Interim report
Second quarter and first half 2025

The Floatel International Group (“the Group”) was established in 2006 to satisfy market demand for a new generation of offshore flotels. The vision of the Group is to own and operate a modern, safe, and reliable flotel fleet. Since 2021, the Group has its head office and the parent company its principal place of business in Norway.

Q2 2025

Status update as of reporting date

Floatel Endurance on hire for Cenovus Energy at the White Rose field in Canada. The firm period ends in October 2025.

Floatel Superior working for the Equinor Åsgard project in Norway. The contract has been extended to the end of October 2025.

Floatel Triumph on assignment in Australia for Inpex Ichthys with the firm period ending October 31, 2025.

Floatel Victory is in operation in Brazil providing maintenance and safety unit support for Equinor at the Peregrino FPSO. The assignment ends the latter half of January 2026.

Significant events during the quarter:

- All active units on charter during the entire quarter with 100% utilisation excluding Floatel Reliance compared with 84% last year.
- Changes to the Group's contract portfolio
  - The Equinor Åsgard project in Norway exercised the option so the charter now ends in October 2025.
  - The Equinor charter for Floatel Victory at Peregrino has been extended until the latter half of January 2026
- The sale of Floatel Reliance was completed and the unit has been transferred to the new owner on May 27, 2025.

April – June 2025

- Fleet utilization was 100% and 67% in Q2 2024 including Floatel Reliance.
- Revenues were USD 70.4 million in the quarter (USD 41.8 million in the same period last year).
- Recurring EBITDA was USD 34.2 million (12.1).

January – June 2025

- Fleet utilization was 65% and 48% last year including Floatel Reliance.
- Revenues were USD 91.6 million during the period (USD 58.8 million in the same period last year).
- Recurring EBITDA was USD 30.3 million (5.4).

Position June 30, 2025

- The firm orderbook (excluding options and letters of intent) was approximately USD 341 million as of June 30, 2025, compared with USD 421 million the same date last year.
- Total assets amounted to USD 692 million (699).
- Cash and cash equivalents amounted to USD 36.6 million (34.7) with USD 25 million undrawn on the revolving credit facility .
- Total book equity was USD 296 million (291).

CEO comment

Looking ahead, we have as of today a solid orderbook of approximately USD 534 million including options and letters of intent. The fleet almost fully booked in 2025 and 2026 looks promising with gaps filling up - which positions us well for the future.

Notably, 25% of this backlog is slated for execution in the remaining quarters of 2025 and 40% in 2026. The fleet has limited availability until the second half of 2026, when Floatel Victory is currently available, although several promising leads and tenders are in progress. The North Sea remains the cornerstone of our operations, with commitments extending through to early 2028 .

Peter

Market outlook

The worldwide fleet utilization for purpose built semi-submersible accommodation support units was 67% in Q2 2025. In comparison, Floatel International's utilisation was 100%. The global fleet's 2025 first half-year utilisation was 65%, while the Group's 2025 first half-year utilisation was 65%.

The direct impact of the macroeconomic and geopolitical situation, including the conflicts in Ukraine and the Middle East, has been limited for the Group. Furthermore, energy demand is expected to remain resilient, driving demand for our services. However, the oil price is expected to remain volatile amidst the uncertain economic and geopolitical backdrop. It is too early to determine the impact of recent events, including increased tariffs and the announcements by OPEC to accelerate production increases.

We are seeing increased demand for offshore accommodation services, with our fleet almost fully booked for the remainder of 2025 and only limited spare capacity in 2026, once we secure a charter for Floatel Victory during the autumn of 2026. This outlook is based on both visible and forecasted increases in customer activity, as evidenced by ongoing client discussions and tender activity. This, combined with reduced supply, is likely to result in higher utilisation and rates.

The global semi-submersible accommodation fleet presently comprises twenty-two vessels, including three heavy lift vessels that have recently entered the market segment. It also includes two newbuilt units yet to be delivered, with twenty vessels constructed since 2005. Older vessels are expected to exit the market in the coming years.

Significant events after the end of the reporting period

Floatel Triumph has been awarded a contract offshore Australia for approximately 35 days with an option for the client to extend and the expected commencement date is the fourth quarter 2026.

