with the previous quarter, and maintained strong technical utilization of 99.7% (Q2 2025: 99.2%). The company's contract backlog at quarter-end stood at approximately \$56 million (Q2 2025: approximately \$98 million).

The Company observes early signs of demand recovery in the global jack-up market, supported by increasing activity levels in key regions such as Saudi Arabia and Mexico. In Saudi Arabia, Saudi Aramco has begun recalling previously suspended rigs, indicating improving market conditions and an expected increase in global jack-up utilization. In Mexico, Fontis' client has started securing rig capacity for 2026 through contract renewals and extensions. Of the Company's fleet of five jack-up rigs, all are currently contracted into Q1 2026, except for Titania FE, which remains warm-stacked pending new engagement. While no assurances can be given, the Company is in discussions with its client regarding potential contracting of its rigs in Mexico. The Company remains confident in the long-term demand for its rigs and anticipates that increased drilling activity in Mexico will be required to support its client's production targets, as recently reaffirmed by the Mexican government. In line with earlier communication, the Company continues to assess strategic alternatives for its jack-up business.

In August 2025, the Mexican government publicly introduced a comprehensive financial support plan with the aim to make Fontis' client financially self-sufficient by 2027. Key elements of the plan include the settlement of overdue supplier payments, debt reduction initiatives, and a long-term increase in national oil production from approximately 1.6 to 1.8 million barrels per day. As part of this initiative, approximately \$25 billion in new government guaranteed funding has reportedly been secured by the client in Mexico, including proceeds partially earmarked for capital expenditures and supplier debt settlements.

As of the end of Q3 2025, the notional value of accounts receivable was \$293 million (\$232 million as of Q2 2025). In October-November, Fontis received payment of approximately \$96 million in total towards overdue invoices from its client in Mexico, with payments made via a Mexican government investment fund. Including these receipts, the Company has collected approximately \$309 million, so far in 2025.

The Company continues to actively pursue the collection of its remaining outstanding receivables and remains committed to recovering the full amounts due, consistent with its past practice. While the Company recognizes that the timing of collections may continue to fluctuate, recent payments and ongoing government support initiatives provide greater confidence that the payment cycle is normalizing.

Seagems

Paratus' 50% share in the Seagems joint venture contributed \$72.6 million in contract revenues during the current quarter, compared to \$62.7 million in Q2 2025. The revenue increase was primarily driven by higher average dayrates and reduced off-hire days relative to the previous quarter, when three vessels were undergoing acceptance testing as part of the commencement of new Petrobras contracts. In August, the final vessel, Onix, commenced operations under its new Petrobras contract.

Reported Opex for the quarter was \$21.3 million (Q2 2025: \$15.4 million), while G&A expenses totaled \$3.2 million (Q2 2025: \$3.7 million). The increase in Opex primarily reflected the absence of one-off favorable items recorded in the previous quarter. Adjusted EBITDA for the period was \$44.8 million, up from \$40.6 million in Q2 2025, mainly as a result of stronger revenues.

The JV achieved an average dayrate of \$272 thousand per day (Q2 2025: \$255 thousand per day) and maintained strong technical utilization of 98.5% (Q2 2025: 97.9%). The Seagems JV's contract backlog at quarter-end was approximately \$1.5 billion² (Q2 2025: approximately \$1.6 billion²).

During the first nine months ("year-to-date" or "YTD") of 2025, the Seagems JV provided cash distribution of approximately \$91 million to Paratus (YTD 2024: approximately \$60 million).

In Q3 2025, Seagems also secured an aggregate \$60 million² in additional capital expenditures financing from local Brazilian banks with amortization scheduled over 3 years starting in 2026.

Other

The Other segment includes general corporate and financing activities as well as the Company's 23.8% ownership in Archer, which was accounted for as an equity method investment until September 25, 2025 when the Company sold its entire shareholding. The Company recognized an accounting gain of \$13.4 million as part of the sale.

Liquidity and Capital Management

The Company actively manages its capital structure to ensure it maintains sufficient funding to support its strategic business objectives and maximize shareholder value. If required, the Company may adjust its capital structure through various measures, including equity or debt transactions, asset restructurings, or other strategic initiatives. Primary sources of liquidity include existing cash reserves and operating cash flows from its operating entities, including distributions from Seagems. Additionally, the Company relies on debt financing and may, in the future, rely on equity financing. To proactively manage liquidity, the Group prepares, reviews, and updates cash flow projections regularly. These projections incorporate various scenarios, including fluctuations in receivables collections in Mexico, to ensure sufficient liquidity while maintaining appropriate headroom in respect to financial covenant compliance throughout the assessment period. As for the Company's share in the Seagems JV, the JV budgets and activity plans are reviewed and approved annually. Pursuant to agreement among the JV shareholders, Seagems distributes all excess cash to its shareholders. The Board of Directors and executive management utilize these insights for informed decision-making.

The Group closed Q3 2025 with a cash balance of \$144.1 million and net debt of \$659.4 million, including the Company's share in Seagems' cash balance and net debt of \$26.1 million and \$62 million, respectively. In comparison, the Group closed Q2 2025 with a cash balance of \$93.1 million and net debt of \$631.5 million, including the Company's share in Seagems' cash balance and net debt of \$22.9 million and \$36.6 million, respectively. The Group's interest-bearing debt (at notional amounts) totalled \$803.5 million, comprising of \$715.4 million at Paratus plus \$88.1 million at Seagems (Q2 2025: \$774.9 million, comprised of \$715.4 million and \$59.5 million respectively).

As of the date of this report, the Company has senior secured notes totaling \$215.5 million in aggregate principal amount maturing within the next 12 months (the "2026 Notes"; see Note 11 and 14). The Company is actively evaluating strategic options to address this upcoming maturity and has initiated discussions with various financial institutions to explore potential refinancing solutions. While no binding agreements have been executed as of the reporting date, the Company intends to redeem or refinance, or a combination thereof, the 2026 Notes prior to maturity. Subsequent to Q3 2025, the Company repurchased \$17.6 million in principal amount of its 2026 Notes. Management remains confident in the Company's ability to secure the necessary financing to meet its upcoming obligations and to maintain financial flexibility.

² Figures shown at 100% Seagems Joint Venture level.

