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Press Release

5 March 2024

Update on review of strategic and financial options

Petrofac today provides an update with respect to its review of strategic and financial options, further to its announcements on 4 December 2023 and 20 December 2023. This review, which is ongoing, has the objective of materially strengthening the Company's balance sheet, improving short-term liquidity and securing bank guarantees.

Active discussions are progressing with Petrofac's stakeholders including its lending group, comprising both bondholders and lending banks, and other capital providers. Furthermore, as announced on 4 December, Petrofac is making progress in exploring the sale of non-core assets.

Taken together, these actions are being undertaken with the aim of managing the Group's payment obligations, supporting the provision of guarantees and ensuring that Petrofac has the appropriate capital structure and liquidity to support the strength of its backlog and future business prospects.

The provision of performance guarantees and advanced payment guarantees remains a key driver of near term cashflow for the Company, by enabling the receipts of advance payments, releasing cash collateral and reducing future collateral requirements. As previously announced, Petrofac was successful in obtaining the performance guarantees for the first contract award under the TenneT framework agreement and for the ADNOC Habshan contract.

Negotiations continue with a broad set of credit providers with a view to obtaining the guarantees contractually required for other recently awarded contracts. In addition, discussions remain ongoing with clients around the required scale and timing of performance guarantees.

The Company is working to conclude discussions with these counterparties as swiftly as possible. Further announcements will be made as appropriate.

Operationally, the Group continues to make good progress with contracts awarded in 2023, which increased the backlog of the Group to over US\$8 billion. It is also making good progress in closing out its legacy portfolio and unwinding historical working capital. It has continued to maintain liquidity above its financial covenant and will provide further details on its operational and financial performance within the Full Year Results announcement in April.

Commenting, Group Chief Executive, Tareq Kawash said:

"Petrofac continues to deliver well for our clients, evidenced by the growth in our backlog, on which very good progress is being made. Our significant order book, which now stands at over US\$8 billion, demonstrates the strength of our proposition to customers and Petrofac's long-term potential. To deliver on this opportunity and position Petrofac for the future, we are focused on plans to materially strengthen the financial position of the Group. This work continues apace and I am grateful for the continued efforts of our people, and the support of our clients and other stakeholders."

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NOTES TO EDITORS

Petrofac

Petrofac is a leading international service provider to the energy industry, with a diverse client portfolio including many of the world's leading energy companies.

Petrofac designs, builds, manages and maintains oil, gas, refining, petrochemicals and renewable energy infrastructure. Our purpose is to enable our clients to meet the world's evolving energy needs. Our four values - driven, agile, respectful and open - are at the heart of everything we do.

Petrofac's core markets are in the Middle East and North Africa (MENA) region and the UK North Sea, where we have built a long and successful track record of safe, reliable and innovative execution, underpinned by a cost effective and local delivery model with a strong focus on in-country value. We operate in several other significant markets, including India, South East Asia and the United States. We have 8,500 employees based across 31 offices globally.

Petrofac is quoted on the London Stock Exchange (symbol: PFC).

For additional information, please refer to the Petrofac website at www.petrofac.com

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