Floatel Victory has secured a letter of intent with a new client to provide Maintenance and Safety Unit (MSU) services offshore Brazil for 3-6 months starting in the first quarter 2026.

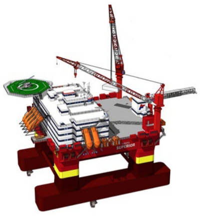
Summary of business activities Q2 2025 and future contracts

Floatel Endurance

Floatel Endurance was on hire for Vår Energi Jotun in Norway until June 24, 2025.

She thereafter transited to Cenovus Energy's West White Rose field in Canada. The charter started early July, and the firm period ends in October 2025 with options for the client to extend until to the end of the year.

Floatel Endurance has two contracts with Aker BP on the Norwegian continental shelf, starting with a six-month charter at the Skarv field in March 2026, followed by the Yggdrasil charter, with a firm period of ten months followed by options until April 2028.



Floatel Superior

Floatel Superior worked for the Equinor Åsgard project in Norway during the quarter. The contract has been extended to the end of October 2025.

The units has a 3-month contract with an undisclosed North Sea client during the summer 2026 ahead of the 10-month charter plus options toward the end of 2027 with AkerBP for the Yggdrasil project in Norway.

Floatel Triumph

Floatel Triumph was on assignment in Australia for Inpex Ichthys during the quarter. The firm period ends in October 2025 with options to the end of the year.

The unit has back-to-back charters in Australia with an undisclosed client for 3-5 months, with an expected commencement date in Q4 2025, and a three-month charter for Shell Prelude . These charters are followed by a 35-day contract plus options with an undisclosed client in Australia in Q4 2026.

Floatel Victory

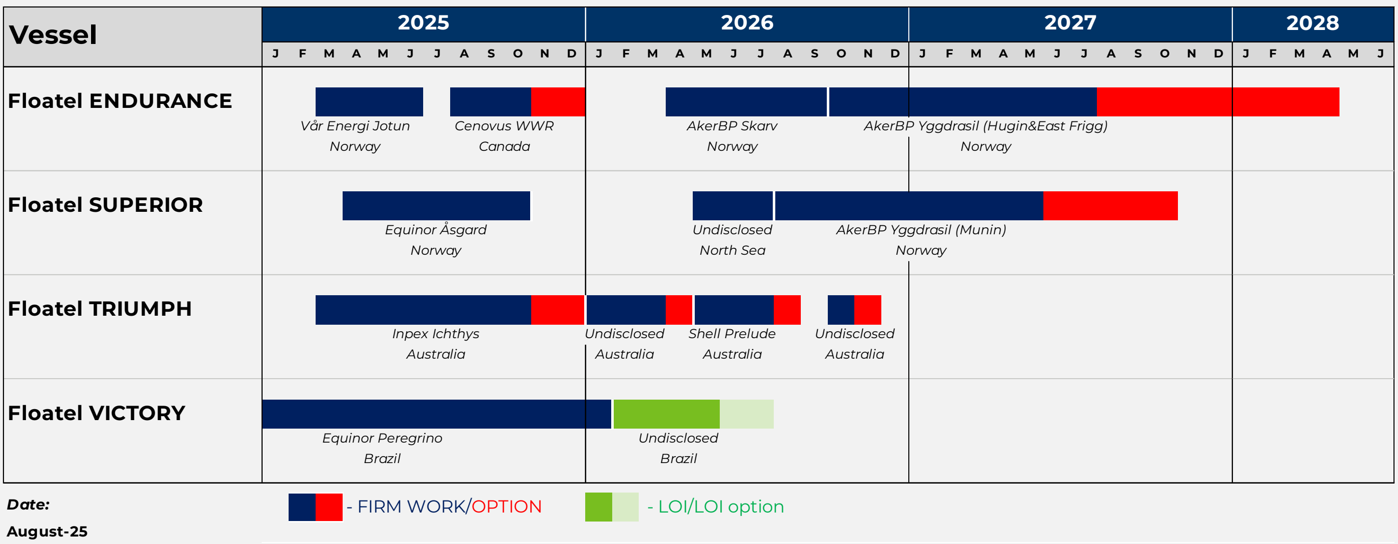
Floatel Victory provided maintenance and safety services at the Equinor Peregrino FPSO offshore Brazil during the quarter.