Financial summary for the first nine months of 2025

	US GAAP financial results			
	Three months ended		Nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<i>(In \$ millions, unless stated otherwise)</i>				
<u>Statements of operations summary</u>				
Operating revenues	46.2	55.5	120.1	167.3
Operating income	52.0	41.0	122.7	129.7
Net financial expense	(5.6)	(51.5)	(62.7)	(88.3)
Income tax expense	(0.4)	(4.3)	(5.2)	(12.4)
Net income/(loss)	46.0	(14.8)	54.8	29.0
Earnings per share (\$ per share)	0.28	(0.09)	0.33	0.18
<u>Statements of cash flows</u>				
Cash and cash equivalents at end of period			118.0	150.2
Net cash provided by operating activities			60.1	(8.7)
Net cash provided by investing activities			138.9	53.5
Net cash used in financing activities			(168.0)	(9.9)

The following financial summary is based on our **financial reporting under US GAAP** and should be read in conjunction with the financial statements and accompanying notes provided elsewhere in this report.

Operating revenues for the first nine months (“year-to-date” or “YTD”) of 2025 totaled \$120.1 million, compared to \$167.3 million in the same period of 2024. The revenue decrease was primarily driven by Titania FE being warm-stacked since the end of February 2025 as well as lower variable revenues recognized compared to 2024. Revenues were further impacted by lower average dayrates compared to 2024 following market indexation adjustments to the Fontis rig rates (excluding Titania FE) in February and August 2024. The revenue decrease was partly offset by the planned downtime for the Courageous in 2024 due to installation of a new crane.

Total operating expenses YTD 2025 were \$89.8 million, compared to \$93.8 million in the same period of 2024. While YTD 2025 operating expenses included demobilization costs related to Titania FE (partially offset by lower operating rig activity), the YTD 2024 operating expenses were higher, mainly due to personnel and other costs largely driven by one-time activities related to the transition from Seadrill, and costs related to the placement of the 2029 Bonds and the Company’s public listing at Paratus. The decrease in operating expenses was partly offset by higher depreciation and increase in the allowance for credit losses.

Share in results from Joint Venture YTD 2025 was \$87.5 million (YTD 2024: \$56.2 million), representing the Company’s 50% share of the Seagems’ net income (net of taxes). The increase was primarily driven by higher revenues resulting from higher dayrates as all the vessels commenced new contracts at significantly improved rates.

Other operating income of \$4.9 million is related to an insurance claim refund at Fontis received during YTD 2025.

Operating income YTD 2025 was \$122.7 million, down from \$129.7 million in the same period of 2024 mainly driven by lower operating revenues as described above, partially offset by stronger results in Seagems JV and other income in Fontis.

Net financial expense was \$62.7 million, down from \$88.3 million in the same period of 2024. The decrease in net financial expense primarily reflected the gain on the sale of Archer shares of \$13.4 million and the absence of a one-time, non-cash accounting item of \$35 million related to the partial redemption of the 2026 Notes recorded in 2024. These effects were partly offset by the inclusion of an upfront fee related to the receivables monetization agreement.

Tax expense was \$5.2 million, down from \$12.4 million in the same period of 2024, mainly driven by lower corporate tax provision due to lower results in the subsidiaries in Mexico, and movement in the provision for the uncertain tax positions (“UTP”) (see Note 5).

Net income for YTD 2025 was \$54.8 million, compared to \$29 million for the same period in 2024.

Consolidated **cash and cash equivalents** (Paratus and Fontis) as of Q3 2025 was \$118 million compared to \$86.4 million at year-end 2024.

Net cash **from operating activities** was \$60.1 million, up from cash used in operating activities of \$8.7 million in the same period of 2024. The increase was primarily driven by higher collections of receivables in Mexico.

Net cash from **investing activities** was \$138.9 million, primarily reflecting cash distributions from Seagems to Paratus of \$90.9 million, cash distributions from Archer of \$2.6 million, and cash proceeds from the sale of the Company's shareholding in Archer of \$48.1 million. These inflows were partly offset by additions to drilling units of \$2.7 million. In comparison, net cash from investing activities for the same period in 2024 totaled \$53.5 million, comprising distributions from Seagems to Paratus of \$59.8 million, partly offset by additions to drilling units of \$6.3 million.

Net cash used in **financing activities** was \$168 million, primarily reflecting cash distributions to shareholders of \$107.7 million, share buybacks totaling \$24.9 million, interest income of \$3.1 million, and interest payments of \$38.3 million. For the same period in 2024, cash used in financing activities totaled \$9.9 million, comprising net proceeds of \$72.6 million from the private placement in June 2024, interest income of \$3.6 million, interest payments of \$38 million, cash distribution to shareholders of \$36.5 million, and net transaction costs of \$11.6 million related to the bond issuance in June 2024.

Subsequent events

Cash distribution to shareholders

On November 25, 2025, the Company announced that the Board of Directors has approved a cash distribution of \$0.22 per share for Q3 2025, to all shareholders of record as of 3 December 2025. The cash dividend will be paid on 16 December 2025.

Receipt of payment in Mexico

In October and November 2025, the Company announced that Fontis received approximately \$96 million in total in payments towards overdue invoices from its client in Mexico. These collections represents payments made from the fund established by the Mexican government to support investment projects and ensure timely payments to suppliers from Fontis' client.

Partial repurchase of 2026 Notes

On November 18, 2025, the Company repurchased \$17.6 million in principal amount of its 2026 Notes pursuant to a tender offer completed after quarter-end. Following the transaction, the remaining outstanding balance in principal amount of the 2026 Notes was \$197.9 million.

Paratus Energy Services Ltd.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
for the quarter ended September 30, 2025 and 2024

	Note	Three months ended		Nine months ended	
		September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<i>(In \$ millions, except per share amounts)</i>					
Total operating revenues	4	46.2	55.5	120.1	167.3
Operating expenses					
Rig operating expenses		(19.5)	(23.2)	(63.4)	(70.2)
General and administrative expenses		(2.3)	(1.9)	(7.8)	(11.5)
Depreciation and amortization		(5.8)	(4.5)	(16.7)	(13.8)
Expected credit losses	4	(1.5)	-	(1.9)	1.7
Total operating expenses		(29.1)	(29.6)	(89.8)	(93.8)
Share in results from joint ventures	10	34.9	15.1	87.5	56.2
Other operating income		-	-	4.9	-
Operating income		52.0	41.0	122.7	129.7
Financial items					
Share in results from associated companies	10	0.9	0.8	(6.1)	(1.4)
Interest income		0.7	2.2	3.1	3.6
Interest expense	11	(19.2)	(21.1)	(57.3)	(64.2)
Gain on sale of financial assets	10	13.4	-	13.4	-
Loss on extinguishment of financial instruments		-	(35.0)	-	(35.0)
Other financial items		(1.4)	1.6	(15.8)	8.7
Net financial expense		(5.6)	(51.5)	(62.7)	(88.3)
Income/(loss) before taxes		46.4	(10.5)	60.0	41.4
Income tax expense	5	(0.4)	(4.3)	(5.2)	(12.4)
Net income/(loss)		46.0	(14.8)	54.8	29.0
Income/(loss) per share:	13				
Basic		0.28	(0.09)	0.33	0.18
Diluted		0.28	(0.09)	0.33	0.18

See accompanying notes that are an integral part of these Consolidated Financial Statements.

