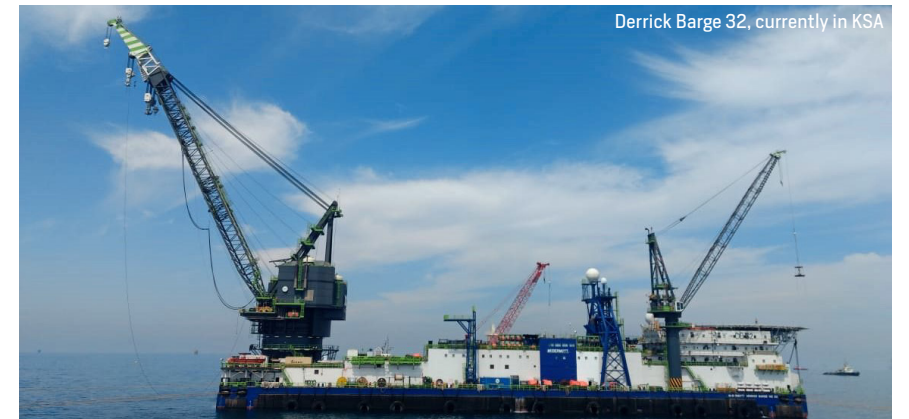




Derrick Barge 30, currently in Qatar



Derrick Barge 32, currently in KSA



Derrick Barge 50, currently in the UAE

SMOOTH SAILING

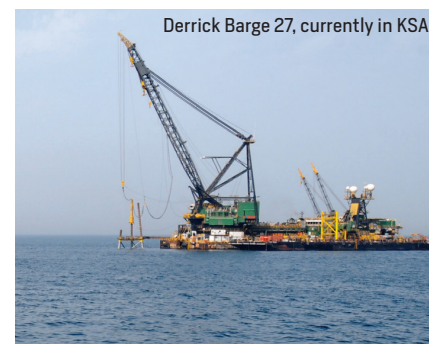
McDermott comments on having four of its derrick barges in the region at the same time, and its plans for growth in the region

The Gulf region has long been the heart of the global oil and gas industry, and companies from across the sector are keen to partner with regional operators. There is no better example right now than McDermott, a major company in the engineering, procurement, construction and installation segment (EPCI).

McDermott has moved four of its major installation vessels to the region, which it

says is a sign of its interest in the region as well as its ability to move quickly on regional projects.

"Having our key assets regionally positioned gives us the ability to deliver operational and safety performance and delivery assurance to our customers," says Tareq Kawash, Senior Vice President of the EMEA region at McDermott. "This also reinforces our commitment to our continued regional presence and the



Derrick Barge 27, currently in KSA

importance of the region to McDermott's long-term strategy."

Oxford Economics expects GCC GDP to grow by 1.4% in 2021, following a 5.4% contraction the previous year, and forecasts a robust economic rebound for many GCC countries including the UAE. With relatively stable oil prices and vaccination programs underway, analysts expect the oil and gas sector to rebound.

Having a permanent local presence presents some perks for operators; it makes it clear that the EPCI company is committed to the region, but also that it can more quickly and easily move to work on a project, cutting down on time and cost, and having vessels in the region indicates local expertise, with employees in the region.

"In a number of ways, it gives our customers increased confidence in our delivery beyond our already high standard, bringing enhanced safety, quality and operational performance through continuous and consistent engagement between our vessel and onshore teams," says Douglas Korth, Senior Director, EMEA Marine and Global Shallow Water Operations at McDermott.

When asked if this means that McDermott is increasing its focus on the GCC, Kawash says that it does, and that he considers "the GCC a key part of our long-term success." He continues to note that committing four key assets to the region "demonstrates McDermott's commitment and signals our long-term presence and strategic drive."

Indeed, the four installation vessels are currently placed across the region, in the UAE, Qatar and the Kingdom of Saudi Arabia. "McDermott is focusing on EPCI work that includes pipelines, fixed platforms and topside facilities, including the hook-up and

commissioning of those facilities," says Mike Sutherland, EMEA Vice President of Offshore Operations at McDermott. "We are engaged in significant projects for major customers in the region, working to enhance their fields to bring more revenue-generating capacity into the region," Sutherland says.

Korth calls the Middle East a 'high priority' area, so having the most vessels permanently based in this region in the company's history is 'a major milestone.' "It demonstrates the importance of the region to McDermott within McDermott, and also sends a strong message to our customer base and competition about our long-term presence in the region."

"We see the Middle East as an area that is going to grow over the next several years, and McDermott wants to be there and grow with this region, enhancing our capacity and capability to deliver larger and more complex projects," Kawash says. "This is what we see in the future, larger and more complex projects by our key customers."