The Equinor charter at the Peregrino field has been extended until the latter half of January 2026. The unit has secured a letter of intent with a new client to provide Maintenance and Safety Unit (MSU) services offshore Brazil for 3-6 months starting in the first quarter 2026.

Floatel Reliance

The sale of Floatel Reliance was completed May 27, 2025.

FLEET ACTIVITY



Financial development

The 5-year 9.75% USD 350 million senior secured bonds with ISIN NO0013188102 started to trade, January 2, 2025, on Oslo Børs under ticker FLOAT07.

A USD 15 million tap issue priced at 85% of par was placed under the senior secured bonds in February 2025. The proceeds has been used to finance capital expenditures related to the current fleet.

The Company's revolving credit facility has been temporarily increased to USD 33.5 million, with all material terms remaining unchanged.

Floatel Reliance sale was completed May 27, 2025.

Second quarter Revenue and Operating results

All four active units were in operation during the entire quarter resulting in USD 70.4 million consolidated Revenues (USD 41.8 million) with USD 36.2. million (USD 29.7 million) in Operating and Administrative expenses before depreciation, resulting in USD 34.2 million quarterly recurring EBITDA (USD 12.1 million), in-line with expections.

USD 11.8 million (USD 11.2 million) in Depreciation, and USD -0.2 in non-recurring expenses (-0.8 in scrapped assets) included in the Cost of providing services and Administrative expenses, resulting in USD 22.2 million (USD 0.0 million) quarterly Operating result.

Cash flow from operating activities amounted to USD -11.6 million (USD -8.9 million), and Cash flow from investing activities (Capex and sale of assets) amounted to USD 4.4 million (USD -6.1 million), resulted in USD -7.2 million Net cash flow from operations (USD -15.0 million).

Net Finance income and costs were USD -10.4 million (USD -23.9 million) in the quarter. The net result for the quarter was USD 11.8 million (USD -24.2 million).

First half-year Revenue and Operating results

USD 91.6 million (USD 58.8 million) in consolidated Revenues and recurring EBITDA of USD 30.3 million (USD 5.4 million).

Depreciation of USD 23.4 million (USD 22.0 million), and USD 0.7 in non-recurring expenses (-0.8 in scrapped asses) included in the Cost of providing services and Administrative expenses, resulted in USD 7.7 million Operating result (USD -17.5 million).

Cash flow from operating activities amounted to USD -13.7 million (USD -3.6 million), and Cash flow from investing activities (Capex and sale of assets) amounted to USD -0.6 million (USD -23.6 million), resulted in USD -14.4 million Net cash flow from operations (USD -27.2 million).

Net Finance income and costs in the period were USD -19.7 million (USD -30.6 million), including the refinancing effects in April 2024. The net result for the first half year was USD -12.7 million (USD -48.5 million).

Financial position as of June 30, 2025

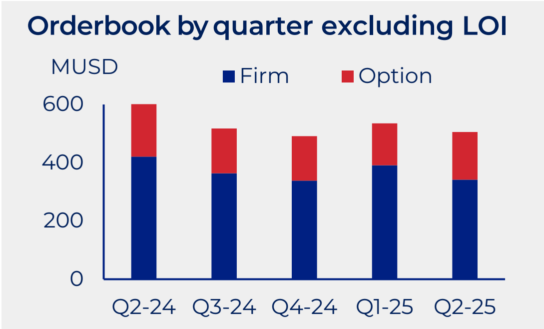
Based on committed work at the end of the reported period, the current order book was approximately USD 341 million (USD 421 million), excluding options and letters of intent.

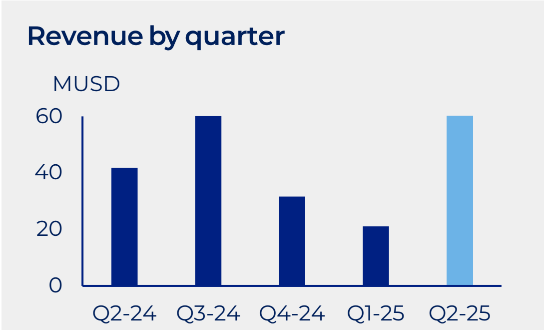
Total assets were USD 692 million as of June 30, 2025 (USD 699 million), total non-current assets were USD 559 million (USD 578 million), and Net working capital totalled USD 44.2 million (USD 15.3 million).