Paratus Energy Services Ltd.
CONDENSED CONSOLIDATED STATEMENTS OF
OTHER COMPREHENSIVE INCOME/(LOSS)
for the quarter ended September 30, 2025 and 2024

<i>(In \$ millions)</i>	Note	Three months ended		Nine months ended	
		September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Net income/(loss)		46.0	(14.8)	54.8	29.0
Other comprehensive income/(loss):					
Share of other comprehensive income/(loss) from equity method investments		1.0	(1.7)	(0.6)	9.6
Reclassification on the sale of financial assets	10	(8.5)	-	(8.5)	-
Total other comprehensive income/(loss)		38.5	(16.5)	45.7	38.6

See accompanying notes that are an integral part of these Consolidated Financial Statements.

Paratus Energy Services Ltd.
CONDENSED CONSOLIDATED BALANCE SHEETS
as at September 30, 2025 and December, 31 2024

<i>(In \$ millions, except par value amounts)</i>	Note	September 30, 2025	December 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	6	118.0	86.4
Accounts receivables, net	4	283.9	339.6
Amounts due from related parties		3.3	3.3
Favorable contracts	4	12.8	28.9
Other current assets	7	20.1	10.0
Total current assets		438.1	468.2
Non-current assets			
Equity method investments	10	302.3	358.2
Drilling units and equipment, net		251.8	259.0
Deferred tax assets		1.7	-
Favorable contracts	4	-	9.0
Other non-current assets		0.8	0.3
Total non-current assets		556.6	626.5
Total assets		994.7	1,094.7
LIABILITIES AND EQUITY			
Current liabilities			
Trade accounts payable		7.8	16.7
Other current liabilities	5, 8	67.2	65.0
Total current liabilities		75.0	81.7
Non-current liabilities			
Interest-bearing debt, long-term	11	699.6	692.5
Other non-current liabilities	5	47.8	61.4
Deferred tax liabilities		2.3	2.2
Total non-current liabilities		749.7	756.1
Equity			
Shareholders' equity		170.0	256.9
Total equity		170.0	256.9
Total liabilities and equity		994.7	1,094.7

See accompanying notes that are an integral part of these Consolidated Financial Statements.

Paratus Energy Services Ltd.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
for the nine months ended September 30, 2025 and 2024

(In \$ millions)	Note	Nine months ended	
		September 30, 2025	*September 30, 2024
Cash Flows from Operating Activities			
Net income		54.8	29.0
<i>Adjustments to reconcile net income to net cash provided by</i>			
Amortization of favorable contracts	4	25.1	23.0
Depreciation		16.7	13.8
Income from equity method investments	10	(81.4)	(54.8)
Net interest expense and amortization		54.2	60.6
Unrealized foreign exchange (gain)/loss		2.7	(12.3)
Deferred and other taxes		(1.6)	-
Expected credit losses	4	1.9	(1.7)
Gain on sale of financial assets	10	(13.4)	-
Loss on extinguishment of financial instruments		-	35.0
Share-based compensation		0.2	0.2
Additions to long-term maintenance		(6.6)	(5.6)
Other		(0.3)	(0.1)
<i>Change in working capital items and other</i>			
Accounts receivables, net	4	53.8	(108.2)
Trade accounts payable		(9.5)	(6.1)
Other assets		(10.6)	0.4
Other liabilities		(25.9)	18.1
Net cash provided by operating activities		60.1	(8.7)
Investing Activities			
Additions to drilling units and equipment		(2.7)	(6.3)
Proceeds received from the sale of equity method investments (net)	10	48.1	-
Distribution from equity method investees	10	93.5	59.8
Net cash provided by investing activities		138.9	53.5
Financing Activities			
Interest on bank deposits		3.1	3.6
Redemption of bonds	11	-	(500.0)
Issuance of bonds net of debt issue costs	11	-	491.8
Payment of debt issuance costs	11	-	(3.4)
Payment of interest on borrowings	11	(38.3)	(38.0)
Share buyback		(24.9)	-
Issuance of common shares (net of issue costs)		-	72.6
Return of capital to shareholders		(71.9)	(36.5)
Cash dividends paid		(35.8)	-
Share-based compensation		(0.2)	-
Net cash used in financing activities		(168.0)	(9.9)
Effect of exchange rate changes on cash and cash equivalents		0.6	0.6
Net increase/(decrease) in cash and cash equivalents		31.6	35.5
Cash and cash equivalents at beginning of period		86.4	114.7
Cash and cash equivalents at end of period		118.0	150.2

*Presentation of comparative information has been updated in conformity with the 2024 year-end presentation.

See accompanying notes that are an integral part of these Consolidated Financial Statements.

Paratus Energy Services Ltd.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the nine months ended September 30, 2025 and 2024

<i>(In \$ millions)</i>	Common shares	Additional paid-in capital	Accumulated other comprehensive income/(loss)	Accumulated deficit	Total equity
Balances as at January 1, 2024	-	1,290.9	(3.5)	(1,072.5)	214.9
Net income	-	-	-	29.0	29.0
Other comprehensive income	-	-	9.6	-	9.6
Issuance of common shares	-	71.9	-	-	71.9
Return of capital	-	(36.5)	-	-	(36.5)
Balance as at September 30, 2024	-	1,326.3	6.1	(1,043.6)	288.9
Balances as at January 1, 2025	-	1,289.1	8.7	(1,040.9)	256.9
Net income	-	-	-	54.8	54.8
Other comprehensive loss	-	-	(9.1)	-	(9.1)
Share buyback	-	(24.9)	-	-	(24.9)
Return of capital	-	(71.9)	-	-	(71.9)
Cash dividends paid	-	(35.8)	-	-	(35.8)
Balance as at September 30, 2025	-	1,156.5	(0.4)	(986.1)	170.0

See accompanying notes that are an integral part of these Consolidated Financial Statements.

