As filed with the U.S. Securities and Exchange Commission on September 20, 2024.

Registration No. 333-275939

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 2
to
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Hornbeck Offshore Services, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**4424**	**72-1375844**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification No.)**

103 Northpark Boulevard, Suite 300
Covington, Louisiana 70433
Telephone: (985) 727-2000
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Todd M. Hornbeck
Chairman of the Board, President and Chief Executive Officer
103 Northpark Boulevard, Suite 300
Covington, Louisiana 70433
Telephone: (985) 727-2000
(Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:

Matthew R. Pacey, P.C.	**T. Mark Kelly**
Ieuan A. List	**E. Ramey Layne**
Kirkland & Ellis LLP	**Vinson & Elkins LLP**
609 Main Street	**845 Texas Avenue**
Houston, TX 77002	**Houston, TX 77002**
(713) 836-3786	**(713) 758-2222**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement is declared effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box: ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities

Act of 1933, as amended, or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated , 2024

PROSPECTUS

Shares

Hornbeck Offshore Services, Inc.

Common Stock

This is an initial public offering of shares of our common stock, $0.00001 par value per share. We are offering shares of our common stock. Certain selling stockholders identified in this prospectus are offering shares of our common stock.

Prior to this offering, there has been no public market for our common stock. We estimate that the initial public offering price per share will be between $ and $. See "Underwriting (Conflicts of Interest)" for a discussion of the factors to be considered in determining the initial offering price. We have applied to list our common stock on the New York Stock Exchange (the "NYSE") under the symbol "HOS."

Investing in shares of our common stock involves significant risks. See "Risk Factors" beginning on page 31.

By participating in this offering, you are representing that you are a citizen of the United States, as defined in the Jones Act (as defined herein). The Jones Act requires that at least 75% of the outstanding shares of each class or series of our capital stock must be owned and controlled by U.S. citizens and, in order to provide a reasonable margin for compliance with this requirement, our amended and restated certificate of incorporation will provide that all non-U.S. citizens in the aggregate may not own more than 21% of the outstanding shares of our common stock, with certain limited grandfathered circumstances allowing up to 24% of the outstanding shares of our common stock to be owned by non-U.S. citizens on and after the effective date of the initial public offering. Failure to comply with the Jones Act could cause us to lose the privilege of owning and operating vessels in the coastwise trade. Accordingly, our common stock is subject to limitations on foreign ownership and possible required divestiture by non-U.S. citizen stockholders. See "Description of Capital Stock and Warrants—Limitations on Ownership by Non-U.S. Citizens" and "Risk Factors—Our common stock is subject to restrictions on foreign ownership and possible required divestiture by non-U.S. citizen stockholders."

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Initial public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds, before expenses, to us	$	$
Proceeds, before expenses, to the selling stockholders	$	$

(1) We have agreed to reimburse the underwriters for certain expenses. See "Underwriting (Conflicts of Interest)."

At our request, the underwriters have reserved up to 5% of the shares of common stock offered by the prospectus for sale, at the initial public offering price, to certain individuals associated with us. See "Underwriting (Conflicts of Interest)—Directed Share Program."

The selling stockholders have granted the underwriters an option for a period of 30 days from the date of this prospectus to purchase up to an additional shares of our common stock at the initial public offering price, less the underwriting discounts and commissions. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders, including upon the sale of shares of our common stock by the selling stockholders if the underwriters exercise their option.

Highbridge Capital Management LLC, a holder of approximately 10.6% of the outstanding shares of our common stock, is an indirect subsidiary of J.P. Morgan Chase & Co. and will receive greater than 5% of the net proceeds of this offering. Accordingly, J.P. Morgan Chase & Co. is deemed to have a "conflict of interest" under Rule 5121 of the Financial Industry Regulatory Authority, or FINRA, and this offering is being conducted in accordance with the applicable provisions of FINRA Rule 5121, including the requirement that a "qualified independent underwriter" participate in the preparation of the prospectus and exercise the usual standards of due diligence in connection with such participation. Barclays Capital Inc. has agreed to serve as the qualified independent underwriter for this offering. See "Underwriting (Conflicts of Interest)."

The underwriters expect to deliver the shares of common stock to purchasers on or about , 2024.

J.P. Morgan **Barclays**

Goldman Sachs DNB Markets Piper Sandler Guggenheim Securities Raymond James

BTIG Johnson Rice & Company Pickering Energy Partners Seaport Global Securities

Academy Securities Drexel Hamilton

Prospectus dated , 2024

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Through and including , 2024 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

Neither we, the selling stockholders, nor the underwriters (and any of our or their affiliates) have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who obtain this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside of the United States.

COMMONLY USED DEFINED TERMS

As used in this prospectus, unless the context indicates or otherwise requires, the terms listed below have the following meanings:

"*2024 Omnibus Incentive Plan*" means Hornbeck Offshore Services, Inc. 2024 Omnibus Incentive Plan, the form of which is attached as Exhibit 10.4;

"*2020 Management Incentive Plan*" means the 2020 Management Incentive Plan of Hornbeck Offshore Services, Inc., a copy of which is attached as Exhibit 10.2, as amended by that certain First Amendment to 2020 Management Incentive Plan of Hornbeck Offshore Services, Inc. a copy of which is attached as Exhibit 10.3;

"*Annual Financial Statements*" means the audited consolidated financial statements of Hornbeck Offshore Services, Inc. at December 31, 2023 and 2022, and for the years ended December 31, 2023, 2022 and 2021;

"*Ares*" means Ares Management LLC;

"*ASC*" means Financial Accounting Standards Board Accounting Standards Codification;

"*Chapter 11 Cases*" means the Company's Chapter 11 cases in the United States Bankruptcy Court for the Southern District of Texas, Houston Division, or the Bankruptcy Court, consummated September 4, 2020;

"*Company*," "*Hornbeck*," "*we*," "*our*" or "*us*" means, unless otherwise indicated or the context otherwise requires, Hornbeck Offshore Services, Inc., a Delaware corporation, and its consolidated subsidiaries;

"*Credit Agreement Closing Date*" means the closing date of the First Lien Credit Agreement;

"*Creditor Warrants*" means those certain warrants issued to certain claimants in settlement of certain pre-Chapter 11 Cases liabilities;

"*Eastern*" means Eastern Shipbuilding Group, Inc.;

"*ECO*" means Edison Chouest Offshore;

"*ECO Acquisitions*" means the ECO Acquisitions #1 and the ECO Acquisitions #2;

"*ECO Acquisitions #1*" means the acquisition of six high-spec OSVs effected pursuant to the definitive purchase agreements the Company entered into with certain affiliates of ECO on January 10, 2022, as amended;

"*ECO Acquisitions #2*" means the acquisition of six high-spec OSVs effected as contemplated by the controlling purchase agreement the Company entered into with Nautical, an ECO affiliate, on December 22, 2022, as subsequently divided into separate agreements and as each was amended;

"*Financial Statements*" means our Annual Financial Statements and our Quarterly Financial Statements;

"*First Lien Credit Agreement*" means the Credit Agreement, dated as of August 13, 2024, by and among the Company, DNB Bank ASA, New York Branch, as administrative agent, Wilmington Trust, National Association, as collateral agent, and the lenders party thereto;

"*First Lien Revolving Credit Facility*" means the revolving credit facility established pursuant to the terms of the First Lien Credit Agreement;

"*GAAP*" means United States generally accepted accounting principles;

"*Gulf Island*" means Gulf Island Shipyards, LLC;

"*high-specification*" or "*high-spec*" means, when referring to OSVs, vessels with cargo-carrying capacity of between 3,500 and 5,000 DWT (i.e., primarily 265 to 280 class OSV notations), and dynamic-positioning systems with a DP-2 classification or higher; for the avoidance of doubt, any MPSV is a high-spec vessel (other than any MPSVs of greater than 5,000 DWT, which are ultra high-spec vessels);

"*Highbridge*" means Highbridge Capital Management LLC;

"*Jones Act Warrants*" means those certain warrants issued to certain non-U.S. citizens in settlement of certain pre-Chapter 11 Cases liabilities and in connection with subsequent private offerings of the Company's equity;

"*low-specification*" or "*low-spec*" means, when referring to OSVs, vessels with cargo-carrying capacity of less than 2,500 DWT (i.e., primarily 200 class OSV notations), and/or vessels with dynamic-positioning systems with a DP-1 classification or lower;

"*mid-specification*" or "*mid-spec*" means, when referring to OSVs, vessels with cargo-carrying capacity of between 2,500 and 3,500 DWT (i.e., primarily 240 class OSV notations), and dynamic positioning ("DP") systems with a DP-2 classification or higher;

"*Nautical*" means Nautical Solutions, L.L.C., an ECO affiliate;

"*PEMEX*" means Petroleos Mexicanos;

"*Petrobras*" means Petroleo Brasileiro S.A.;

"*principal stockholders*" means funds, investment vehicles or accounts managed or advised by Ares, Whitebox or Highbridge or their respective affiliates, in each case, that own shares of our common stock;

"*Quarterly Financial Statements*" means the unaudited condensed consolidated financial statements for the three and six months ended June 30, 2024 and 2023;

"Replacement First Lien Term Loans" means the first lien replacement term loans under that certain first lien term loan credit agreement, dated September 4, 2020 (as amended and restated pursuant to that certain Amendment No. 1 to First Lien Credit Agreement and Amendment No. 1 to the Effective Date Junior Lien Intercreditor Agreement, dated December 22, 2021, as further amended pursuant to that certain First Amendment to Restated First Lien Credit Agreement, dated June 6, 2022, as further amended pursuant to that certain Interest Rate Index Replacement Agreement and Second Amendment to First Lien Credit Agreement, dated July 27, 2023), by and among the Company, as parent borrower, Hornbeck Offshore Services, LLC, as co-borrower, Wilmington Trust, National Association, as administrative agent and collateral agent, and the lenders party thereto, all obligations under which were fully paid and terminated on August 31, 2023;

"*Second Lien Credit Agreement*" means that certain second lien term loan credit agreement, dated September 4, 2020 (as amended pursuant to that certain Amendment No. 1 to Second Lien Credit Agreement and Amendment No. 1 to the Effective Date Junior Lien Intercreditor Agreement, dated December 22, 2021, as further amended pursuant to that certain Second Amendment to Second Lien Credit Agreement, dated June 6, 2022, and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time), by and among the Company, as parent borrower, Hornbeck Offshore Services, LLC, as co-borrower, Wilmington Trust, National Association, as administrative agent and collateral agent, and the lenders from time to time party thereto;

"*Second Lien Term Loans*" means our outstanding term loans under the Second Lien Credit Agreement;

"*Securities Act*" means the Securities Act of 1933, as amended;

"*Surety*" means Zurich Insurance Company of America and Fidelity & Deposit Company of Maryland;

"*ultra high-specification*" or "*ultra high-spec*" means, when referring to OSVs, vessels with cargo-carrying capacity of greater than 5,000 DWT (i.e., 300 class OSV notations or higher), and dynamic-positioning systems with a DP-2 classification or higher; for the avoidance of doubt, any MPSV of greater than 5,000 DWT is an ultra high-spec vessel; and

"*Whitebox*" means Whitebox Advisors LLC.