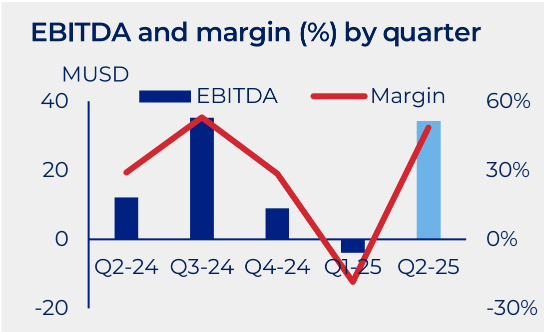
The Group's Cash and cash equivalents totalled USD 36.6 million (USD 34.7 million) with USD 25 million of the revolving credit facility undrawn at the end of the period. Total equity at the end of the period was USD 296 million (USD 291 million).

USD 339 million in interest-bearing debt as of June 30, 2025 (USD 332 million), of which USD 30.4 million (USD 30 million) reported as the current portion. USD 19.4 million in unamortised original issue discount ("OID") and prepaid borrowing expenses (21.5) are included and reduce the interest-bearing debt amount. These expenses are amortised over the life of the facilities. The Net interest-bearing debt totalled USD 303 million (USD 297 million).

The Group complies with all its financial covenants as of June 30, 2025, and on the reporting date.







Condensed consolidated income statement

Figures in USD thousands	Notes	Q2 2025	Q2 2024	YTD 2025	YTD 2024	2024
Revenue	5	70 423	41 790	91 565	58 758	156 867
Cost of providing services*	4,7	-41 665	-36 165	-72 743	-66 965	-118 059
Gross result		**28 758**	**5 625**	**18 822**	**-8 207**	**38 808**
Administrative expenses *	4,7	-5 763	-5 422	-9 974	-9 684	-18 693
Other gains/losses	4	-803	-208	-1 169	387	47
Operating result	**4**	**22 192**	**-5**	**7 679**	**-17 504**	**20 162**
Finance income	6	288	475	1 123	1 188	1 958
Finance cost	6	-10 393	-24 376	-20 829	-31 571	-51 919
Finance income and costs - net	**6**	**-10 105**	**-23 901**	**-19 706**	**-30 383**	**-49 961**
Result before income taxes		**12 087**	**-23 906**	**-12 027**	**-47 887**	**-29 799**
Income tax expense		-281	-341	-690	-626	-1 248
Result attributable to owners of Floatel International Ltd		**11 806**	**-24 247**	**-12 717**	**-48 513**	**-31 047**
Earnings per share, basic (USD)		0	neg.	neg.	neg.	neg.
Earnings per share, diluted (USD)		0	neg.	neg.	neg.	neg.

** Includes effects related to non-recurring items, see note 4*

Condensed consolidated statement of comprehensive income

Figures in USD thousands	Q2 2025	Q2 2024	YTD 2025	YTD 2024	2024
Net result	**11 806**	**-24 247**	**-12 717**	**-48 513**	**-31 047**
Items that are/may be reclassified as profit/loss					
Foreign currency translation - foreign operations	518	-19	1 336	-594	-1 090
Other comprehensive income	**518**	**-19**	**1 336**	**-594**	**-1 090**
Total comprehensive income	**12 324**	**-24 266**	**-11 381**	**-49 107**	**-32 137**

Condensed consolidated statement of financial position

Figures in USD thousands	Notes	30-Jun-2025	30-Jun-2024	31-Dec-2024
Assets				
Non-current assets				
Property, plant and equipment	7.1	549 453	570 313	562 790
Right-of-use assets		637	869	693
Intangible assets	7.2	2 521	2 006	1 954
Financial assets	12	5 911	4 519	5 071
Total non-current assets		**558 522**	**577 707**	**570 508**
Current assets				
Inventory		25 623	27 016	25 493
Trade receivables		34 078	20 144	15 749
Income tax receivables		2 868	1 295	2 560
Other current receivables		34 240	38 121	19 902
Asset held for sale		-	-	9 032
Cash and cash equivalents		36 615	34 730	45 365
Total current assets		**133 424**	**121 306**	**118 101**
Total assets		**691 946**	**699 013**	**688 609**
Equity and liabilities				
Equity				
Share capital		2 144	2 144	2 144
Additional paid in capital		348 102	348 102	348 102
Other reserves		1 410	570	74
Retained earnings incl. Result of the year		- 55 469	- 60 218	- 42 752
Total equity		**296 187**	**290 598**	**307 568**
Liabilities				
Non-current liabilities				
Interest-bearing debt	8	309 081	301 512	300 469
Other long term liabilities		304	685	659
Provisions	9	4 361	3 169	3 160
Total non-current liabilities		**313 746**	**305 366**	**304 288**
Current liabilities				
Trade payables		15 472	16 815	8 199
Current portion of interest-bearing debt	8	30 000	30 000	30 000
Tax liabilities		1 884	3 088	2 386
Other current liabilities		34 657	53 146	36 168
Total current liabilities		**82 013**	**103 049**	**76 753**
Total equity and liabilities		**691 946**	**699 013**	**688 609**