Note 1 - General information

Unless the context indicates otherwise, "Paratus," the "Company," "we," "us," "our," and similar terms, all refer to Paratus Energy Services Ltd., while "Paratus Group" or the "Group" refers collectively to the Company and its consolidated subsidiaries and its ownership in Joint Ventures ("JV"). All references to "USD" and "\$" in this report denote U.S. dollars unless otherwise indicated.

Company details

Paratus Energy Services Ltd. is a company incorporated under the laws of Bermuda and in accordance with the Bermuda Companies Act 1981. The Company is listed on the Euronext Oslo Børs under the ticker "PLSV".

Business

Paratus is a holding company of a group of energy services companies and is comprised of its wholly owned subsidiary Fontis Holdings Ltd. and its subsidiaries (collectively "Fontis") and 50/50 joint venture interest in Seagems joint venture, comprising of Seabras Sapura Holding GmbH and Seabras Sapura Participacoes SA, (collectively "Seagems" or the "JV"). Paratus also held a 23.8% ownership in Archer Limited ("Archer") until 25 September 2025, at which time the shares were sold.

- **Fontis** is a provider of drilling services, operating a fleet of five high-specification jack-up rigs – Defender, Courageous, Intrepid, Oberon, and Titania FE - currently located in Mexico. As of the reporting date, four of the rigs are under the contract with a state-owned company in Mexico. Titania FE is as of the reporting date warm stacked in Mexico.
- **Seagems** is a subsea services company, operating a fleet of six multipurpose pipe-laying support vessels - Diamante, Topazio, Esmeralda, Onix, Jade and Rubi – with capabilities for subsea engineering, installation, and other services, under contract in Brazil.

Basis of presentation

These unaudited interim condensed consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). The unaudited interim condensed consolidated financial statements do not include all of the disclosures required under U.S. GAAP in the annual consolidated financial statements and should be read in conjunction with our audited annual consolidated financial statements and notes for the year ended December 31, 2024.

The financial statements have been prepared on a going concern basis and in management's opinion, all adjustments necessary for a fair presentation of the financial statements are reflected in the interim periods presented.

Significant accounting policies

The accounting policies adopted in the preparation of the unaudited consolidated financial statements are consistent with those as described in our annual audited consolidated financial statements for the year ended December 31, 2024.

Use of estimates

The preparation of financial statements in accordance with U.S. GAAP requires that management make estimates and assumptions affecting the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subtotals and totals in some of the tables included in these interim financial statements may not equal the sum of the amounts shown due to rounding.

Note 3 - Segment Information

The Company reports its operations under three segments: Fontis, Seagems, and Other.

Fontis Holdings Ltd. and its subsidiaries (collectively "Fontis"), a wholly-owned subsidiary of Paratus, is a provider of drilling services, operating a fleet of five high-specification jack-up rigs – Defender, Courageous, Intrepid, Oberon, and Titania FE - currently located in Mexico. As of the reporting date, four of the rigs are under the contract with a state-owned company in Mexico. Titania FE is as of the reporting date warm stacked in Mexico.

The Seagems segment represents the Company's 50/50 joint venture interest in Seagems, comprising of Seabras Sapura Holding GmbH and Seabras Sapura Participacoes SA (collectively "Seagems" or the "JV"). Seagems is a subsea services company, operating a fleet of six multipurpose pipe-laying support vessels - Diamante, Topazio, Esmeralda, Onix, Jade and Rubi – with capabilities for subsea engineering, installation, and other services, under contract in Brazil. Under US GAAP, we report on Seagems' results in our consolidated financial statements using the equity method. Accordingly, the full operating results included below are not included within our consolidated results and are thus adjusted for under "Reconciling items" and fully replaced with our equity in earnings of the equity method. For segment reporting purposes, we present 50% information for Seagems. Figures are presented net of intercompany transactions between Seagems entities. Our segment reporting for Seagems includes information to reconcile from our segment reporting for Seagems to our consolidated financial statements prepared under US GAAP.

The Other segment includes general corporate and finance activities, basis difference adjustment to equity method investments and our 23.8% ownership in Archer which was accounted for as an equity method investment until September 25, 2025 when all the shares in Archer were sold.

The accounting principles for the segments are the same as for our consolidated financial statements. The following tables provide disclosures of the key metrics used by the chief operating decision maker when assessing the operations of the business.

Reconciling items

Reconciling items in the tables above represent adjustments made to arrive from 50% of Seagems results (proportional consolidation of accounting) to the equity method income as disclosed under operating activities in the statement of operations.

Three months ended						
September 30, 2025						
(In \$ millions)	Seagems (50% share)	Fontis	Other	Total reporting Segments	Reconciling Items	Consol. Total
Contract revenues	72.6	54.8	-	127.4	(72.6)	54.8
Amortization of favorable contracts	-	(8.6)	-	(8.6)	-	(8.6)
Tax on revenues	(3.3)	-	-	(3.3)	3.3	-
Operating revenues	69.3	46.2	-	115.5	(69.3)	46.2
Rig / Vessel operating expenses	(21.3)	(19.5)	-	(40.8)	21.3	(19.5)
General and administrative exp.	(3.2)	(0.5)	(1.8)	(5.5)	3.2	(2.3)
Expected credit losses	-	(1.5)	-	(1.5)	-	(1.5)
Other operating income	0.2	0.0	-	0.2	(0.2)	-
Depreciation and amortization	(11.1)	(5.8)	-	(16.9)	11.1	(5.8)
Share in results from joint ventures	-	-	4.2	4.2	30.7	34.9
Operating income	33.9	18.9	2.4	55.2	(3.2)	52.0
Share in results from associated companies	-	-	0.9	0.9	-	0.9
Interest expense	(1.5)	-	(19.2)	(20.7)	1.5	(19.2)
Other financial items, net	0.9	(1.9)	14.6	13.6	(0.9)	12.7
Income tax benefit/(expense)	(2.6)	(0.1)	(0.3)	(3.0)	2.6	(0.4)
Net income/(loss)	30.7	16.9	(1.6)	46.0	-	46.0
Three months ended*						
September, 30 2024						
(In \$ millions)	Seagems (50% share)	Fontis	Other	Total reporting Segments	Reconciling Items	Consol. Total
Contract revenues	47.0	63.1	-	110.1	(47.0)	63.1
Amortization of favorable contracts	-	(7.6)	-	(7.6)	-	(7.6)
Tax on revenues	(2.3)	-	-	(2.3)	2.3	-
Operating revenues	44.7	55.5	-	100.2	(44.7)	55.5
Rig / Vessel operating expenses	(16.9)	(23.2)	-	(40.1)	16.9	(23.2)
General and administrative exp.	(3.0)	(1.2)	(0.7)	(4.9)	3.0	(1.9)
Expected credit losses	-	-	-	-	-	-
Other operating expenses	(0.1)	-	-	(0.1)	0.1	-
Depreciation and amortization	(10.5)	(4.5)	-	(15.0)	10.5	(4.5)
Share in results from joint ventures	-	-	1.9	1.9	13.2	15.1
Operating income	14.2	26.6	1.2	42.0	(1.0)	41.0
Share in results from associated companies	-	-	0.8	0.8	-	0.8
Interest expense	(0.5)	-	(21.1)	(21.6)	0.5	(21.1)
Other financial items, net	(0.4)	(8.9)	(22.3)	(31.6)	0.4	(31.2)
Income tax benefit/(expense)	(0.1)	(4.3)	-	(4.4)	0.1	(4.3)
Net income/(loss)	13.2	13.4	(41.4)	(14.8)	-	(14.8)