GLOSSARY OF TERMS

The following are abbreviations and definitions of certain terms used in this document, which are commonly used in the offshore support vessel industry:

"*active utilization*" means, when referring to OSVs or MPSVs, the weighted-average rate that active vessels are utilized, or generating revenues, based on a denominator comprised only of vessel-days available for service by the active fleet, which excludes the impact of inactive or stacked vessel days;

"*average dayrate*" means, when referring to OSVs or MPSVs, average revenue per day, which includes charter hire, crewing services and net brokerage revenues, based on the number of days during the period that the OSVs or MPSVs, as applicable, generated revenue. For purposes of vessel brokerage arrangements, this calculation excludes that portion of revenue that is equal to the cost of in-chartering third-party equipment paid by customers;

"*average utilization*" means, when referring to OSVs or MPSVs, the weighted-average rate that vessels are utilized, or generating revenues, based on a 365-day year;

"*BOEM*" means the Bureau of Ocean Energy Management;

"*cabotage laws*" means laws pertaining to the privilege of owning and operating vessels in the navigable, territorial waters of a nation;

"*coastwise trade*" means the transportation of merchandise or passengers by water, or by land and water, between points in the United States, either directly or via a foreign port within the meaning of 46 U.S.C. Chapter 551 and any successor statutes thereto, as amended or supplemented from time to time;

"*CO2e/kboe*" means carbon dioxide equivalent per thousand barrels of oil equivalent;

"*C/SOV*" means a multi-purpose service vessel that can be utilized in the offshore wind market as either a CSOV or an SOV. A CSOV is a Commissioning Service Operation Vessel, typically serving during the commissioning and installation phases of an offshore wind farm, under contracts that are usually less than one year in duration. A SOV is a Service Operation Vessel, typically performing operations and maintenance services during the life of an offshore wind farm, under contracts that can be for multi-year terms;

"*deep-well*" means a well drilled to a true vertical depth of 15,000' or greater, regardless of whether the well was drilled in the shallow water of the Outer Continental Shelf or in the deepwater or ultra-deepwater;

"*deepwater*" means offshore areas, generally 1,000' to 5,000' in depth;

"*D-FARs*" means Defense Federal Acquisition Regulations;

"*DP-1*," "*DP-2*" and "*DP-3*" mean various classifications of DP systems on vessels to automatically maintain a vessel's position and heading through anchor-less station-keeping;

"*DWT*" means deadweight tons;

"*effective dayrate*" means the average dayrate multiplied by the average utilization rate;

"*FARs*" means Federal Acquisition Regulations;

"*flotel*" means on-vessel accommodations services, such as lodging, meals and office space;

"*GoM*" means the U.S. GoM and the Mexico GoM;

"*IRM*" means inspection, repair and maintenance, also known as "IMR," or inspection, maintenance and repair, depending on regional preference;

"*Jones Act*" means the U.S. citizenship and cabotage laws principally contained in 46 U.S.C. § 50501(a), (b) and (d) and 46 U.S.C. Chapters 121 and 551 and any successor statutes thereto, together with the rules and regulations promulgated thereunder by the USCG and the U.S. Department of Transportation's Maritime Administration and their practices enforcing, administering and interpreting such laws, statutes, rules and regulations, in each case as amended or supplemented from time to time, relating to the ownership and operation of U.S.-flag vessels in the coastwise trade;

"*Jones Act-qualified*" means, when referring to a vessel, a U.S.-flagged vessel qualified to engage in domestic coastwise trade under the Jones Act;

"*long-term contract*" means a time charter of one year or longer in duration;

"*Mexico GoM*" means the territorial waters of Mexico in the Gulf of Mexico;

"*MPSV*" means a multi-purpose support vessel, and we consider all of our MPSVs to be high-spec or ultra high-spec;

"*MSC*" means the Military Sealift Command;

"*Naviera*" means a Mexican company authorized by Mexican law to engage in shipping activities, including Mexican cabotage and international shipping under Mexican flag;

"*OSV*" means an offshore supply vessel, also known as a "PSV," or platform supply vessel, depending on regional preference;

"*ROV*" means a remotely operated vehicle, which is a tethered submersible vehicle remotely operated from the surface;

"*SEMAR*" means Secretaría de Marina, the government agency responsible for, among other things, administering Mexico's territorial sea and exclusive economic zone;

"*TRIR*," means the total recordable incident rate, which is measured as the number of recordable incidents, multiplied by 200,000, then divided by the total number of exposure hours worked in a year;

"*ultra-deepwater*" means offshore areas, generally more than 5,000' in depth;

"*U.S. GoM*" means the territorial waters of the United States in the Gulf of Mexico; and

"*USCG*" means United States Coast Guard.

MARKET AND INDUSTRY DATA

This prospectus includes market and industry data and forecasts that we have derived from publicly available information, various industry publications, other published industry sources and our internal data and estimates.

Additionally, our internal data and estimates are based upon information obtained from trade and business organizations and other contacts in the markets in which we operate. Although we believe these third-party sources are reliable as of their respective dates, we have not had this information further verified by any other independent sources. These sources include industry data from Wood Mackenzie's Emissions Benchmarking Tool, a report titled "Short-Term Energy Outlook," dated July 2024, by the U.S. Energy Information Administration (the "2023 EIA Outlook"), a report titled "Macro and OSV Demand Drivers Outlook," dated July 2024, by Rystad Energy Consultants, and a report titled "OSV Market Study," dated August 2024, by Fearnley Offshore Supply. Similarly, our internal research is based upon our understanding of industry conditions. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the sections entitled "Risk Factors" and "Special Note Regarding Forward-Looking Statements." These and other factors could cause results to differ materially from those expressed in our estimates and these third-party sources.

Certain valuation information included in this prospectus is an aggregation based on reports prepared by VesselsValue, a Veson Nautical company, which is an independent online valuation and market intelligence provider for the maritime industry ("VesselsValue"). None of such reports were commissioned by or on behalf of Hornbeck, and none of the information contained therein was prepared in connection with, or specifically for use in, this prospectus. The VesselsValue market value data presented in this prospectus is an estimate of the fair market price and newbuild, or replacement cost, of our vessels, in U.S. dollars, as at the valuation date only, and is based on the price VesselsValue estimates in good faith that the vessels would obtain in a hypothetical transaction between a willing buyer and a willing seller on the basis of prompt charter-free delivery at an acceptable worldwide delivery port, for cash payment on standard sale terms. For the purposes of those estimates, it is assumed that the particulars of the vessels are correct, and that the vessels are in good, sound and seaworthy condition, free of maritime liens and all debts whatsoever, fully classed to the requirements of present classification society, free of class recommendations, with clean and valid trading certificates, and where relevant to type and age of each vessel with full oil majors vetting approval, "Rightship" satisfactory inspection/safety score and any other relevant approvals in place. It should be noted that these market valuations are not based on a physical inspection of the vessel nor an inspection of the class records of the vessels by VesselsValue. The estimated market values are for the valuation date only and no assurance is given that any such value will be sustained or is realizable in an actual transaction.

TRADEMARKS, TRADENAMES AND SERVICE MARKS

We own or have rights to trademarks or trade names that we use in conjunction with the operation of our business and that appear in this prospectus. For more information about our license to use certain trademarks and trade names, see "Risk Factors—We do not own the Hornbeck Brands, but may use the Hornbeck Brands pursuant to the terms of a license granted by HFR, and our business may be materially harmed if we breach our license agreement or it is terminated." This prospectus also contains trademarks, service marks, trade names and copyrights of other companies which, to our knowledge, are the property of their respective owners. Solely for convenience, trademarks and trade names referred to in this prospectus may appear without the ® or ™ symbols, but the absence of such symbols does not indicate the registration status of the trademarks and is not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to such trademarks and trade names.

BASIS OF PRESENTATION

Unless otherwise indicated or the context otherwise requires, references in this prospectus to the "Company," "Hornbeck," "we," "us" and "our" refer to Hornbeck Offshore Services, Inc. and its consolidated subsidiaries.

Unless otherwise stated, discussions surrounding our vessels are as of July 31, 2024. Such discussions include two partially constructed Jones Act-qualified MPSV newbuilds to be completed pursuant to our settlement with the Surety, as further discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Resumption of MPSV Newbuild Construction," and one OSV currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel. Our vessels exclude four OSVs formerly owned by us that we now operate and maintain for the U.S. Navy.

In connection with the consummation of this offering and after the effectiveness of the registration statement of which this prospectus forms a part, we will effect a -for-one forward stock split with respect to our common stock (the "stock split"). In this prospectus, we include certain metrics on an "as adjusted" basis to give effect to the stock split.

PRESENTATION OF CERTAIN FINANCIAL MEASURES

We disclose and discuss EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow as non-GAAP financial measures in this prospectus. We define EBITDA as earnings (net income or loss) before interest, income taxes, depreciation and amortization. Adjusted EBITDA reflects certain adjustments to EBITDA for gains or losses on early extinguishment of debt, terminated debt refinancing costs, stock-based compensation expense and interest income. In addition, Adjusted EBITDA excludes non-cash gains or losses on the fair value adjustment of liability-classified warrants. We define Adjusted Free Cash Flow as Adjusted EBITDA less cash paid for deferred drydocking charges, cash paid for maintenance capital improvements and non-vessel capital expenditures, cash paid for interest and cash paid for (refunds of) income taxes. Our measures of EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow may not be comparable to similarly titled measures presented by other companies. Other companies may calculate EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow differently than we do, which may limit their usefulness as comparative measures.

We view EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow primarily as liquidity measures and, as such, we believe that the GAAP financial measure most directly comparable to those measures is cash flows provided by operating activities. Because EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow are not measures of financial performance calculated in accordance with GAAP, they should not be considered in isolation or as a substitute for operating income, net income or loss, cash flows provided by operating, investing and financing activities, or other income or cash flow statement data prepared in accordance with GAAP. Additionally, Adjusted Free Cash Flow does not represent the total increase or decrease in our cash balance, and it should not be inferred that the entire amount of Adjusted Free Cash Flow is available for dividends, debt or share repurchases or other discretionary expenditures, since we have non-discretionary expenditures that are not deducted from this measure.

EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow are widely used by investors and other users of our consolidated financial statements as supplemental financial measures that, when viewed with our GAAP results and the accompanying reconciliations, we believe provide additional information that is useful to gain an understanding of the factors and trends affecting our ability to service debt, pay income taxes and fund drydocking charges, maintenance capital improvements and non-vessel capital expenditures. We also believe the disclosure of EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow helps investors or lenders meaningfully evaluate and compare our cash flow generating capacity from quarter to quarter and year to year.

EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow are also financial metrics used by management as supplemental internal measures for planning and forecasting overall expectations and for evaluating actual results against such expectations; for short-term cash bonus incentive compensation purposes; to compare to the EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow of other companies, vessels or other assets when evaluating potential acquisitions; to assess our ability to service existing fixed charges and incur additional indebtedness; and to purchase, convert or construct additional vessels. Additionally, we have historically made certain adjustments to EBITDA to internally evaluate our performance based on the computation of ratios used in certain financial covenants of our credit agreements with various lenders, whenever applicable. Currently, our credit agreements have incurrence tests and other financial covenants, including coverage and leverage ratios. These ratios are calculated using certain adjustments to EBITDA defined by our credit agreements, which adjustments are consistent with those reflected in Adjusted EBITDA in this prospectus. In addition, we believe that, based on covenants in prior credit facilities, future debt arrangements may require compliance with certain ratios that will likely include EBITDA or Adjusted EBITDA in the computations. Adjusted EBITDA is also currently utilized in connection with the Company's short-term cash bonus incentive compensation programs.