Condensed consolidated statement of cash flows

Figures in USD thousands	Q2 2025	Q2 2024	YTD 2025	YTD 2024	2024
Cash flow from operating					
Operating result	22 192	-5	7 679	-17 504	20 162
Interest received	-255	476	724	1 188	1 958
Interest paid	-17 508	-1 683	-17 508	-10 527	-27 682
Income tax paid	-283	-176	-1 398	-864	-3 552
Adjustment for depreciation and	11 806	11 235	23 363	22 026	25 780
Adjustments for other non-cash related	223	3 361	-3 301	4 105	3 734
Total cash flow from operations before changes in working capital	**16 175**	**13 208**	**9 559**	**-1 576**	**20 400**
Changes in inventories	-578	2 282	152	1 519	-718
Changes in trade receivables	-24 366	-10 567	-18 329	-744	3 651
Changes in trade payables	2 419	1 381	7 273	6 895	-1 721
Other changes in working capital	-5 291	-15 162	-12 395	-9 678	1 709
Cash flow from operating activities	**-11 641**	**-8 858**	**-13 740**	**-3 584**	**23 321**
Cash flow from investing activities					
Income sold assets	9 817	-	9 817	-	-
Payments for property, plant and	-5 417	-6 127	-10 432	-23 574	-28 629
Cash flow from investing activities	**4 400**	**-6 127**	**-615**	**-23 574**	**-28 629**
Net cash flow from operations	**-7 241**	**-14 985**	**-14 355**	**-27 158**	**-5 308**
Cash flow from financing activities					
Repayment of debt	-15 000	-	-15 000	-	-
Proceeds from debt	-	9 000	21 250	9 000	6 000
Other financial items paid	-224	-10 475	-892	-10 566	-18 659
Net cash flow from financing activities	**-15 224**	**-1 475**	**5 358**	**-1 566**	**-12 659**
Cash flow for the period	**-22 465**	**-16 460**	**-8 997**	**-28 724**	**-17 967**
Cash and cash equivalents, beginning of period	59 098	51 306	45 365	63 476	63 476
Currency effect on cash	-18	-116	247	-22	-144
Cash and cash equivalents, end of Period	**36 615**	**34 730**	**36 615**	**34 730**	**45 365**

Condensed consolidated statement of changes in equity

Figures in USD thousands	Share capital	Additional paid in capital	Other reserves	Retained earnings	Total equity
Equity 2023-12-31	**2 144**	**348 102**	**1 164**	**- 11 705**	**339 705**
Total comprehensive income					
Net result for the period	-	-	-	- 31 047	- 31 047
Other comprehensive income/cost	-	-	- 1 090	-	- 1 090
Equity 2024-12-31	**2 144**	**348 102**	**74**	**- 42 752**	**307 568**
Total comprehensive income					
Net result for the period	-	-	-	- 12 717	- 12 717
Other comprehensive income	-	-	1 336	-	1 336
Equity 2025-06-30	**2 144**	**348 102**	**1 410**	**- 55 469**	**296 187**

