



MODEC Awarded Contract by Equinor to Supply the 2nd FPSO in Brazil

Tokyo, May 10, 2023 – MODEC, Inc. ("MODEC") is pleased to announce that it has signed a Sales and Purchase Agreement (SPA) with Equinor Brasil Energia Ltd, a subsidiary of Equinor ASA ("Equinor"), to supply a Floating Production, Storage and Offloading (FPSO) vessel to produce the field cluster of Pao de Acucar, Seat & Gavea in the BM-C-33 block of the Campos Basin offshore Brazil. The FPSO is one of the most complex facilities in MODEC's history, handling large volumes of exported gas with a major focus on GHG emissions reduction.

The SPA is a two-phase lump sum turnkey contract covering both Front End Engineering Design (FEED) and Engineering, Procurement, Construction and Installation (EPCI) for the entire FPSO. As Equinor and partners announced the Final Investment Decision (FID) on May 8, 2023 after the completion of the FEED which had started on April 2022, MODEC has now been awarded phase 2 of the contract for EPCI of the FPSO. MODEC will also provide Equinor with operations and maintenance service of the FPSO for the first year from its first oil production, after which Equinor plans to operate the FPSO.

The FPSO vessel will be deployed at the field, located in the giant "pre-salt" region at the southern part of Campos Basin, approximately 200 kilometers off the coast of Rio de Janeiro, and permanently moored at a water depth of approximately 2,900 meters. The spread mooring system will be supplied by MODEC group company, SOFEC, Inc. Equinor's field partners are Repsol Sinopec Brazil (35%) and Petrobras (30%). The FPSO delivery is expected in 2027.

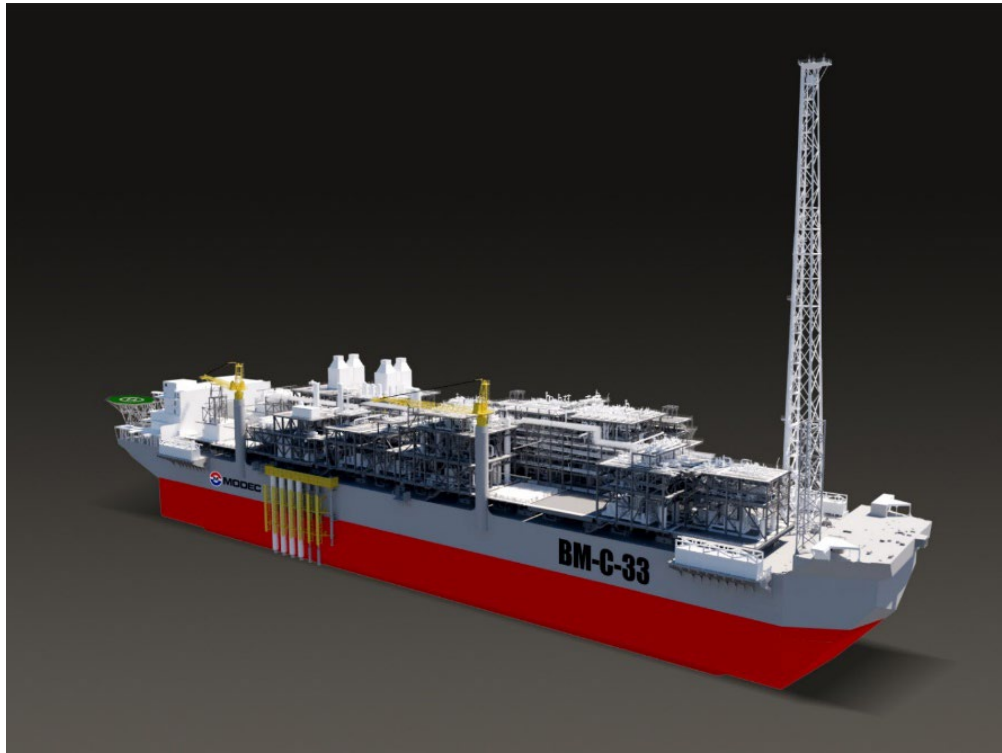
MODEC will be responsible for the design and construction of the FPSO, including topsides processing equipment and hull marine systems. The FPSO will have topsides designed to produce approximately 125,000 barrels of crude oil per day as well as produce and export approximately 565 million standard cubic feet of associated gas per day. Its minimum storage capacity of crude oil will be 2,000,000 barrels.

The FPSO will apply MODEC's new build, full double hull design, developed to accommodate larger topsides and larger storage capacity than conventional VLCC tankers, with a longer design service life.

Taking advantage of this larger topside space, this FPSO will be the second fully electrified FPSO equipped with Combined Cycle System for Power Generation which significantly reduces carbon emission compared with conventional Gas Turbine driven systems.

"We are extremely honored and proud to be selected to provide an FPSO for the BM-C-33 project," commented Takeshi Kanamori, President and CEO of MODEC. "We are equally proud of the confidence Equinor obviously has in MODEC. We believe this award represents a strong relationship of trust between us built upon the ongoing Bacalhau FPSO project as well as our robust track record in the pre-salt region. We look forward to cooperating closely with Equinor and partners to make this project a success."

The FPSO will be 18th FPSO/FSO vessel and 10th FPSO in the pre-salt region delivered by MODEC in Brazil.



The FPSO for the BM-C-33 project

About MODEC

MODEC is a leading provider of floating production solutions such as Floating Production Storage and Offloading (FPSO) vessels to the offshore oil & gas industry. MODEC performs Engineering, Procurement, Construction and Installation (EPCI) activities for FPSOs, and further by owning and operating its own FPSOs, it provides oil companies around the world with comprehensive and competitive solutions for oil & gas production services.

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The information contained in this news release is true and accurate at the time of publication; however, it may be subject to change without prior notice.