For reconciliations of EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow to the most directly comparable measure under GAAP, see "Summary—Summary Historical Financial and Other Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures."

ABOUT THIS PROSPECTUS

None of we, the selling stockholders or the underwriters have authorized anyone to provide you with information or make any representations other than those contained in this prospectus. We, the selling stockholders and the underwriters take no responsibility for, and provide no assurance as to the reliability of, any other information that others may give you. This prospectus is an offer to sell only the shares offered hereby, and only under circumstances and in jurisdictions where it is lawful to do so. You should assume that the information appearing in this prospectus is accurate as of the date on the front cover of this prospectus only. Our business,
financial condition, results of operations and prospects may have changed since that date. We will update this prospectus as required by law, including with respect to any material change affecting us or our business prior to the completion of this offering.

Certain monetary amounts, percentages and other figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. Many statements included in this prospectus that are not statements of historical fact, including statements about our beliefs and expectations, are forward-looking statements. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. These risks and other factors include, but are not limited to, those listed under "Risk Factors." In some cases, you can identify forward-looking statements by terminology such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "objective," "ongoing," "plan," "predict," "project," "potential," "should," "will," "would" or the negative of these terms or other comparable terminology. In particular, statements about the markets in which we operate and our expectations, beliefs, plans, strategies, objectives, prospects, assumptions or future events or performance contained in this prospectus under the headings "Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Business" are forward-looking statements. Forward-looking statements include, but are not limited to, statements about:

- our market opportunity and the potential growth of that market;
- our strategy, outcomes, and growth prospects;
- trends in our industry and service-offerings; and
- the competitive environment in which we operate.

Some of the factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include:

- impacts from changes in oil and natural gas prices in the United States and worldwide;
- changes in decisions and capital spending by customers in the energy industry and the industry expectations for offshore exploration, field development and production;
- changes in decisions or plans or delays for offshore wind development in the United States;
- uncertainty of global financial market conditions and potential constraints in accessing capital or credit if and when needed with favorable terms, if at all;
- unplanned customer suspensions, cancellations, rate reductions or non-renewals of vessel charters or vessel management contracts, or failures to finalize commitments to charter or manage vessels;
- delays or non-delivery of vessels subject to conversion and new construction agreements effective at the time of this offering, including completion of the conversion of one of our OSVs into a MPSV for dual-service as either a C/SOV or flotel and delivery of the two remaining vessels under our MPSV newbuild program;
- the inability to accurately predict vessel utilization levels and dayrates;
- the inability to successfully market across various industry applications the vessels that we own, are constructing, are converting, have recently acquired or might acquire, including in traditional energy as well as offshore wind, military and other non-oilfield applications;
- integration of acquired businesses or vessels, or entry into new lines of business;
- changing customer demands for vessel specifications, which may make some of our older vessels technologically obsolete for certain customer projects or in certain markets;
- the operating risks normally incident to our lines of business, including the potential impact of liquidated counterparties;
- industry over-supply resulting from reactivating currently-stacked vessels or from constructing new vessels;

- any change in the U.S. government's procurement policies and practices with regard to the chartering of privately-owned vessels or the management of government-owned vessels by private operators;
- an oil spill or other significant event in the United States or another offshore drilling region having a broad impact on deepwater and ultra-deepwater and other offshore energy exploration and production activities, such as the suspension of activities or significant regulatory responses;
- the imposition of laws or regulations that result in reduced exploration and production activities or that increase our or our customers' operating costs or operating requirements, including laws and regulations addressing climate change;
- potential liability for remedial actions or assessments under existing or future environmental regulations or litigation;
- the impact of existing or future environmental regulations or litigation on our business or customer plans or projects;
- our ability to achieve, reach or otherwise meet initiatives, plans or ambitions with respect to environmental, social and governance ("ESG") matters, including mandates imposed by customers or governmental agencies;
- disputes with customers or vendors;
- consolidation of our customer base;
- technological or regulatory changes that shorten the expected useful lives of our vessels;
- increased regulatory burdens and oversight;
- administrative, judicial or political barriers to exploration and production activities in Mexico, Brazil or other foreign locations;
- changes in law, governmental policy or judicial or regulatory action, or the enforcement thereof, in Mexico affecting international trade or our Mexican registration and operation of our vessels in Mexican cabotage;
- administrative or other legal changes in Mexican, Brazilian or other Latin American jurisdictions' cabotage laws or maritime laws;
- the emergence of new cabotage restrictions that impact our ability to operate in other foreign jurisdictions;
- other legal or administrative changes in Mexico that adversely impact planned or expected offshore energy development;
- unanticipated difficulty in effectively competing in or operating in international markets;
- economic, social, tax, geopolitical and weather-related risks;
- potential changes in various laws and regulations as a result of the upcoming United States presidential and congressional elections;
- acts of terrorism, piracy or government-sanctioned privateering;
- the impact of regional or global public health crises or pandemics;
- other issues that may be encountered in expanding our service offering within our existing government franchise, in the emerging offshore wind industry, and in other non-oilfield applications;
- the shortage of or the inability to attract and retain qualified personnel, when needed, including licensed vessel personnel for active vessels or vessels we may acquire or reactivate;
- the repeal or administrative weakening of the Jones Act or adverse changes in the interpretation of the Jones Act;

- drydocking delays, supply chain shortages and cost overruns and related risks;
- vessel accidents, pollution incidents or other events resulting in lost revenue, fines, penalties or other expenses that are unrecoverable from insurance policies or other third parties;
- adverse outcomes in pending or future legal or administrative proceedings, and any unexpected litigation and insurance expenses;
- the effects of asserted and unasserted claims and the extent of available insurance coverage;
- fluctuations in foreign currency valuations compared to the U.S. dollar;
- the impact of any unionization of our workforce;
- shortages of qualified mariners resulting in increased wages, inability to crew vessels or both;
- changes in laws impacting licensure or compensation paid to mariners;
- risks associated with foreign operations, such as non-compliance with, the unanticipated effect of, or unexpected assessments/enforcement actions taken in connection with, tax laws, customs laws, immigration laws, importation laws or other legislation that result in higher than anticipated tax rates or other costs, especially in higher political risk countries where we operate;
- changes to applicable tax laws and regulations;
- political risks in countries outside of the United States, including unlawful detentions, arrests, confiscation or nationalization of our vessels;
- limitations on our ability to use our net operating loss ("NOL") carryforwards and other tax attributes;
- our inability to refinance or otherwise retire certain funded debt obligations;
- the potential for any impairment charges that could arise in the future;
- the impact of potential information technology, cybersecurity or data security breaches; and
- other risks and uncertainties, including those described under "Risk Factors."

In addition, our future results may be impacted by adverse economic conditions, such as inflation, deflation, fluctuations in foreign currency exchange rates, supply chain disruptions, lack of liquidity in the capital markets or an increase in interest rates, that may negatively affect us or parties with whom we do business resulting in their non-payment or inability to perform obligations owed to us, such as the failure of customers to fulfill their contractual obligations, if and when required.

We have based the forward-looking statements contained in this prospectus primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, prospects, business strategy and financial needs. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, assumptions and other factors described under "Risk Factors" and elsewhere in this prospectus. These risks are not exhaustive. Other sections of this prospectus include additional factors that could adversely affect our business and financial performance. Moreover, we operate in a very competitive environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this prospectus. We cannot be sure that the results, events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those described in, or implied by, the forward-looking statements.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject.These statements are based upon information available to us as of the date of this prospectus, and while we believe that information forms a reasonable basis for such statements, that information may be limited or incomplete, and our statements should not be read to indicate that we have concluded an exhaustive inquiry into, or review of, all potentially available relevant information.

The forward-looking statements made in this prospectus relate only to events as of the date on which such statements are made. We undertake no obligation to update any forward-looking statements after the date of this prospectus or to conform such statements to actual results or revised expectations, except as required by law.

SUMMARY

This summary highlights selected information contained elsewhere in this prospectus, but it does not contain all of the information that you should consider before deciding to invest in our common stock. You should carefully read the entire prospectus, including the information presented under the section entitled "Risk Factors" and the financial statements and the notes thereto, included elsewhere in this prospectus, before making an investment decision. Some of the statements in the following summary constitute forward-looking statements. See "Special Note Regarding Forward-Looking Statements." Unless the context otherwise requires, all references in this summary to the "Company," "Hornbeck," "HOS," "we," "us," "our" or similar terms refer to Hornbeck Offshore Services, Inc. and its consolidated subsidiaries. Where we present information on an "as adjusted basis," it means that such information is presented giving effect to this offering and the use of proceeds therefrom, as reflected in more detail under the captions "Use of Proceeds" and "Capitalization." Additionally, unless noted otherwise, discussions surrounding our vessels are as of July 31, 2024 and include two partially constructed Jones Act-qualified MPSV newbuilds to be completed pursuant to our settlement with the Surety, as discussed further in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Resumption of MPSV Newbuild Construction," and one OSV currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel. Our vessels exclude four OSVs formerly owned by us that we now operate and maintain for the U.S. Navy.

We have defined certain industry terms used in this document in "Commonly Used Defined Terms" and "Glossary of Terms," appearing immediately after the Table of Contents to this prospectus.

Company Overview

Hornbeck is a leading provider of marine transportation services to customers in the offshore oilfield market and diversified non-oilfield markets, including military support services, renewable energy development and other non-oilfield service offerings. Since our founding more than 27 years ago, we have focused on providing innovative, technologically advanced marine solutions to meet the evolving needs of our customers across our core geographic regions covering the United States and Latin America. Our team brings substantial industry expertise built through decades of experience and has leveraged that knowledge to amass what we believe is one of the largest, highest specification fleets of Offshore Supply Vessels ("OSVs") and Multi-Purpose Support Vessels ("MPSVs") in the industry. Approximately 75% of our total fleet consists of high-spec or ultra high-spec vessels, and we believe we have the number one ultra high-spec market position in the U.S., and the third largest fleet of high-spec and ultra high-spec OSVs in the world, measured by DWT capacity. We own a fleet of 75 multi-class OSVs and MPSVs, 58 of which are U.S. Jones Act-qualified vessels. Our Jones Act-qualified high-spec and ultra high-spec OSVs account for approximately 26% of the total industry supply of such vessels. We opportunistically expand our fleet within existing and/or into new, high-growth, cabotage-protected markets from time to time to enhance our fleet offerings to customers. Our mission is to be recognized as the energy industry's marine transportation and service Company of Choice® for our customers, employees and investors through innovative, high-quality, value-added business solutions delivered with enthusiasm, integrity and professionalism with the utmost regard for the safety of individuals and the protection of the environment.

Our fleet of 60 OSVs primarily provides transportation of equipment, materials and supplies to offshore drilling rigs, production platforms, subsea construction projects and other non-oilfield applications. Increasingly, given their versatility, our OSVs are being deployed in a variety of non-oilfield applications including military support services, renewable energy development for offshore wind, humanitarian aid and disaster relief, aerospace and telecommunications. Our OSVs differ from other marine service vessels in that they provide increased cargo-carrying flexibility and capacity that can transport large quantities of deck cargoes, as well as various liquid and dry bulk cargoes in below-deck tanks providing flexibility for a variety of jobs.