Note 3 - Segments (continued)

	Nine months ended					
	September 30, 2025					
	Seagems (50% share)	Fontis	Other	Total reporting Segments	Reconciling Items	Consol. Total
<i>(In \$ millions)</i>						
Contract revenues	191.5	145.2	-	336.7	(191.5)	145.2
Amortization of favorable contracts	-	(25.1)	-	(25.1)	-	(25.1)
Tax on revenues	(9.2)	-	-	(9.2)	9.2	-
Operating revenues	182.3	120.1	-	302.4	(182.3)	120.1
Rig / Vessel operating expenses	(54.5)	(63.4)	-	(117.9)	54.5	(63.4)
General and administrative exp.	(9.8)	(1.8)	(6.0)	(17.6)	9.8	(7.8)
Expected credit losses	-	(1.9)	-	(1.9)	-	(1.9)
Other operating income	0.2	4.9	-	5.1	(0.2)	4.9
Depreciation and amortization	(32.2)	(16.7)	-	(48.9)	32.2	(16.7)
Share in results from joint ventures	-	-	12.3	12.3	75.2	87.5
Operating income	86.0	41.2	6.3	133.5	(10.8)	122.7
Share in results from associated companies	-	-	(6.1)	(6.1)	-	(6.1)
Interest expense	(3.4)	-	(57.3)	(60.7)	3.4	(57.3)
Other financial items, net	1.8	(15.5)	16.2	2.5	(1.8)	0.7
Income tax benefit/(expense)	(9.2)	(4.9)	(0.3)	(14.4)	9.2	(5.2)
Net income/(loss)	75.2	20.8	(41.2)	54.8	-	54.8

	Nine months ended*					
	September 30, 2024					
	Seagems (50% share)	Fontis	Other	Total reporting Segments	Reconciling Items	Consol. Total
<i>(In \$ millions)</i>						
Contract revenues	152.3	190.3	-	342.6	(152.3)	190.3
Amortization of favorable contracts	-	(23.0)	-	(23.0)	-	(23.0)
Tax on revenues	(9.1)	-	-	(9.1)	9.1	-
Operating revenues	143.2	167.3	-	310.5	(143.2)	167.3
Rig / Vessel operating expenses	(54.0)	(70.2)	-	(124.2)	54.0	(70.2)
General and administrative exp.	(9.2)	(3.8)	(7.7)	(20.7)	9.2	(11.5)
Expected credit losses	-	1.7	-	1.7	-	1.7
Other operating expenses	(0.2)	-	-	(0.2)	0.2	-
Depreciation and amortization	(31.2)	(13.8)	-	(45.0)	31.2	(13.8)
Share in results from joint ventures	-	-	6.1	6.1	50.1	56.2
Operating income	48.6	81.2	(1.6)	128.2	1.5	129.7
Share in results from associated companies	-	-	(1.4)	(1.4)	-	(1.4)
Interest expense	(1.6)	-	(64.2)	(65.8)	1.6	(64.2)
Other financial items, net	3.8	(0.6)	(22.1)	(18.9)	(3.8)	(22.7)
Income tax benefit/(expense)	(0.7)	(12.4)	-	(13.1)	0.7	(12.4)
Net income/(loss)	50.1	68.2	(89.3)	29.0	-	29.0

	September 30, 2025					
	Seagems (50% share)	Fontis	Other	Total reporting Segments	Reconciling Items	Consol. Total
	<i>(In \$ millions)</i>					
Cash and cash equivalents	26.1	13.6	104.4	144.1	(26.1)	118.0
Property, plant and equipment	585.0	251.8	-	836.8	(585.0)	251.8
Capital Expenditures	17.3	9.3	-	26.6	(17.3)	9.3
Equity method investments	-	-	-	-	302.3	302.3
Total assets	675.2	584.2	108.2	1,367.6	(675.2)	692.4
Long-term interest-bearing debt, net	88.1	-	699.6	787.7	(88.1)	699.6

	December 31, 2024					
	Seagems (50% share)	Fontis	Other	Total reporting Segments	Reconciling Items	Consol. Total
	<i>(In \$ millions)</i>					
Cash and cash equivalent	12.4	21.5	64.9	98.8	(12.4)	86.4
Property, plant and equipment	629.5	259.0	-	888.5	(629.5)	259.0
Capital Expenditures	15.5	16.4	-	31.9	(15.5)	16.4
Equity method investments	-	-	45.7	45.7	312.5	358.2
Total assets	674.5	668.4	426.3	1,769.2	(674.5)	1,094.7
Long-term interest-bearing debt, net	60.5	-	692.5	753.0	(60.5)	692.5

*Presentation of comparative information has been updated in conformity with the 2024 year-end presentation.

Note 4 - Revenue from contracts with customers

In the three and nine months ended September 30, 2025 and 2024 the Company had only one customer with external contract revenues. During the same periods all of our operating drilling units were located in one geographic location, Mexico.

	Three months ended		Nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<i>(In \$ millions)</i>				
Contract revenues	54.8	63.1	145.2	190.3
Amortization of favorable contracts	(8.6)	(7.6)	(25.1)	(23.0)
Operating revenues	46.2	55.5	120.1	167.3

The following tables provide information about trade receivables:

	September 30, 2025	December 31, 2024
<i>(In \$ millions)</i>		
Account receivables	293.1	346.9
Less: Allowance for credit losses	(9.2)	(7.3)
Account receivables, net	283.9	339.6

The following tables provide information about favorable contracts related to our contracts with customers:

	September 30, 2025	December 31, 2024
<i>(In \$ millions)</i>		
Favorable contracts	171.9	171.9
Less: Accumulated amortization	(159.1)	(134.0)
Favorable contracts, net	12.8	37.9
<i>Of which:</i>		
Favorable contracts - current	12.8	28.9
Favorable contracts - non-current	-	9.0

Changes in the favorable contract asset during the period are as follows:

Balance as of January 1, 2025	37.9
Amortization of favorable contracts	(25.1)
Balance as of September 30, 2025	12.8

The amortization is recognized in the condensed consolidated statement of operations as an adjustment to revenue of favorable contracts. The average remaining amortization period for the favorable contracts is 5 months, as of September 30, 2025.