Key financials

Figures in USD thousands	Q2 2025	Q2 2024	YTD 2025	YTD 2024	2024
Recurring (adjusted) EBITDA	34 228	12 065	30 327	5 357	49 566
Recurring EBITDA margin	48,6%	28,9%	33,1%	9,1%	31,6%
Equity ratio	42,8%	41,6%	42,8%	41,6%	44,7%
Net Working Capital *	44 187	15 320	44 187	15 320	16 777
Net interest-bearing debt	303 145	297 467	302 841	297 467	285 104
Total number of ordinary shares	107 165 289	107 165 289	107 165 289	107 165 289	107 165 289
Average number of ordinary shares	107 165 289	107 165 289	107 165 289	107 165 289	107 165 289
Average number of ordinary shares	107 165 289	107 165 289	107 165 289	107 165 289	107 165 289

** Income tax receivables/liabilities and assets held for sale are not included in Net working capital*

Notes to the interim report

1. General information

The Floatel International Group ("the Group") was established in 2006. The Group operates a fleet of four modern semi-submersible accommodation and construction support units delivered in 2010, 2013, 2015, and 2016 providing the offshore oil, gas and wind industries with high-quality accommodation, catering, and ancillary services. The parent company, Floatel International Ltd ("the Company"), is an exempted limited liability company incorporated in Bermuda, with its principal place of business in Norway. The office and business address is Dronning Eufemias gate 8, 0191 Oslo, Norway.

2. Basis of presentation

The accompanying condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB), including IAS 34 Interim Financial Reporting. The financial statements are prepared on a going-concern basis.

The direct impact of the macroeconomic and geopolitical situation, including the conflicts in Ukraine and the Middle East, has been limited for the Group. Furthermore, energy demand is expected to remain resilient, driving demand for our services. However, the oil price is expected to remain volatile amidst the uncertain economic and geopolitical backdrop. It is too early to determine the impact of recent events, including increased tariffs and the announcements by OPEC to accelerate production increases.

The Company raised in April 2024 a new USD 350 million senior secured bond issuance maturing in April 2029 securing the long-term financing of the Group. The Company considers the financial position and the liquidity of the Group to be sound. Cash flow from operations, combined with the total available liquidity, is expected to be more than sufficient to finance the Group in the coming years.

These interim financial statements should be read in conjunction with the Company's Audited Consolidated Financial Statements as of December 31, 2024. In the opinion of the Company, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included.

3. Significant accounting policies

The accounting policies adopted in preparing the interim financial statements are consistent with those followed in preparing the Company's Audited Consolidated Financial Statements and accompanying notes for the financial year ending December 31, 2024.

New and updated accounting standards

No IFRS or IFRIC interpretations not yet effective are expected to have a material impact on the Group.

4. Operating result

Figures in USD thousands	Q2 - 2025	Q2 - 2024	YTD 2025	YTD 2024	2024
Revenue	70 423	41 790	91 565	58 758	156 867
Operating expenses	- 29 915	- 24 302	- 50 587	- 44 522	- 89 488
Administrative expenses	- 5 477	- 5 215	- 9 482	- 9 266	- 17 860
Other gains/losses	- 803	- 208	- 1 169	387	47
Recurring (adjusted) EBITDA	**34 228**	**12 065**	**30 327**	**5 357**	**49 566**
Non-recurring effects *	- 230	-	715	-	- 2 789
EBITDA	**33 998**	**12 065**	**31 042**	**5 357**	**46 777**
Depreciation	- 11 806	- 11 235	- 23 363	- 22 026	- 44 912
Impairment for the year	-	-	-	-	- 15 368
Reversal of impairment	-	-	-	-	34 500
Scrapped assets	-	- 835	-	- 835	- 835
Operating result	**22 192**	**- 5**	**7 679**	**- 17 504**	**20 162**

** Non-recurring effects refer to material matters outside the ordinary course business and/or refer to previous financial years such as reversal of old provisions and expenses incurred in connection matters with refered to in note 9. Legal issues / Claims and litigations.*

5. Revenue

Figures in USD thousands	Q2 - 2025	Q2 - 2024	YTD 2025	YTD 2024	2024
Charter revenues	55 606	36 206	71 825	51 112	130 639
Other revenues	-	-	10	30	30
Catering and rechargeble expenses	9 731	3 279	11 768	3 697	12 740
Mobilisation/demobilisation fees	5 086	2 305	7 962	3 919	13 458
Revenues	**70 423**	**41 790**	**91 565**	**58 758**	**156 867**

In the North Sea, operators typically plan their offshore maintenance and modification activities from April to October due to weather, especially for shorter contracts of less than six months, such as planned shutdowns. This circumstance means higher utilisation of the accommodation fleet in the said period.