Moreover, our OSVs are outfitted with advanced technologies, including DP capabilities, which allows each vessel to safely interface with another offshore vessel, exploration and production facility or an offshore asset by maintaining an absolute or relative station-keeping position when performing its work at sea.

Our fleet of 15 MPSVs provides commissioning and decommissioning support services, asset construction capabilities, recurring inspection, repair and maintenance services and flotel accommodations. Such vessels primarily serve the oil and gas market, with capabilities including the installation of subsea and top-side oilfield infrastructure necessary in the modern deepwater and ultra-deepwater oilfields. Further, these vessels are capable of supporting a variety of other non-oilfield offshore infrastructure projects, including the development of offshore windfarms, by providing the equipment and capabilities to support the installation and maintenance of wind turbines and platforms. Because of our ability to serve a diverse set of end markets, MPSV operations are typically less directly linked with the number of active drilling rigs in operation and therefore can be less cyclical. Our high- and ultra high-spec OSVs can be contracted alongside our MPSVs on major projects, providing operating efficiencies and pull-through revenue. Most of our MPSVs have one or more deepwater or ultra-deepwater cranes fitted on the deck, deploy one or more Remotely Operated Vehicles ("ROVs") to support subsea work, and have an installed helideck to facilitate the on-/off-boarding of specialist service providers and personnel. MPSVs can also be outfitted as flotels to provide accommodations, offices, catering, laundry, medical, and recreational facilities to large numbers of offshore workers for the duration of a project. When configured as flotels, our MPSVs have capacities to house up to 245 workers for major installation, maintenance and overhaul projects. Included in our total MPSV fleet count are the two HOS 400 class MPSVs that are currently under construction and one of our U.S.-flagged, HOSMAX 280 class OSVs that is currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel. Based on overall length and total lifting capacity, the two HOS 400 class MPSVs are expected to be the largest Jones Act-qualified MPSVs in the market and will have additional capabilities due to their size and sophistication. In addition to the services performed by our existing fleet of MPSVs, the two newbuild vessels will be equipped with systems that we expect will make them suitable for complex services, including light well intervention, that require larger or more versatile vessels than the fleet of MPSVs currently available in the U.S. market. Once converted, our C/SOV + Flotel MPSV will be capable of providing services to the U.S. offshore wind market both during the commissioning phase of an offshore wind farm and during its operational life. We expect the converted MPSV to be placed into active service as either a C/SOV or flotel in 2025, while the two newbuild MPSVs are now expected to be placed into active service in 2026 or possibly thereafter.

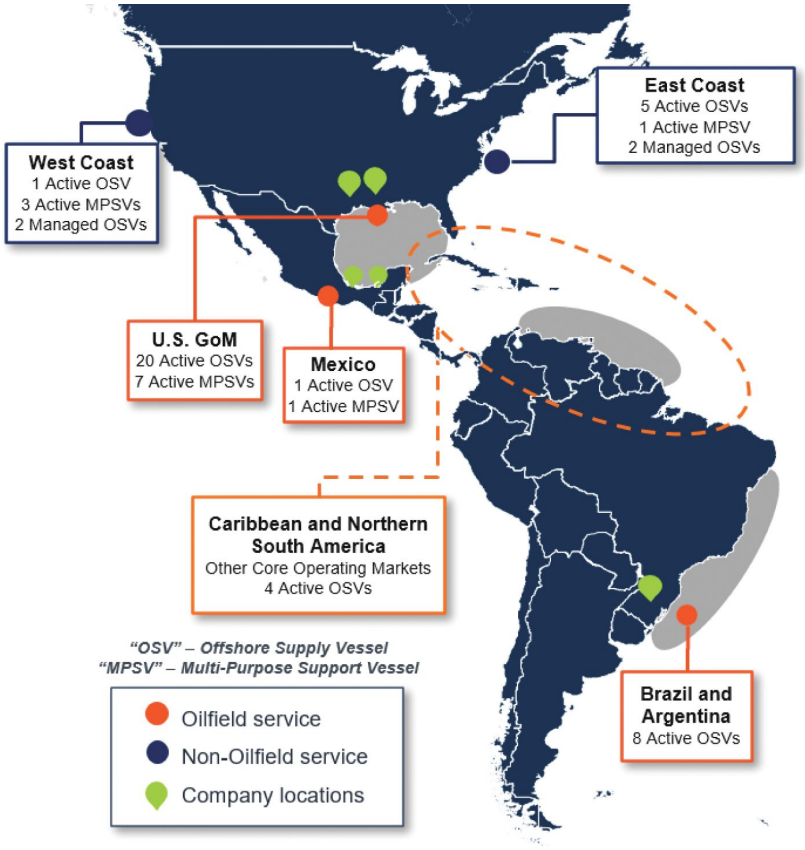
Our ability to reconfigure or modify vessels in our fleet to meet evolving industry demands and the needs of our customers differentiates our success across maritime markets. This enables us to reconfigure stacked OSVs to service oilfield and non-oilfield service customers. As offshore activities expand in scope and become increasingly more complex, the demand for high specification, fit-for-purpose equipment and service capabilities has accelerated, creating disproportionate competitive advantages for companies able to adapt vessels and service offerings quickly to respond to changing customer needs.

With an average of over 37 years of experience in the marine transportation and service industry and having worked together at Hornbeck for over 20 years, our senior management team has the depth of experience necessary to successfully compete in the offshore vessel business. We have confidence that both our team and our strategy have been organized in a manner that best positions our Company to effectively execute in this dynamic and demanding operating environment.

Fleet Composition and Operating Regions

Hornbeck owns and operates what we believe is one of the highest specification, most technologically advanced fleets of OSVs and MPSVs in the industry. Our fleet of 75 vessels primarily operates across our core geographic markets of the United States and Latin America. We predominantly serve our oilfield customers in the GoM, the Caribbean, Northern South America and Brazil, while our vessels primarily serve our

non-oilfield customers from the East and West Coasts of the United States and in the U.S. GoM. We operate our Mexican-flagged vessels across the Caribbean and Northern South America when not operated in Mexico, as well as in other international markets, utilizing a highly-skilled workforce of Mexican mariners and shore-side support team that have been trained in our safety systems and culture. A map illustrating our active vessel locations as of July 31, 2024 is below:



OSV Fleet

The following table illustrates our fleet of OSVs and the nations in which they are flagged as of July 31, 2024:

	Vessel Class	U.S.	Mexico	Vanuatu	Brazil	Avg DWT	Total in Class
Ultra High-Spec							
	HOSFLEX 370	2	—	—	—	7,886	2
	HOSMAX 320	9	1	—	—	6,052	10
	HOSMAX 310	3	—	—	1	5,990	4
	HOSMAX 300	2	4	—	—	5,489	6
High-Spec	HOSMAX 280	12	1	1	—	4,666	14
	HOS 270	—	2	—	—	3,803	2
	HOS 265	3	—	—	—	3,677	3
Other[1]							
	HOS 250	3	—	—	—	2,713	3
	HOS 240	12	2	—	—	2,712	14
	HOS 200	—	2	—	—	1,729	2
Total Owned OSVs		**46**	**12**	**1**	**1**	**—**	**60[2]**
Operated	USN T-AGSE	4	—	—	—	DP-2	4[3]
Total Operated OSVs		50	**12**	**1**	**1**	**—**	64

(1) Includes mid-spec vessels and low-spec vessels.
(2) Includes 21 stacked vessels, comprised of two HOS 200s, 13 HOS 240s, three HOS 250s, two HOS 265s, and one HOSFLEX 370.
(3) Includes four OSVs formerly owned by us that we now operate and maintain for the U.S. Navy.

MPSV Fleet

The following table illustrates our fleet of MPSVs and the nations in which they are flagged as of July 31, 2024:

Vessel Class	U.S.	Mexico	Vanuatu	DP Class	Total in Class
HOS C/SOV+FLOTEL(1)	1	—	—	DP-2	1
HOS FLOTEL	1	—	—	DP-2	1
HOS 430	—	1	1	DP-3	2
HOS 400(2)	2	—	—	DP-2	2
HOS 310/310ES	4	—	—	DP-2	4
HOS 265	—	1	—	DP-2	1
HOS 250	2	—	—	DP-2	2
HOS 240	2	—	—	DP-2	2
Total MPSVs	**12**	**2**	**1**		**15**

(1) Includes one HOSMAX 280 OSV currently being converted into a MPSV for dual-service as either a C/SOV or flotel.

(2) Includes two partially constructed Jones Act-qualified MPSV newbuilds to be completed pursuant to our settlement with the Surety, as discussed further in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Resumption of MPSV Newbuild Construction."

There are a number of third-party services that consistently monitor and assess the value of vessels across the global OSV and MPSV fleets. These firms independently evaluate each vessel based on age, build specification, capabilities and recent comparable vessel sales, among other criteria, to derive a market-based estimate of current vessel value including fair market value, newbuild, or replacement, value, and liquidation value. According to one third-party provider, VesselsValue, our total fleet of 60 OSVs and 15 MPSVs had a fair market value of approximately $2.7 billion and a newbuild, or replacement, value of approximately $5.7 billion as of July 31, 2024, reinforcing the quality and differentiated capabilities of our vessels in today's market.

Jones Act and other cabotage laws

Our 58 U.S.-flagged owned and operated vessels are all Jones Act-qualified. The majority of our U.S. operations are subject to the provisions of the Jones Act which, subject to limited exceptions, restricts maritime transportation of merchandise between points in the U.S. to vessels that are: (a) built in the United States; (b) registered under the U.S. flag; (c) crewed by U.S. citizens or lawful permanent residents; and (d) owned and operated by U.S. citizens within the meaning of the Jones Act. Based on publicly-available information compiled by the Company and data provided by Spinergie, the supply of Jones Act-qualified vessels is limited as there are only 83 active high- and ultra high-spec Jones Act-qualified OSVs in the U.S. GoM as of July 31, 2024. Of this limited supply, Hornbeck owns 26% of the market, representing the second largest such fleet in the industry. Mexico and Brazil each have their own cabotage laws that provide varying levels of insulation from foreign sources of competition that may be unwilling to invest capital or otherwise satisfy local ownership, crewing, tax and/or build requirements. As such, cabotage-protected markets create meaningful barriers to entry for foreign-flagged vessels. Since the fourth quarter of 2023, maritime regulators in Mexico have implemented new approaches in their oversight of Navieras that historically have had permissible levels of non-Mexican ownership, such as ours. As a result, we took legal action in Mexico to preserve our cabotage privileges there, and a Mexican court has ordered that our cabotage privileges be reinstated.

We have appealed this decision to further clarify the court's ruling, and our cabotage privileges remain active during the pendency of the appeal. We expect the appellate process to last between one and three years. Despite these favorable court rulings, and the pendency of appeals, Mexican maritime regulators have limited our ability to object to the employment of non-Mexican flag vessels that compete with our own Mexican-flagged vessels, which is one of the privileges of a Mexican Naviera. Since the fourth quarter of 2023, we have moved all but two of our Mexican-flagged vessels into various non-Mexican international markets to continue utilizing our highly-skilled Mexican mariners and shore-based employees as part of our international services.