Outstanding receivables in Mexico

In August 2025, the Mexican government publicly introduced a comprehensive financial support plan with the aim to make Fontis' client financially self-sufficient by 2027. Key elements of the plan include the settlement of overdue supplier payments, debt reduction initiatives, and a long-term increase in national oil production from approximately 1.6 to 1.8 million barrels per day. As part of this initiative, approximately \$25 billion in new government guaranteed funding has reportedly been secured by the client in Mexico, including proceeds partially earmarked for capital expenditures and supplier debt settlements.

As of the end of Q3 2025, the notional value of accounts receivable was \$293 million (\$232 million as of Q2 2025). In October-November, Fontis received payment of approximately \$96 million in total towards overdue invoices from its client in Mexico, with payments made via a Mexican government investment fund. Including these receipts, the Company has collected approximately \$309 million, so far in 2025.

The Company continues to actively pursue the collection of its remaining outstanding receivables and remains committed to recovering the full amounts due, consistent with its past practice. While the Company recognizes that the timing of collections may continue to fluctuate, recent payments and ongoing government support initiatives provide greater confidence that the payment cycle is normalizing.

Note 5 - Taxation and provisions for uncertain tax positions

Income tax expense mainly relates to current tax provision, withholding taxes and movements in provision for uncertain tax positions ("UTP") in Mexico.

Uncertain Tax Positions in Mexico ("UTP")

As disclosed in the latest annual report, the Group is currently undergoing audits by the Mexican tax authorities ("SAT") in respect of fiscal years 2014, 2018, 2019 and 2020. During 2025, the tax liabilities relating to 2014 Titania FE rig operating entity were resolved and settled for approximately \$3.5 million. In 2024, the tax liabilities relating to 2017 tax audit were resolved and settled for approximately \$13 million. The UTP estimate, including for those accounting years that are currently not subject to audit, is based on the information available at the time to the best of management's assessment of all relevant available information including the tax audits that have been finalized.

The provision for UTP as of Q3 2025 was \$65.3 million (year-end 2024: \$64 million), of which \$17.9 million (year-end 2024: \$2.7 million) is presented under "Other-current liabilities" and \$47.3 million (year-end 2024: \$61.3 million) in "Other non-current liabilities" on the balance sheet. Included in the provision for UTP is accrued interest and penalties totaling \$22.9 million (year-end 2024: \$21.1 million). The movement in the UTP provision during nine months ended 2025 was mainly driven by fluctuations in foreign currency rates (included in "Other financial items"), settlements made, inflation adjustments and accruals for interest and other (included in "Income tax expense").

Note 6 - Cash and cash equivalents

<i>(In \$ millions)</i>	September 30, 2025	December 31, 2024
Cash and cash equivalents, non-restricted	103.7	75.3
Cash and cash equivalents, restricted	14.3	11.1
Total cash and cash equivalents	118.0	86.4

Restricted cash represents cash collateral supporting performance guarantees issued to a large national oil company in Mexico.

Note 7 - Other current assets

Other current assets consist of the following:

<i>(In \$ millions)</i>	September 30, 2025	December 31, 2024
VAT asset	8.4	-
Taxes receivable	9.7	8.9
Prepaid expenses	2.0	1.1
Total other current assets	20.1	10.0

Note 8 - Other current liabilities

Other current liabilities consist of the following:

<i>(In \$ millions)</i>	September 30, 2025	December 31, 2024
VAT liability	-	21.2
Taxes payable	22.3	21.5
Employee withheld taxes and social security	2.1	2.7
Other current liabilities	12.5	16.4
Uncertain tax positions (UTP) provision	17.9	2.7
Accrued interest on senior secured notes	12.4	0.5
Total other current liabilities	67.2	65.0

Note 9 - Fair values of financial instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy prescribed by US GAAP requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

There are three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices for identical instruments in active markets

Level 2: Quoted market prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets

Level 3: Valuations derived from valuation techniques in which one or more significant inputs or significant inputs or significant value drivers are unobservable.

For the majority of our financial instruments, the carrying value approximates their fair value due to the relatively short maturities. In circumstances where payments are delayed the fair value could differ for time value of money. For other financial instruments, a comparison of fair value and carrying value is as follows:

<i>(In \$ millions)</i>		September 30, 2025		December 31, 2024	
Assets	Level	Fair value	Carrying value	Fair value	Carrying value
Related party loans receivables – Seagems loans receivables	2	3.0	3.3	3.0	3.3
Liabilities					
2026 Senior secured notes*	1	215.7	210.6	215.4	203.2
2029 Senior secured notes*	1	501.3	489.0	488.2	489.3

* These instruments are at a fixed interest rate

The carrying value of cash and cash equivalents, restricted cash, accounts receivable, related party payables and accounts payable are by their nature short-term. As a result, the carrying values included in the Condensed Consolidated Balance Sheets approximate fair value. These assets and liabilities are categorized as Level 1 on the fair value measurement hierarchy.

Related party loans receivables - Seagems loans receivable

We estimate the fair value of the related party loans receivable from Seagems to be equal to the carrying value after adjusting for expected credit losses. The debt is not freely tradeable and cannot be recalled by us at prices other than specified in the loan note agreements. The loans were entered into at market rates. The loans are categorized as Level 2 on the fair value hierarchy.

\$620m of Senior secured notes ("2026 Notes")

The fair value of the senior secured notes were derived using market traded value, and as such, we have categorized this at Level 1 on the fair value measurement hierarchy. Refer to Note 11 – Debt for further information.

\$500m Senior secured bonds ("2029 Bonds")

The fair value of the senior secured bonds were derived using market traded value, and as such, we have categorized this at Level 1 on the fair value measurement hierarchy. Refer to Note 11 – Debt for further information.