6. Finance income and cost

Figures in USD thousands	Q2-2025	Q2 - 2024	YTD 2025	YTD 2024	2024
Interest gain	257	475	724	1 188	1 958
Exchange rate difference	31	- 115	399	- 32	- 253
Interest expense	- 9 691	- 12 253	- 19 411	- 19 121	- 37 608
Other financial cost	- 702	- 12 008	- 1 418	- 12 418	- 14 058
Net finance income and cost	**- 10 105**	**- 23 901**	**- 19 706**	**- 30 383**	**- 49 961**

7. Non-current assets

7.1. Property, plant, and equipment

Figures in USD thousands	2025-06-30	2024-06-30	2024-12-31
Opening balance aquisition cost	1 423 860	1 641 515	1 641 515
Purchases during the year	9 605	23 573	28 322
Retirements	-	- 7 159	- 7 013
Reclassifications	-	-	- 238 814
Currency revaluation	243	- 104	- 150
Closing aquisition cost	**1 433 708**	**1 657 825**	**1 423 860**
Opening balance depreciation	- 479 583	- 528 470	- 528 470
Depreciation for the year	- 22 959	- 21 636	- 44 135
Retirements	-	6 326	6 444
Reclassifications	-	-	86 442
Currency revaluation	- 226	93	136
Closing balance depreciation	**- 502 768**	**- 543 687**	**- 479 583**
Opening balance impairment	- 381 487	- 543 825	- 543 825
Impariment for the year	-	-	- 15 368
Reversal of impairment for the year	-	-	34 500
Retirements	-	-	- 267
Reclassifications	-	-	143 473
Closing balance impairment	**- 381 487**	**- 543 825**	**- 381 487**
Net book value end of period	**549 453**	**570 313**	**562 790**

The Company has as of year-end 2024 performed an impairment assessment of the recoverable values of its active fleet in accordance with IFRS based on the value in use (ViU). This is done as a matter of policy also in years, such as 2024, when in all material respects, the combined financial and operational market developments have not resulted in the identification of an impairment risk that triggers an impairment test as of the reporting date. The new assessments resulted in no impairment charges nor further reversals.

Each unit is a cash-generating unit. The main assumptions in the computations are charter rates, utilisation, operating expenses, and capital expenditures.

Utilisation subject to upgrade capital expenditure and related yard stays is estimated to be 70% from 2028. The revenues 2025-2027 are based on current contracts and estimated new agreements reflecting present market conditions for each unit. Operating expenses reflect present levels adjusted for long-term inflation. Capital expenditure is based on a life-cycle asset plan for each unit, which accounts for special periodic surveys, thruster overhauls, expected mid-life upgrades and refurbishments at appropriate intervals, and regular maintenance expenditure.

11.0% discount rate equal to the weighted average cost of capital (WACC), and approximately 2% long-term growth rate (inflation) has been assumed.

Please refer to note 11.1 to the consolidated Financial Statement in the 2024 Annual Report for further information about assumptions.

7.2. Intangible assets

Figures in USD thousands	2025-06-30	2024-06-30	2024-12-31
Opening balance aquisation cost	4 639	4 818	4 818
Purchases during the year	488	-	263
Currency revaluation	771	- 261	- 442
Closing aquisition cost	**5 898**	**4 557**	**4 639**
Opening balance depreciation	- 2 685	- 2 446	- 2 446
Depreciation for the period	- 248	- 240	- 478
Currency revaluation	- 444	135	239
Closing balance depreciation	**- 3 377**	**- 2 551**	**- 2 685**
Net book value end of period	**2 521**	**2 006**	**1 954**

8. Interest-bearing debt

Figures in USD thousands	2025-06-30	2024-06-30	2024-12-31
Senior secured bonds *	337 605	336 602	338 012
Revolving credit facility	8 500	3 000	-
Less prepaid financing fees	- 7 024	- 8 090	- 7 543
Interest-bearing debt	**339 081**	**331 512**	**330 469**

** The accounts are prepared using effective interest for the senior secured bonds where the original issue discount ("OID") being part of the interest expense and the nominal amount being USD 350.0 million (USD 350.0 million).*

Trading of the 5-year 9.75% USD 350 million senior secured bonds with ISIN NO0013188102 maturing April 2029 commenced, January 2, 2025, on Oslo Børs under ticker FLOAT07. A USD 15 million tap issue priced at 85% of par was placed in February 2025. The proceeds from the tap issue was be used to finance capital expenditures related to the current fleet.