Customer Markets

The OSV and MPSV market has expanded rapidly since the 1970s, driven initially by growing offshore oil and gas production and more recently supported by diversified non-oilfield customer markets including military support services, renewable energy development and other non-oilfield service offerings. In response to changing market conditions and customer demand, we regularly transfer vessels between our core geographic areas and adapt equipment and features of our vessels to best meet potential revenue opportunities. Each customer market has specialized service needs and vessel requirements. For the six months ended June 30, 2024, approximately 49% of our revenues were attributed to oil and gas drilling support activities. The remaining approximately 51% of our revenues were generated away from the drill bit, comprised of approximately 25% coming from oilfield specialty activities, including offshore inspection, repair and maintenance, or "IRM," construction and equipment installation, as well as decommissioning and plugging and abandonment work; approximately 19% coming from military support services and Humanitarian Aid and Disaster Relief ("HADR"); and approximately 7% coming from other non-oilfield support services, including offshore wind development, construction and support services. As we continue to diversify our customer markets, we expect the non-oilfield markets to contribute a greater portion of revenues in the future.

Oilfield Services

We predominantly serve our oilfield customers in the GoM, the Caribbean, Northern South America and Brazil. Our vessels provide support to offshore oil and gas exploration and production companies in two key areas: (i) oilfield drilling support and (ii) oilfield specialty services. Drilling support provides services that are specifically related to offshore drilling and production activities. This includes the transportation of drilling equipment, such as wellheads and drill pipe, as well as drilling fluids and other bulk products used in the development of new exploration wells and their subsequent production activities. Oilfield specialty services support ongoing or recurring oilfield activities, such as equipment installation services, IRM, flowback, well testing, pipeline flushing, decommissioning, and worker accommodations and transportation. In combination, we offer our oilfield customers a comprehensive range of vessel types and service offerings that cover the entire value chain of offshore hydrocarbon development. Additionally, we operate a port facility located in Port Fourchon, Louisiana, where we are able to stage equipment and cargos in support of such services and can also perform some of our own maintenance, outfitting and other in-the-water shipyard repair activities.

Non-Oilfield Services

Military Support Services

Since 2006, we have been a prominent, private sector service provider to the U.S. military by delivering vessels that support their readiness and security. We support our government customers in two key service offerings primarily from the East and West Coasts of the United States. We provide ongoing operation and maintenance of four highly specialized OSVs (which we previously developed, constructed, and sold to the U.S. Navy) via a long-term Operations & Maintenance ("O&M") contract. We also own, operate, and charter vessels that provide submarine supply services, rescue and recovery capabilities, transportation services and training drills. Our military service capabilities are an accelerating component of our service portfolio and

military support is an end-customer market that is of particular importance given the stability provided by the U.S. government's desire to execute long-term service agreements with qualified private contractors. We have received approximately $65.6 million, $105.5 million and $57.8 million of revenue for military support services for the years ended 2022 and 2023 and for the six months ended June 30, 2024, respectively.

Renewable Energy

Renewable energy, and particularly offshore windfarms and infrastructure, is in its early stage of development in the U.S. and represents an emerging market for our services. Certain of the development and maintenance aspects of U.S. offshore windfarms require the use of U.S.-flagged, Jones Act-qualified, high specification vessels, for which we are well-positioned to offer our services. We believe that vessels such as ours will be critical across all stages of the offshore windfarm development cycle, including installation support, geophysical survey, vessel support for testing and operations maintenance and repair. Offshore wind development and associated services represent a potential high-growth customer market for our business and our growing involvement positions our business to actively participate in the alternative energy market.

Other Non-Oilfield Services

The versatility of our vessels allows us to support communities in our core geographic areas by providing other non-oilfield services, including humanitarian aid and disaster relief, and service to the aerospace and telecommunications industries. For example, our fleet can support oil spill relief, hurricane recovery, vessel salvage and a broad range of search and rescue operations by deploying vessels to high-need areas in response to natural disasters or crises and providing those affected with lifesaving supplies and equipment. Additionally, our vessels are equipped to support aerospace launches that call for rocket component landing and recovery capabilities.

Collectively, our oilfield and non-oilfield customer markets provide a diverse platform from which we can leverage the capabilities of our vessels and creatively deploy them with customers to serve new markets or high-need service areas. We believe that the diversification benefits that come from servicing a broad range of customers reduces the potential variability in our operating performance, as well as the installation, testing and retrieval of fiber-optic cable for telecommunications.

Industry Overview

Offshore Exploration and Production

Over the last three decades, the offshore oil and gas industry has undergone significant technological change, marked by an ability to explore and produce hydrocarbons in deepwater and ultra-deepwater regions. These areas contain some of the largest hydrocarbon reserve deposits anywhere in the world with inventory that is expected to last decades.

Most deepwater and ultra-deepwater offshore drilling activity is concentrated in the U.S. GoM, South America (largely dominated by Brazil and more recently, Guyana) and West Africa. Based on Rystad industry data as of July 2024, approximately 70% of global deepwater and ultra-deepwater hydrocarbons are located in the GoM and South America. Moreover, per the Bureau of Safety and Environmental Enforcement ("BSEE"), average deepwater and ultra-deepwater well depths have been on an upward trajectory creating significant demand for high- and ultra high-spec OSVs and MPSVs, which are well-positioned to service larger, more remote projects given their greater storage capacities, larger deck space, and industry-leading technologies.

We expect offshore drilling activity to accelerate through 2028. Offshore activity is economically advantaged with low breakeven prices. Based on Rystad industry data as of July 2024, 90% of offshore proven reserves and probable reserves are economic when crude oil prices are at or below $50.00 per barrel, a level well below 2024 prices. As a result, offshore activity is expected to accelerate and Rystad forecasts that offshore rig

counts in Hornbeck's core markets will increase approximately 23% through 2028. Contracted drilling rigs that provide exploration and drilling services to major exploration and development companies are a key leading indicator to OSV demand as each rig working to drill a well requires several OSVs to service it with equipment and supplies. The number of OSVs required to support a drilling rig depends on many factors including the type of drilling activity, the depth and development stage of the well, and the location of the rig. Typically, during the initial drilling stage, more OSVs are required to supply drilling mud, drill pipe, and other materials than at later stages in the drilling cycle. On average, and based on recent trends in active offshore drilling rigs and OSVs, we believe a typical offshore drilling rig requires approximately two to four OSVs to provide ongoing services at any one time with select infrastructure-remote areas such as Brazil and the Caribbean occasionally requiring a greater number of OSVs per drilling rig due to greater logistical challenges in those markets resulting in longer vessel turnaround times.

Our fleet of vessels provides logistics support and specialty services to the offshore oil and gas exploration and production industry, primarily in the GoM, the Caribbean, Northern South America and Brazil, as well as non-oilfield specialty services for the U.S. military and other non-oilfield service customers primarily in the U.S. GoM and from the East and West Coasts of the United States. The United States, Mexico and Brazil have strict cabotage laws that provide us varying levels of insulation from foreign sources of competition that may be unwilling to invest capital or otherwise satisfy local ownership, crewing, tax and/or build requirements. As such, cabotage-protected markets create meaningful barriers to entry for foreign-flagged vessels. We have vessels flagged in each of these jurisdictions and, due to treaties or other legal benefits, we are regularly able to move vessels and/or crews among these jurisdictions.

Below are more detailed descriptions of the industry dynamics impacting our core Oilfield Services operating markets:

U.S. GoM

The U.S. GoM continues to be a world-class basin, attracting significant capital from exploration and production companies. Based on Rystad industry data, U.S. GoM offshore rig counts have increased from 16 to 21 rigs from 2021 to 2023 and are expected to remain between 19 and 21 rigs through 2027. Similarly, U.S. GoM offshore well counts are expected to increase every year from 2023 through 2028 with an average CAGR of approximately 3.1%. Due to higher cost, greater complexity and longer equipment and permitting lead times compared to conventional onshore drilling, offshore projects are characterized by long-cycle planning and investment horizons. This dynamic results in greater stability and resilience through commodity price cycles. Historically, onshore rig counts are more variable during periods of commodity price volatility than offshore rig counts.

The increased focus on the need for low carbon-intensity production has also highlighted the importance of the U.S. GoM and its lower global greenhouse gas ("GHGs") emissions intensity (CO_2e/kboe) relative to other global offshore basins. According to Wood Mackenzie's Emissions Benchmarking Tool, U.S. Gulf of Mexico Deepwater's weighted average emissions intensity in 2023 was 8.16 tCO_2e/kboe compared to a global weighted average of 20.45 tCO_2e/kboe. As a result, we believe that the U.S. GoM will continue to be an area of increased investment and production by many of the large oil and gas producers.

Mexico GoM

While Mexico appears to hold significant promise as a deepwater and ultra-deepwater basin in the future, recent political setbacks and administrative challenges have frustrated plans for investment by non-Mexican oil and gas companies. Since the fourth quarter of 2023, maritime regulators have also curtailed our Naviera's ability to enjoy Mexican cabotage and other privileges, despite our non-Mexican ownership levels being within the

thresholds permitted by Mexican law. See "—Recent Developments—Mexico Cabotage Status" for additional discussion of the status of our operations in the Mexican market.

Brazil

Based on Rystad industry data, Brazil is expected to receive the most deepwater and ultra-deepwater oil and gas investment worldwide between 2024 and 2027. Brazil has seen a significant increase in investment in its upstream resources from private exploration and production companies since the 2014 downturn, when state oil company Petrobras began selective asset sales to address its balance sheet issues. Supported by the current oil price environment, many large international oil companies, as well as local independents, are investing in deepwater and ultra-deepwater exploration and development activities. Additionally, Petrobras has publicly announced plans to spend approximately $73 billion on exploration and production activities from 2024 through 2028.

Based on Rystad industry data, the offshore rig count in Brazil is forecasted to increase to 32 rigs in 2025, a 33% increase from 2023 levels. In addition, Rystad industry data anticipates rig count levels remaining above 2024 levels through at least 2028. The increase in activity will likely require additional vessels to mobilize to the area to support this increased drilling activity. As of July 31, 2024, ten U.S. Jones Act high- and ultra high-spec vessels have relocated from the U.S. GoM to Brazil in order to fulfill the current demand in that region.

Caribbean and Northern South America

The Caribbean and Northern South America are developing markets for deepwater and ultra-deepwater exploration and production. Activity in the region is primarily focused in the Guyana-Suriname basin, but also includes Colombia, Trinidad and occasionally other Caribbean islands. Due to its proximity to the U.S. GoM and the Mexico GoM and the offshore operating environment, high-spec and ultra high-spec U.S.-flagged and Mexico-flagged OSVs are ideally suited to serve customers in this region. Currently, over 50% of the OSVs operating in the area are U.S.-flagged.

Since the discovery of the Liza-1 well in 2015, the Guyana-Suriname basin has become one of the fastest growing deepwater and ultra-deepwater exploration markets in the world. In April of 2022, ExxonMobil announced the final investment decision, or FID, for the Yellowtail development offshore Guyana, which was the fourth, and largest, project in the Staebroek Block. The total investment is expected to reach $12 billion and deliver a daily output of 250,000 barrels a day. According to published data from Hess Corporation as of May 2024, ExxonMobil's partner in the Yellowtail development, the Staebroek Block's gross discovered recoverable resource estimate is more than 11 billion barrels of oil equivalent. Other operators, such as TotalEnergies, have announced plans to invest in the region with a FID for Block 58 in Suriname expected to be approved in the fourth quarter of 2024.