Note 10 - Equity method investments

Our equity method investments as of September 30, 2025 and December 31, 2024 are comprised as follows:

	September 30, 2025	December 31, 2024
Ownership percentage		
Seagems	50.0 %	50.0 %
Archer	0.0 %	23.8 %

Sale of Paratus' ownership in Archer

On September 25, 2025, the Company sold its entire holding of 21,583,826 shares in Archer Limited at NOK 22.50 per share, receiving net cash proceeds of approximately \$48.1 million.

Prior to the sale, the investment was accounted for under the equity method with a carrying amount of \$43.1 million which was reduced by \$8.5 million reclassified from Other Comprehensive Income ("OCI") to the carrying amount. The investment was derecognized upon completion of the sale, and the Company recognized a gain of \$13.4 million, presented within "Gain on sale of financial assets" in the Consolidated Statement of Operations. The net proceeds are reflected within investing activities in the Consolidated Statement of Cash Flows.

The tables below set forth the results of these entities, and our share in the results of these equity method investments:

	Seagems*			
	Three months ended		Nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<i>(In \$ millions, except ownership percentage)</i>				
Operating revenues	138.5	89.3	364.5	286.4
Operating income	68.0	28.4	172.1	97.2
Net income	61.4	26.4	150.5	100.1
Company's ownership percentage	50.0 %	50.0 %	50.0 %	50.0 %
Share of net income	30.7	13.2	75.2	50.1
Amortization of basis differences	4.2	1.9	12.3	6.1
Share in results of Seagems	34.9	15.1	87.5	56.2

	Archer			
	Three months ended		Nine months ended	
	September 25, 2025	September 30, 2024	September 25, 2025	September 30, 2024
<i>(In \$ millions, except ownership percentage)</i>				
Operating revenues	339.3	283.5	1,030.8	809.0
Operating income	21.8	19.8	60.1	53.2
Net income / (loss)	3.4	2.9	(25.4)	(6.9)
PES ownership percentage	23.8 %	24.2 %	23.8 %	24.2 %
Share of net income/(loss)	0.8	0.7	(6.0)	(1.7)
Amortization of basis differences	0.1	0.1	(0.1)	0.3
Share in results of Archer	0.9	0.8	(6.1)	(1.4)

The summarized balance sheets of our equity method investments and our share of recorded equity in these entities is as follows:

	Seagems*		Archer	
	September 30, 2025	December 31, 2024	September 30, 2025	December 31, 2024
	<i>(In \$ millions, except ownership percentage)</i>			
Current assets	242.4	197.6	-	404.1
Non-current assets	1,179.0	1,208.4	-	596.5
Current liabilities	(171.2)	(158.3)	-	(338.2)
Non-current liabilities	(151.0)	(115.3)	-	(437.2)
Non-controlling interest	-	-	-	(15.4)
Net Assets (gross, 100%)	1,099.2	1,132.4	-	209.8
Company's ownership percentage	50.0 %	50.0 %	-	23.8 %
Company's share of book equity	549.6	566.2	-	50.7
Shareholder loans held as equity	0.9	0.9	-	-
Basis difference	(248.2)	(254.6)	-	(5.0)
Carrying amount equity method investments	302.3	312.5	-	45.7

*Presentation of comparative information has been updated to show amounts after elimination of intercompany transactions and balances between JV entities.

Note 11 - Interest-bearing debt

As of September 30, 2025 and December 31, 2024 the carrying value of our debt, all long-term, was comprised as follows:

	Interest Rate	Maturity Date	Carrying Amount	
			September 30, 2025	December 31, 2024
<i>(In \$ millions)</i>				
2026 Senior secured notes plus PIK interest	9.00%	15/07/2026	215.4	215.4
2029 Senior secured bonds	9.50%	27/06/2029	500.0	500.0
Total interest-bearing debt			715.4	715.4
Less: Unamortized discount and debt issuance costs			(15.8)	(22.9)
Total interest-bearing debt, net			699.6	692.5
Less: Current portion, net			-	-
Long-term interest-bearing debt, net			699.6	692.5

The key terms relating to our debt in the year ended September 30, 2025 and year ended December 31, 2024 are explained below.

2026 Senior secured notes ("2026 Notes")

Senior secured notes were issued on January 20, 2022 and are due July 15, 2026. In July 2024, the proceeds from the \$500 million bond issue described below ("2029 Bonds") were used to partially refinance the 2026 Notes. As a result, the remaining principal amount under the 2026 Notes was \$215 million as at September 30, 2025 (December 31, 2024: \$215 million). The carrying amount of the 2026 Notes is presented net of unamortized discount and debt issuance costs.

As of the date of this report, the Company has senior secured notes totaling \$215.5 million in aggregate principal amount maturing within the next 12 months. The Company is actively evaluating strategic options to address this upcoming maturity and has initiated discussions with various financial institutions to explore potential refinancing solutions. While no binding agreements have been executed as of the reporting date, the Company intends to redeem or refinance, or a combination thereof, the 2026 Notes prior to maturity. Subsequent to Q3 2025, the Company repurchased \$17.6 million in principal amount of its 2026 Notes. Management remains confident in the Company's ability to secure the necessary financing to meet its upcoming obligations and to maintain financial flexibility.

2029 Senior Secured Bonds ("2029 Notes")

Secured bonds were issued on June 27, 2024 and are due June 27, 2029. As at September 30, 2025, the outstanding principal amount is \$500 million (December 31, 2024: \$500 million). The carrying amount of the 2029 Bonds are presented net of unamortized discount and debt issuance costs.

Interest expense is comprised of the following:

	Three months ended		Nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<i>(In \$ millions)</i>				
Loan interest expense	16.8	18.2	50.2	50.4
Amortization of debt discount	2.4	2.9	7.1	13.8
Interest expense	19.2	21.1	57.3	64.2

Note 12 - Share Capital

Paratus, has issued a total of 169,550,049 Class A common shares at par value of US \$0.00002 each at September 30, 2025 and December 31, 2024.

	September 30, 2025	December 31, 2024
Class A ordinary shares in issue	169,550,049	169,550,049
Treasury shares	(6,815,000)	-
Total shares outstanding	162,735,049	169,550,049

Note 13 - Earnings per Share (EPS)

The computation of basic income/(loss) per share ("EPS") is based on the weighted average number of shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net income/(loss) by the weighted average number of shares outstanding during the period, plus the weighted average number of ordinary shares that would be outstanding if all the dilutive potential ordinary shares were issued. Anti-dilutive options granted to employees totaling 580,000 shares were excluded from the computation of diluted EPS. Dilutive options totaling 125,000 shares are considered in deriving diluted earnings per share.