The Company's USD 25 million super senior revolving credit facility with a maturity date in December 2027 has been temporarily increased to USD 33.5 million, with all material terms remaining unchanged. USD 25 million of the facility was undrawn at the end of the period and on the reporting date.

The Group complies with its financial covenants for the USD 350 million Senior secured bonds and the revolving credit facility as of June 30, 2025, and on the reporting date, and they are

- Minimum free of USD 20,000,000. Liquidity is defined as the Group's unrestricted cash plus undrawn revolving credit facility commitments.
- Book equity ratio greater than 35%, defined as Total Equity divided by Total Assets.
- Positive working capital, defined as Total Current assets less Total Current liabilities excluding Current portion of interest-bearing debt.

9. Legal issues / Claims and litigations

As a result of the Group's global presence, the individual companies in the Group will, from time to time, be subject to tax investigations and tax audits by tax authorities as well as disputes, litigations, and other legal issues in the ordinary course of business in countries where the Group operates. There are ongoing investigations/legal processes in the Group, and the risks have been individually reported as a contingent liability or provision to the extent required. No cases are deemed material for separate disclosure other than the ones below.

The Norwegian tax authority is conducting a tax investigation regarding employee compensation and benefits. A draft assessment was received in 2023 with the final assessment pending. The accepted amount was paid in the first quarter of 2023. Final assessments regarding transfer pricing audits were received in the fourth quarter 2024. The amounts claimed have been paid. The company does not agree with the assessments and the relevant Group Companies have appealed the assessments to the Norwegian Tax Appeals Board, and the outcomes of the appeals are pending.

In November 2022, a Brazilian court ruled in favour of the plaintiff, a crewing agency, regarding an alleged breach of a contractual non-solicitation provision in 2014 by a Group Company. The ruling has been appealed as there was just cause, in the Company's opinion, for the crew to continue to work on board the unit for another principal after the contract was terminated with the initial crewing agency since the latter had not fulfilled its obligations toward the Group, our client, the employees, or the Brazilian authorities. The Group has appealed to the court of third and final instance with the ruling pending. The plaintiff has requested the first-instance court to rule on the contractual damages amount due even if final decision is pending in the subject matter. In any event, the facts and circumstances in this matter merit, in the Company's opinion, a reduction of the contractual damages. The outcome is uncertain, and the best estimated outcome is provided for in the accounts.

10. Significant events after the end of the reporting period

Floatel Triumph has been awarded a contract offshore Australia for approximately 35 days with an option for the client to extend and the expected commencement date is the fourth quarter 2026.

Floatel Victory has secured a letter of intent with a new client to provide Maintenance and Safety Unit (MSU) services offshore Brazil for 3-6 months starting in the first quarter 2026.

11. Forward-looking statements

This report contains forward-looking statements. These statements are based on various assumptions, including the Company management's examination of historical operating trends. Factors that, in the Company's view, could cause actual results to differ materially from the forward-looking statements contained in this report include but are not limited to the following:

i. The competitive nature of the offshore accommodation service industry.
ii. Oil and gas prices.
iii. Changes in economic conditions or geopolitical situations and events.
iv. Pandemics and force majeure events.
v. Government regulations.
vi. Changes in our clients' spending plans.
vii. Changes in the Group's operating expenses, including crew salaries and repair and maintenance.
viii. Insurance.

12. Related party transactions

Through Kepinvest Holdings Pte Ltd., Keppel Ltd. owns 49.9 % of the Company. During the second quarter 2025, the Group had limited transactions with Keppel Group amounting to less than USD 0.1 million.

The Company subscribed in 2021 for USD 3.3 million in fixed dividend preference shares in Floatel Interessenter AS, Norway, a company controlled by management and thereby a non-controlling investment by the Company. The dividend will be payable as and when approved by Floatel Interessenter's Board of Directors. Floatel Interessenter AS is a 10% shareholder in the Company. This amount is included in the balance sheet under financial investments.

Oslo – August 26, 2025
The Board of Directors of Floatel International Ltd

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