As of July 31, 2024, there were six offshore rigs operating in this region. According to Rystad industry data, this number is expected to increase to 11 offshore rigs by 2028. These activity levels will require additional vessels to mobilize to the area to support drilling activity. We believe that additional U.S.-flagged vessels are well-suited to support these new drilling programs. As of July 31, 2024, 15 U.S. Jones Act high- and ultra high-spec vessels have relocated from the U.S. GoM to the Caribbean and South America in order to fulfill the current demand in those regions.

Non-Oilfield Services

Beyond Oilfield Services, our vessels are actively involved in the support of critical offshore activities in our core geographic regions, including military services, renewable energy development and other non-oilfield

service offerings. As of July 31, 2024, 18 U.S. Jones Act-qualified high- and ultra high-spec vessels were working in military, offshore wind, aerospace or other industries. These non-oilfield markets have had a material impact on an already tight U.S. Jones Act market. Below are more detailed descriptions of the industry dynamics within each of those end-customer markets:

Military Support Services

The United States has relied on private vessel owners and operators comprising the U.S. Merchant Marine to provide vessels that support U.S. military readiness and security, as well as peacetime and wartime services. We provide such support primarily from the East and West Coasts of the United States. The use of specialized vessels, including OSVs and MPSVs, has increased as the broad utility of these vessels has been recognized by government customers, particularly the U.S. Navy. We believe the opportunities for additional military use could include:

- Service offerings for the U.S. Special Operations Command, the organization tasked with overseeing the various special operations of the U.S. Army, Marine Corps, Navy and Air Force;
- O&M contract opportunities; and
- Operational support for a growing fleet of U.S. Navy vessels.

Military support services represent a significant growth opportunity beyond the oilfield. Military business provides a diversified customer market that counterbalances oilfield volatility and generally comes with longer tenor contracts (generally more than three years). We continue to grow our military support services offerings and expect them to continue to grow in the future.

Renewable Energy Development

The offshore wind market is in its early stage of development and shows potential as an emerging market for our services in the U.S. GoM, as well as certain areas on the East and West Coasts of the United States. Field surveying, construction and operation for offshore wind require many of the core competencies and vessel specifications used in oilfield services, creating opportunities for legacy oilfield vessel providers to service this market. Moreover, many of the wind farms developed in domestic U.S. waters will require Jones Act-qualified vessels thereby creating cabotage protections for this work.

Vessel requirements for offshore wind development typically span three distinct phases:

- *Pre-Construction Surveying:* This phase of development requires surveying vessels to ascertain sea bottom, sea state, and wind conditions, as well as site clearing for potential project development. Examples of such services include removal of boulders and unexploded ordnances on the seabed, as well as providing sound barriers to protect sea mammals from offshore wind construction activities and noise.
- *Construction and Installation:* This phase of development is the most vessel intensive and will require service vessels to execute and support a range of tasks including foundation, monopile, and wind turbine installations, cable laying, installation of electrical transmission lines between field units and the onshore/offshore electric grid, and the transportation and housing of construction and installation crews, among others.
- *Ongoing Service and Maintenance:* This phase will require vessels to provide ongoing service and maintenance to offshore wind infrastructure assets including crew and equipment transfers, asset retrofitting and replacement, and ongoing infrastructure monitoring services.

Further, in 2021, the Biden Administration released its Offshore Wind Energy Strategy outlining its goal of deploying 30 gigawatts of offshore wind in the United States by 2030. Higher than expected interest rates,

inflation and post-COVID supply chain restraints have hampered the pace of development, which is now forecasted to achieve approximately 18 gigawatts by 2030, but continuing to grow from there. According to Maritime Strategies International ("MSI"), 49 wind energy projects have been identified along U.S. coastlines with construction on 8 of these projects to begin between 2025 and 2027. Additionally, five lease sales on the West Coast of the United States and one lease sale in the U.S. GoM are expected to require floating installation capabilities and vessels, which Hornbeck's fleet is capable of providing. According to MSI, U.S. offshore wind projects are characterized by increasing distance from shore and larger generating capacity. The average distance from shore is expected to grow from 12 km in 2020 to 38 km in 2035. The average generating capacity of offshore wind is expected to increase five-fold. We believe these larger and farther-from-shore projects will provide our existing fleet of vessels with new opportunities for which they are well-suited. In addition, these opportunities are likely to create demand for our C/SOV which is expected to be delivered in 2025. We know of only three other Jones Act qualified SOVs or CSOVs that are under construction. Thus, these types of vessels, which are uniquely suited for offshore wind projects, may be under-supplied as such offshore projects continue to be built. Continued growth of the offshore wind market in the U.S. is not guaranteed and is subject to change as a result of shifts in political policies that currently favor offshore wind growth. Such changes in policy may occur, for example, as a result of the November 2024 presidential election in the U.S.

Other Non-Oilfield Services

We have multiple areas of growth in other non-oilfield services including:

- *Humanitarian Aid and Disaster Relief*: Because of the versatility of our vessels, we are often contracted as part of the response to an offshore crisis, including as service support for the Federal Emergency Management Agency. In the past, we have supported oil spill relief, non-oilfield hurricane relief, aircraft disasters, vessel and other equipment salvage and other post-disaster recovery efforts.
- *Aerospace*: Our vessels are equipped to support aerospace launches that call for rocket component landing and recovery capabilities. In addition, we have supported the aerospace industry through vessel crewing and other vessel management agreements.
- *Telecommunications*: Our vessels can also be retrofitted to support the installation, testing and retrieval of fiber-optic cable.

Our Competitive Strengths

Leading presence in the United States and Latin America

Hornbeck was established in 1997 and has one of the most capable and high-spec fleets of vessels in the industry. Based on publicly-available information compiled by the Company and data provided by Spinergie, we believe that our fleet of 41 high-spec and ultra high-spec OSVs, totaling 217,140 in DWT capacity, represents 6.6% of the 3,290,183 total DWT of such vessels in the world, making Hornbeck the third largest fleet out of 163 companies that own and operate high-spec or ultra high-spec OSVs worldwide. Furthermore, we believe that our fleet of 15 U.S.-flagged ultra high-spec OSVs, totaling 91,123 in DWT capacity, represents the largest fleet of such vessels operating in the United States measured by DWT capacity. Additionally, we are one of the top operators of OSVs, based on DWT, in each of our two core geographic markets, which include 2,459,593 DWT and constitute 41.7% of the total supply of 5,847,658 DWT to such markets. Our 46 U.S.-flagged OSVs, totaling 206,767 in DWT capacity, comprise the second largest fleet of technologically advanced, OSVs qualified for work in the U.S. GoM under the Jones Act. As of July 31, 2024, our active fleet of OSVs and MPSVs consisted of (i) 20 U.S.-flagged OSVs and seven MPSVs in the U.S. GoM, (ii) five OSVs and one MPSV throughout the U.S. Atlantic, (iii) one OSV and three MPSVs in the U.S. Pacific, (iv) seven OSVs offshore Brazil, (v) one OSV offshore Argentina, (vi) four OSVs in the Caribbean and Northern South America and (vii) one OSV and one MPSV offshore Mexico. We believe that having scale in our core markets with the flexibility to transfer vessels among regions benefits our customers and provides us with operating efficiencies.

Large and diverse fleet of technologically advanced high-spec and ultra high-spec vessels

Over the past 27 years, we have assembled a multi-class fleet of 60 OSVs and 15 MPSVs. Since 2014, we have focused on expanding our line of high-spec and ultra high-spec vessels, increasing our fleet of such vessels from 41% of our fleet in 2014 to 75% of our fleet in 2024. High-spec and ultra high-spec vessels incorporate sophisticated technologies that are designed specifically to operate safely in complex and challenging environments and are equipped with specialty equipment and other features to respond to the needs of our customers through the project development and operation lifecycle of an offshore oilfield. These technologies include DP, roll reduction systems and controllable pitch thrusters, which allow our vessels to maintain a fixed position with minimal variance. Our cargo-handling systems permit high-volume transfer rates of liquid mud and dry bulk materials. In addition, we are able to outfit our vessels with specialty equipment and certain features as needed for specific projects. The greater fuel efficiency, larger cargo-carrying capacity, advanced mud-handling systems and other technical features of our high-spec and ultra high-spec vessels enhance offshore project efficiency and create a compelling value proposition for our customers. As a result of our fleet mix, in-house engineering capabilities, operations history and market strategies, we believe that we earn higher average dayrates compared to our competitors. According to industry data from Fearnley Offshore Supply, our average dayrates were 87%, 41%, and 16% higher than the global average term rates of comparably sized vessels owned by other operators in 2022, 2023, and the six months ended June 30, 2024, respectively.

Strong market position due to qualification under the Jones Act and favorable sector tailwinds

As a leader in marine transportation services to the offshore oilfield industry, we believe Hornbeck is well-positioned to capitalize on favorable industry conditions for significant growth opportunities, particularly in offshore wind development and support services to the U.S. military on the East and West Coasts of the United States. The United States has strict cabotage laws that provide insulation from most sources of foreign competition for our U.S. fleet for coastwise services. In addition, the U.S. high-spec and ultra high-spec vessel supply is highly restricted with long lead times for new construction. High newbuild costs result in unfavorable return economics for newbuilds, which is exacerbated by limited pools of available capital to make investments into new fleet construction. We believe our reputation for high-quality, safe and reliable operations, complex problem solving, operational flexibility, and world-class vessels allows Hornbeck to compete effectively for and retain qualified mariners, which positions Hornbeck for long-term sustainable growth in a tight labor market. In addition, our robust offering of services, ranging from initial construction to decommissioning, has allowed us to compete effectively and remain a trusted service provider for active offshore companies, as well as the U.S. military.

Successful track record of strategic vessel acquisitions

We have built our fleet through a combination of newbuilds and strategic acquisitions from other operators. Our management team's extensive naval architecture, marine engineering and shipyard experience has enabled us to quickly integrate newly acquired vessels into our fleet and retrofit them to meet our quality standards and customer needs cost-effectively. From time to time, we consider opportunistic acquisitions of single vessels, vessel fleets, and businesses that strategically complement our existing operations to enable us to grow our business and better serve our customers. Since 2017, we have successfully completed the acquisition of 19 OSVs, 18 of which are currently operating as part of our high-spec and ultra high-spec fleet and one of which is currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel.

Diversified service offerings and customer markets provide stability to cash flows

We have well-established relationships with leading oilfield and non-oilfield companies and the U.S. government and believe such relationships are in part maintained because of our diversified service offerings in the oilfield and non-oilfield customer markets. Our diversified service offerings allow us to pivot based on our

customers' needs and gives our customers confidence to commit to longer-term contracts for our services, which provides us with cash flow stability. Additionally, these large, integrated customers are financially stable and can better withstand economic or market downturns in a volatile market, and we believe maintaining relationships with these customers will ultimately result in better visibility to vessel utilization and greater liquidity for us in the future.

Experienced management team with proven track record

Our founder-led executive management team has an average of over 37 years of domestic and international marine transportation industry-related experience and has worked together at the Company for over 20 years. Our team is comprised of individuals with extensive, global experience with backgrounds across many diverse fields including engineering, project management, military service, finance, accounting, legal, risk management and corporate leadership. We believe that our team has successfully demonstrated its ability to grow our fleet through new construction and strategic acquisitions and to secure profitable contracts for our vessels in both favorable and unfavorable market conditions in domestic and foreign markets.