The following reflects the net income/(loss) and share data used in the earnings per share calculation:

	Three months ended		Nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<i>(in \$ million, except share and per share amounts)</i>				
Net income/(loss)	46.0	(14.8)	54.8	29.0
Weighted average numbers of shares outs. (basic)	162,735,049	169,371,516	164,578,540	159,451,229
Weighted average numbers of shares outs. (diluted)	162,737,919	169,371,516	164,581,410	159,451,229
Earnings per share:				
Basic	0.28	(0.09)	0.33	0.18
Diluted	0.28	(0.09)	0.33	0.18

Note 14 - Subsequent events

Cash distribution to shareholders

On November 25, 2025, the Company announced that the Board of Directors has approved a cash distribution of \$0.22 per share for Q3 2025, to all shareholders of record as of 3 December 2025. The cash dividend will be paid on 16 December 2025.

Receipt of payment in Mexico

In October and November 2025, the Company announced that Fontis received approximately \$96 million in total in payments towards overdue invoices from its client in Mexico. These collections represents payments made from the fund established by the Mexican government to support investment projects and ensure timely payments to suppliers from Fontis' client.

Partial repurchase of 2026 Notes

On November 18, 2025, the Company repurchased \$17.6 million in principal amount of its 2026 Notes pursuant to a tender offer completed after quarter-end. Following the transaction, the remaining outstanding balance in principal amount of the 2026 Notes was \$197.9 million.

Alternative Performance Measures

The Company discloses certain alternative performance measures ("APM") as a supplement to the consolidated financial statement prepared in accordance with US GAAP. These measures provide additional insight into the Group's operating performance, financing, and future prospects, often used by analysts, investors, and other stakeholders.

Other companies may not calculate the APMs in the same manner, and, as a result, the presentation thereof may not be fully comparable to measures used by other companies under the same or similar titles. Accordingly, undue reliance should not be placed on the APMs contained below and should not be considered as a substitute for revenue or other financial metrics.

	Three months ended		Nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<i>(In \$ millions)</i>				
Calculation of adjusted EBITDA				
Net income/(loss)	46.0	(14.8)	54.8	29.0
Add back: Income tax expense	0.4	4.3	5.2	12.4
Add back: Net financial expense	5.6	51.5	62.7	88.3
Deduct: Share in results from joint ventures and associates	(34.9)	(15.1)	(87.5)	(56.2)
Add back: Expected credit losses	1.5	-	1.9	(1.7)
Deduct: Other operating income	-	-	(4.9)	-
Add back: Depreciation and amortization	5.8	4.5	16.7	13.8
Add back: Amortization of favorable contracts	8.6	7.6	25.1	23.0
Adjusted EBITDA (consolidated)	33.0	38.0	74.0	108.6
Net income - 50% of Seagems	30.7	13.2	75.2	50.1
Add back: Income tax expense	2.6	0.1	9.2	0.7
Add back: Net financial expense	0.6	0.9	1.6	(2.2)
Add back: Depreciation and amortization	11.1	10.5	32.2	31.2
Add back: Other operating expenses	(0.2)	0.1	(0.2)	0.2
Adjusted EBITDA (50% Seagems)	44.8	24.8	118.0	80.0
Combined Segment EBITDA	77.8	62.8	192.0	188.6

	September 30, 2025	December 31 2024
<i>(In \$ millions)</i>		
Net debt		
Interest-bearing debt (notional amount)	715.4	715.4
<i>Paratus</i>	715.4	715.4
Less: Cash and cash equivalents	118.0	86.4
<i>Paratus</i>	104.4	64.9
<i>Fontis</i>	13.6	21.5
Less: Market value Archer shares*	-	49.4
<i>Paratus</i>	-	49.4
Net debt	597.4	579.6
50% of Seagems interest-bearing debt (notional amount)	88.1	60.5
Less: 50% of Seagems cash and cash equivalents	26.1	12.4
50% of Seagems net debt	62.0	48.1
Net debt (as per management reporting)	659.4	627.7
Net Leverage Ratio		
Net debt (as per management reporting)	659.4	627.7
Combined Segment EBITDA (LTM)**	255.0	251.6
Net Leverage Ratio	2.6	2.5

* Trading venue: Euronext Oslo Børs (ticker: ARCH).

** Last Twelve Months ("LTM")

Alternative Performance Measures (continued)

Definitions and explanations of APMs

EBITDA is an abbreviation of "Earnings Before Interest, Income taxes, Depreciation and Amortization" and represents net income/(loss) before net interest expense, income taxes, depreciation and amortization.

Adjusted EBITDA, as applied by the Company, represents EBITDA excluding certain non-cash items such as expected credit gains/(losses), impairment charges, amortization of favorable contracts, and other items that the Company believes are not indicative of ongoing performance of its core operations. The Company presents this APM as it provides useful supplemental information about the financial performance of its business, enables comparison of financial results between periods where certain items may vary independent of business performance, and allows for greater transparency with respect to key metrics used by management in operating our business and measuring our performance. Further, it may provide comparability to similarly titled measures of other companies.

Net debt as defined under the bond indenture agreement, is interest-bearing debt (notional) including the Company's share in Seagems interest-bearing debt (notional) less total cash and cash equivalents including the Company's share in Seagems cash and cash equivalents, and the market value of marketable securities (the Company's ownership in Archer). The Company presents this APM as it is a useful indicator of the Group's net interest-bearing indebtedness as it indicates the level of borrowings after taking into account cash that could be utilized to pay down outstanding borrowings.

Net Leverage Ratio is defined as the ratio of Net debt to adjusted EBITDA. The Company presents this APM as it is a useful indicator of the Group's financial leverage, as it measures the level of net debt relative to adjusted EBITDA, providing insight into the Company's ability to service its debt obligations.

Management reporting represents the Company's internal financial and operational performance assessment. In this context, Seagems' financial results are presented using proportional consolidation of accounting. However, in our financial reporting under US GAAP, Seagems' financial results are reported using the equity method, presented under "Share in results from joint ventures." Additionally, in management reporting, operating revenues reflect contract revenues before amortization of favorable contracts for Fontis and exclude revenue taxes for Seagems.

Additionally, the Company uses other performance indicators that are not considered to be an APM, but is important for assessing the Group's performance:

Contract backlog represents the sum of estimated undiscounted revenue related to secured contracts. Contract backlog may be subject to price indexation clauses or other factors that may intervene with and/or result in delays in revenue realization, and it does not include potential growth or value of non-declared options within existing contracts.

Technical utilization is based on actual operating days versus actual available days excluding days at yard for periodical maintenance, upgrading, transit or idle time between contracts.