

PRESS RELEASE

Bermuda, 14-April-2020

FLOATEL INTERNATIONAL:

UPDATE REGARDING STANDSTILL AND DISCUSSIONS WITH SECURED FINANCIAL CREDITORS

The Company is the Issuer under the 9 % senior secured USD 400,000,000 1st Lien bonds 2018/2024 with ISIN NO001 0833775 (the "**1L Bonds**") and the 12.75 % USD75,000,000 2nd Lien bonds 2018/2024 with ISIN NO001 0833783 (the "**2L Bonds**" and together with the 1L Bonds, the "**Bonds**"). The Company is also the borrower under a USD 150,000,000 term loan facility (the "**Bank Vessel Facility**") and under revolving credit facilities for an undrawn total amount of USD 100,000,000 (the "**RCFs**", together with the Bonds and the Bank Vessel Facility, the "**Finance Documents**").

The Company is in constructive negotiations with all lenders under the Bank Vessel Facility and the RCFs (the "**Lenders**") and an ad hoc committee of holders of the 1L Bonds holding in aggregate over 56% of the outstanding amount of 1L Bonds (the "**AHC**"). Today the Company entered into a forbearance and deferral agreement with the AHC ("**Forbearance Agreement**") for thirty-five days (subject to the satisfaction of standard conditions) in relation to payments of (i) amortisation, interest and commitment fees due under the Bank Vessel Facility and RCFs in the aggregate amount of USD 17,028,102 and (ii) coupon payments due under the Bonds in the amount of USD 22,781,250 (together, the "**Relevant Payments**"). Negotiations are ongoing with the Lenders to finalise the terms of a deferral agreement in respect of the Bank Vessel Facility and the RCFs (conclusion of which is a condition to ongoing forbearance by the AHC under the Forbearance Agreement) and the Lenders have confirmed in writing that they remain supportive of the Group and do not intend to take any further action at this time.

The Company will not make the Relevant Payments at the present time and the Forbearance Agreement and deferral agreement (to be finalised with the Lenders) will provide all parties with sufficient time to negotiate terms with its stakeholders for a longer-term solution for the Company.

As part of the discussions with the Lenders under the Bank Vessel Facility, the Lenders have blocked certain earnings accounts related to Floatel Endurance (the "**Blocked Accounts**"). However, the Group's vessels and business continue to operate as normal

Attached is a presentation with an update from the Company.

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INFORMATION ABOUT FLOATEL INTERNATIONAL LTD

Floatel International Ltd was established in 2006 to satisfy market demand for a new generation of offshore flotels. The vision of the Company is to own and operate the most modern, safe and reliable flotel fleet in the world.

Floatel International owns and operates five semisubmersible accommodation vessels, all vessel were delivered within the period 2010 to 2016. Two vessels, Floatel Superior and Floatel Endurance are approved to operate in the Norwegian sector and four vessels are approved for the UK sector.

All vessels are equipped with a dynamic positioning system and are built according to the latest HSE requirements providing quality and comfort for the guests onboard. The accommodation capacity of the Floatel fleet ranges from 440 beds to 560 beds. All vessels are furthermore equipped with large deck areas, workshops and crane support able to assist complicated offshore hookup projects and maintenance and modifications of existing offshore facilities.

Floatel has two bond issuances listed on Oslo ABM with ticker code FLOAT02 and FLOAT03.

Floatel International AB is a management company responsible for operational management and construction supervision for and on behalf of the Owner, Floatel International Ltd.

For further information about Floatel International Group, please visit our website: www.floatel.bm

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