Attractive growth opportunities

Our fleet of technologically advanced high-spec and ultra high-spec vessels is increasingly being deployed to serve the accelerating needs of the U.S. Military, renewable energy, and aerospace industries. Many of these high-growth markets require U.S.-flagged Jones Act-qualified vessels, which can be custom tailored to address a broad spectrum of services. For these applications, our vessels are typically contracted for greater than three years, providing a counter-balance to cyclicality experienced in our oilfield end-markets.

Our Strategy

Leverage our geographic presence in the United States and Latin America and grow industry leading service capabilities

We have strategically chosen to focus our efforts in two core geographic markets, the United States and Latin America. While the U.S. GoM will continue to be a priority for us, in recent years we expanded our presence in each of the Mexico GoM, the East and West Coasts of the United States, the Caribbean, Northern South America and Brazil, as we anticipate long-term growth in those markets. Given the relative proximity of these markets, we are able to readily move our vessels among them and retain flexibility to relocate those vessels back to the U.S. GoM or into adjacent locations across our operating regions. We believe this allows us to conduct a more thorough on-going alternative analysis for vessel deployments among such markets and, thus, better manage our portfolio of contracts to enhance dayrates and utilization over time as contracting opportunities arise. Our Jones Act-qualified high-spec and ultra high-spec OSVs account for approximately 26% of the total industry supply of such vessels. Our vessels have been adapted to operate in a range of oilfield specialty configurations, including flotel services, extended-reach well testing, seismic, deepwater and ultra-deepwater well stimulation, other enhanced oil recovery activities, high pressure pumping, deep-well mooring, ROV support, subsea construction, installation, IRM work and decommissioning services. We are also growing our diverse non-oilfield specialty services, such as military applications, offshore wind farms, oceanographic research, telecommunications, and aerospace projects.

Pursue differentiated customer offerings to optimize utilization and free cash flow generation

We seek to balance and diversify our service offerings to customers, to optimize our vessel utilization and stabilize our free cash flow generation. For example, in addition to our long-term charters in oilfield services and with military and renewable energy customers that contribute to contracted backlog and provide utilization stability, we also seek out short-term charters such as spot oilfield services that typically have higher dayrates.

This contracting strategy balances our financial profile between longer-term charters and the flexibility to capture current market dayrates for a portion of our fleet. Our current contracting approach allows us to consistently perform well against our OSV peers when comparing average OSV dayrates and gross margins. The flexibility of our vessel capabilities is designed to optimize our utilization and allows us to pivot in response to market conditions and customer needs, which can lead to more stable free cash flow generation.

Apply existing, and develop new, technologies to meet our customers' vessel needs and expand our fleet offerings

Our in-house engineering team has been instrumental in applying existing, and developing new, technologies that meet our customers' vessel needs and provide us with the opportunity to enter new customer markets. For instance, our OSVs and MPSVs are designed to meet the higher capacity and performance needs of our oilfield clients' increasingly complex drilling and production programs and the diverse needs of our U.S. military, renewable energy and humanitarian aid and disaster relief customers. Further, we are able to reconfigure or retrofit existing assets with existing or new technology to participate in new customer markets such as offshore wind, aerospace and telecommunications. Specifically, we are currently deploying capital to upgrade certain of our vessels to dual service capabilities to better service the oilfield services market as well as the emerging offshore wind market. We remain committed to applying existing and developing new technologies to maintain a technologically advanced fleet that will enable us to continue to provide a high level of customer service and meet the developing needs of our customers.

Focus on selective acquisitions that are strategically and financially accretive

We seek to opportunistically grow our fleet through strategic and financially accretive acquisitions. Our screening criteria focuses on expanding the depth and breadth of our fleet mix as well as diversifying service offerings in our core markets. From time to time, we consider opportunistic acquisitions of single vessels, vessel fleets, and businesses that strategically complement our existing operations to enable us to grow our business and better serve our customers. For example, we recently completed the acquisition of 12 high-spec OSVs, which we refer to as the ECO Acquisitions.

Maintain a conservative balance sheet, disciplined growth, and robust free cash flow generation through cycles

We adhere to financial principles designed to maintain a conservative balance sheet, disciplined growth, and robust free cash flow generation. Our balance sheet strategy targets less than 1.0x leverage with ample excess liquidity available to withstand industry cycles or take advantage of disciplined growth opportunities.

Our growth strategy involves a disciplined screening of opportunities for differentiated assets that create competitive advantages and is focused on returns and payback periods. Our cash flow generation abilities are centered around maintaining flexible costs and lean organizational structures that seek efficiencies through continuous operational improvement and working capital management.

Continued commitment to sustainability and safety

Safety is of great importance to us and offshore operators due to the environmental and regulatory sensitivity associated with offshore drilling and production activity and wind development. We believe certain of our efforts, such as adopting shipboard energy efficiency management plans, installing emission monitoring systems and pursuing other operational efficiencies, have been successful, allowing us to meet our customers' needs while supporting our efforts to reduce our emissions of GHGs. Additionally, since 2020, our focus on safely addressing operational risk has contributed to maintaining an industry-low TRIR. Our most recent 5-year

average TRIR was 0.10, outperforming peer averages from the International Marine Contractors Association ("IMCA") and International Support Owners Association ("ISOA"). Further, in addition to industry standard certifications, as part of our commitment to safety and quality, we have voluntarily pursued and received certifications and classifications that we believe are not generally held by other companies in our industry. We believe that customers recognize our relentless commitment to safety, which contributes to our positive reputation and competitive advantage.

We recently placed into service a high-tech DP simulator that provides an interactive and immersive training experience for current and future mariners who serve in DP officer ("DPO") roles on our vessels. Configured to incorporate the controls and models of the three brands of DP systems that we use on our vessels, as well as to simulate four different specific vessel types and classes within our fleet, this highly customized design affords DPOs the opportunity to train on the same or substantially similar DP systems installed on our vessels. The simulator provides us with a sophisticated training platform from which to train our mariners. Our mariners are engaged in a virtual ship-like environment that can subject them to realistic failure situations in a controlled atmosphere, thus facilitating a dynamic learning process. Our DP simulator is designed to make training more efficient, cost effective and risk free, and ultimately provide an optimum outcome for trainees and the Company. The simulator is located at our headquarters in Covington, Louisiana.

We also provide our chief shipmates and other engine-room personnel training on a land-based version of our onboard oily water separator unit, which enhances crew knowledge of a critical environmental safeguard and, we believe, fosters our culture of environmental stewardship and risk mitigation.

Recent Developments

First Lien Revolving Credit Facility

On August 13, 2024, we entered into a First Lien Revolving Credit Facility with DNB Bank ASA, New York Branch, as administrative agent, Wilmington Trust, National Association, as collateral agent, and the lenders party thereto. The current aggregate commitments for the revolving loans (the "Revolving Loans") under the First Lien Revolving Credit Facility total $75 million, all of which remain undrawn. The First Lien Revolving Credit Facility also has a customary uncommitted incremental facility in an amount up to $50 million (or such greater amount as consented to by all lenders). Our ability to borrow under the First Lien Revolving Credit Facility is subject to customary conditions precedent, including no default or event of default, representations and warranties being true and correct in all material respects, and pro forma compliance with the financial covenants therein. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Debt Agreements."

Resumption of MPSV Newbuild Construction

In October 2023, we entered into a final settlement of a dispute with the Surety and Gulf Island related to the construction of two MPSV newbuilds. Pursuant to the settlement agreement, Gulf Island released all claims asserted against us and we released our claims against Gulf Island and the Surety. Further, the Surety agreed to take over and complete the construction of the two U.S.-flagged, Jones Act-qualified, HOS 400 class MPSVs at a shipyard acceptable to us. In December 2023, Eastern was mutually selected by the parties and was contracted by the Surety to complete construction of the two MPSVs. We are obligated to pay only the remaining portion of the original shipyard contract price for the two MPSVs, which amounted to $53.8 million in the aggregate on the settlement date. The Surety is required to cure all defaults of Gulf Island and pay all completion costs in excess of the $53.8 million remaining original contract price, excluding any approved change orders arising after the settlement date. There is no cap on the Surety's completion cost. As of June 30, 2024, we had paid $5.3 million to Eastern related to the completion of these two MPSVs.

Pursuant to the settlement, the Surety is contractually required to deliver both MPSVs in 2025. We were provided an updated schedule by the Surety and Eastern indicating that they currently expect a six-month shipyard delay for the delivery of the first of the two MPSVs. An updated delivery schedule has not yet been provided for the second vessel. Following physical delivery by the shipyard, we expect each vessel to undergo crane and other system installations, which we expect will make the first vessel available for commercial service in the first half of 2026, and the second vessel thereafter. In addition to the remaining $48.5 million of the original contract price as of June 30, 2024, we expect to incur an incremental $91.2 million in the aggregate for outfitting, overhead and the post-delivery discretionary enhancements, of which $63.6 million solely relates to the purchase and installation of cranes on both vessels. As of June 30, 2024, we had incurred $0.8 million of such incremental amounts, excluding capitalized interest. Once placed in service, we expect that our book carrying value for each vessel will be approximately $80.0 million, which is significantly below the expected market value of Jones Act-qualified vessels of this age, type, size and specifications.

ECO Acquisitions

In January 2024, we took delivery of the sixth and final vessel under ECO Acquisitions #2 and paid $15.3 million for the remaining 90% of the original purchase price and $0.1 million for purchase price adjustments related to discretionary enhancements completed in the shipyard by Nautical. As of June 30, 2024, we had paid an aggregate of $102.0 million for the original purchase price, including deposits, and $10.6 million in purchase price adjustments associated with discretionary enhancements, additional outfitting and post-closing modifications for the ECO Acquisitions #2 vessels. Delivery of this final vessel marks the completion of the combined 12 vessel acquisitions under the ECO Acquisitions. We expect to incur an incremental $0.2 million related to additional outfitting, discretionary enhancements and post-closing modifications for certain of these vessels during the remainder of 2024.

Mexico Cabotage Status

In the fourth quarter of 2023, maritime regulators in Mexico implemented new approaches in their oversight of Navieras that have historically had permissible levels of non-Mexican ownership, such as ours. As a result, we took legal action in Mexico to preserve our cabotage privileges there, and a Mexican court ordered that our cabotage privileges be reinstated. We have appealed this decision to further clarify the court's ruling, and our cabotage privileges remain active during the pendency of the appeal. We expect the appellate process to last between one and three years. Despite these favorable court rulings, and the pendency of appeals, Mexican maritime regulators have limited our ability to object to the employment of non-Mexican flag vessels that compete with our own Mexican-flagged vessels, which is one of the privileges of a Mexican Naviera. Since the fourth quarter of 2023, we have moved all but two of our Mexican-flagged vessels into various non-Mexican international markets, while continuing to utilize our highly-skilled Mexican mariners and shore-based employees as part of our international services.

Ongoing Acquisition/Investment Activities

We regularly evaluate additional acquisition opportunities and frequently engage in discussions with potential sellers. We are currently focused on pursuing acquisition opportunities that will further diversify our vessel holdings and the specialty services we offer. The timeline required to negotiate and close on any one or more acquisition opportunities is at times unpredictable and can vary greatly.

Our acquisitions may require material investments and could result in significant modifications to our capital plans, both in the aggregate amount of capital expenditures to be made and a reallocation of capital. Our acquisitions (including the ECO Acquisitions) are typically made for a purchase price which historically we have funded with a combination of borrowings, cash generated from operations and debt and/or equity issuances.

We typically do not announce a transaction until after we have executed a definitive agreement. In certain cases, in order to protect our business interests or for other reasons, we may defer public announcement of a transaction until closing or a later date. Past experience has demonstrated that discussions and negotiations regarding a potential transaction can advance or terminate in a short period of time. Moreover, the closing of any transaction for which we have entered into a definitive agreement may be subject to customary and other closing conditions, which may not ultimately be satisfied or waived. Accordingly, we can give no assurance that our current or future acquisition or investment efforts will be successful.

Risk Factors Summary

Our business is subject to numerous risks and uncertainties, including, but not limited to, those highlighted in the section titled "Risk Factors" and summarized below. We have various categories of risks, including risks relating to our business; risks relating to legal, regulatory, accounting and tax matters; risks relating to our indebtedness; and risks relating to this offering and ownership of our common stock, which are discussed more fully in the section titled "Risk Factors." As a result, this risk factor summary does not contain all of the information that may be important to you, and you should read this risk factor summary together with the more detailed discussion of risks and uncertainties set forth in the section titled "Risk Factors." These risks include, but are not limited to, the following:

Risks Relating to Our Business

- We derive substantial revenues from companies in the oil and natural gas exploration and production industry, which is a historically cyclical industry with levels of activity that are directly affected by the levels and volatility of oil and natural gas prices.
- Our operations may be impacted by changing macroeconomic conditions, including inflation.
- Recently completed and future acquisitions by us may create additional risks.
- We must continue to comply with the Jones Act's citizenship requirements.
- Imposition of laws, executive actions or regulatory initiatives to restrict, delay or cancel leasing, permitting or drilling activities in deepwaters of the U.S. or foreign countries may reduce demand for our services and products and have a material adverse effect on our business, financial condition or results of operations.
- We may not be able to complete the construction of our remaining two newbuilds and may experience delays related to such newbuilds.
- We operate in a highly competitive industry.
- In addition to industry concentrations, we have certain customer concentrations, and the loss of a significant customer would adversely impact our financial results.
- The early termination of or inability to renew contracts for our vessels could have an adverse effect on our operations.
- Uncertainty surrounding potential legal, regulatory and policy changes, as well as the potential for general market volatility and regulatory uncertainty, because of the upcoming U.S. presidential and congressional elections may have a material adverse effect on our results of operations, cash flows and financial position.
- Our contracts with the United States government might not be renewed, may be renewed at lower rates or may impose additional requirements.
- Our operations in international markets and shipyard activities in foreign shipyards subjects us to risks inherent in conducting business internationally.

- Our operations may be materially adversely affected by tropical storms and hurricanes.
- Our business may be subject to risks related to climate change, including physical risks such as increased adverse weather patterns and transition risks such as evolving climate change regulation, alternative fuel measures and/or mandates, shifting consumer preferences, technological advances and negative shifts in market perception towards the oil and natural gas industry and associated businesses, any of which could result in increased operating expenses and capital costs or decreased resources and adversely affect our financial results.

Risks Relating to Our Legal, Regulatory, Accounting and Tax Matters

- We may be unable to maintain an effective system of disclosure controls and procedures or internal control over financial reporting and produce timely and accurate financial statements or comply with applicable regulations.
- Changes in tax laws could adversely affect our business, financial condition and results of operations.
- We are subject to various anti-corruption laws and regulations and laws and regulations relating to economic sanctions. Violations of these laws and regulations could have a material adverse effect on our business, financial condition and results of operations.

Risks Relating to Our Indebtedness

- We may not be able to generate sufficient cash to service all of our indebtedness or repay such indebtedness when due and may be forced to take other actions to satisfy our obligations under our indebtedness, such as refinancings, which may not be successful or completed on favorable terms.
- Despite our current level of indebtedness, we and our subsidiaries may still be able to incur substantially more debt. This could further exacerbate the risks to our financial condition described herein.
- Our indebtedness could materially adversely affect our financial condition.

Risks Related to this Offering and Ownership of Our Common Stock

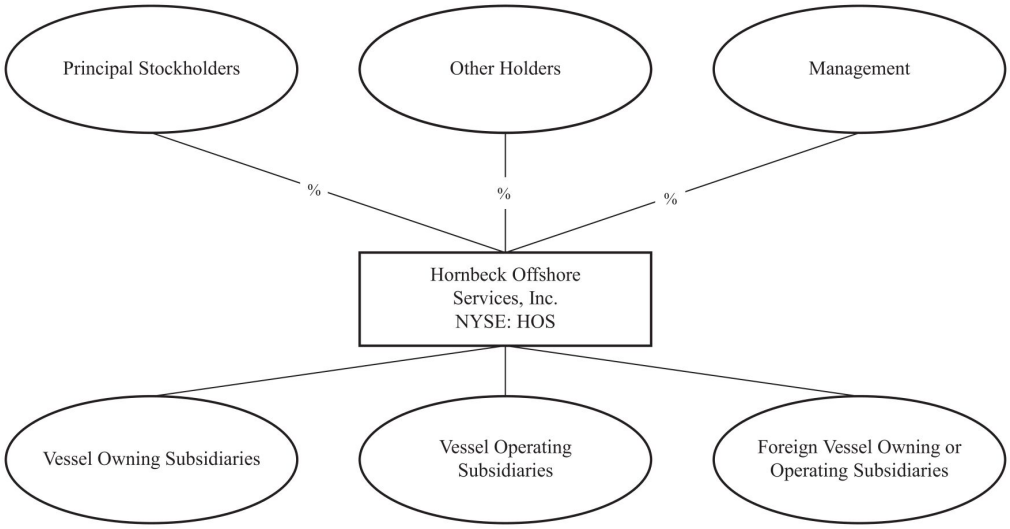
- Our common stock is subject to restrictions on foreign ownership and possible divestiture by non-U.S. citizen stockholders.
- We will incur significantly increased costs and become subject to additional regulations and requirements as a result of becoming a public company, and our management will be required to devote substantial time to new compliance matters, which could lower our profits or make it more difficult to run our business.
- We have a high level of concentrated stock ownership.
- Anti-takeover provisions in our organizational documents could delay or prevent a change of control.

Additional risks, beyond those summarized above or discussed elsewhere in this prospectus, may apply to our business, activities or operations as currently conducted or as we may conduct them in the future or in the markets in which we operate or may in the future operate.

If we are unable to adequately address these and other risks we face, our business, results of operations, financial condition and prospects may be harmed. You should carefully consider all of the information set forth in this prospectus and, in particular, should evaluate the specific factors set forth under “Risk Factors” in deciding whether to invest in our common stock.

Organizational Structure

The following diagram illustrates our organizational structure after giving effect to this offering.



Our Principal Stockholders

Our principal stockholders consist of our three largest stockholders (funds, investment vehicles or accounts managed or advised by Ares, Whitebox or Highbridge or their respective affiliates), who, as of July 31, 2024, collectively own 62.6% of our common stock and 85.8% of our Jones Act Warrants, which are convertible under certain circumstances into 9,767,165 shares of our common stock (shares after giving effect to the stock split). The principal stockholders are offering shares of our common stock (or shares if the underwriters exercise in full their option to purchase additional shares of common stock from the selling stockholders). After giving effect to this offering, the principal stockholders would own % of our common stock, and % of our Jones Act Warrants, which would be convertible under certain circumstances into shares of our common stock. On a diluted basis, after giving effect to the conversion of these Jones Act Warrants and this offering, the principal stockholders would own % of our common stock. See "—Principal and Selling Stockholders."

Ares Management Corporation (NYSE: ARES) is a leading global alternative investment manager offering clients complementary primary and secondary investment solutions across the credit, real estate, private equity and infrastructure asset classes. Ares Management Corporation seeks to provide flexible capital to support
businesses and create value for its stakeholders and within its communities. By collaborating across its investment groups, Ares Management Corporation aims to generate consistent and attractive investment returns throughout market cycles. As of June 30, 2024, Ares Management Corporation's global platform had approximately 3,000 employees operating across North America, Europe, Asia Pacific and the Middle East and approximately $447 billion of assets under management.

Whitebox Advisors LLC ("Whitebox") is a multi-strategy alternative asset manager that seeks to generate optimal risk-adjusted returns for a diversified base of public institutions, private entities and qualified individuals. Founded in 1999, Whitebox invests across asset classes, geographies, and markets through the hedge fund vehicles and institutional accounts that it advises. The firm maintains offices in Minneapolis, Austin,
New York, London and Sydney.

Highbridge Capital Management ("Highbridge") is a global alternative investment firm offering credit and volatility focused solutions across a range of liquidity and investment profiles, including hedge funds, drawdown vehicles, and co-investments. Highbridge manages capital for sophisticated investors, which include financial institutions, public and corporate pension funds, sovereign wealth funds, endowments, and family offices. Highbridge is headquartered in New York, with a research presence in London. Highbridge is an indirect subsidiary of J.P. Morgan Chase & Co.

We use the term "principal stockholders" in this prospectus to describe certain funds, investment vehicles or accounts managed or advised by Ares, Whitebox or Highbridge or their respective affiliates, in each case, that own shares of our common stock.

Stock Split

On , 2024, our Board of Directors approved a -for-one split of our common stock, which is to be effected after the effectiveness of the registration statement of which this prospectus forms a part and in connection with the consummation of this offering. The par value will not be adjusted as a result of the stock split; however, the number of shares that we are authorized to issue will be increased to .

Company Corporate Information

Hornbeck Offshore Services, Inc. was incorporated under the laws of the State of Delaware on June 2, 1997. Our principal executive offices are located at 103 Northpark Boulevard, Suite 300, Covington, LA 70433, and our telephone number is (985) 727-2000. Our website address is www.hornbeckoffshore.com. Information contained on, or that can be accessed through, our website is not part of and is not incorporated by reference into this prospectus, and you should not consider information on our website to be part of this prospectus.

The Offering

Common stock offered by us	shares.
Common stock offered by the selling stockholders	shares.
Underwriters' option to purchase additional shares of common stock from the selling stockholders	The selling stockholders have granted the underwriters an option for a period of 30 days to purchase up to an aggregate of additional shares of our common stock.
Common stock outstanding after this offering	shares.[1]
Use of Proceeds	We estimate that the net proceeds to us from this offering, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, will be approximately $ million, assuming an initial public offering price of $ per share (which is the midpoint of the estimated offering price range shown on the cover page of this prospectus). For a sensitivity analysis as to the offering price and other information, see "Use of Proceeds." We intend to use the net proceeds to us from this offering for general corporate purposes. We will not receive any proceeds from the sale of shares in this offering by the selling stockholders.
Dividend Policy	We do not currently anticipate paying any dividends on our common stock immediately following this offering. We expect to retain all future earnings for use in the operation and expansion of our business. Following this offering and upon repayment of certain outstanding indebtedness, we may reevaluate our dividend policy. Any decision to declare and pay dividends in the future will be made at the sole discretion of our Board of Directors and will depend on various factors. See "Dividend Policy."
Directed Share Program	At our request, the underwriters have reserved up to 5% of the shares of common stock offered by this prospectus for sale, at the initial public offering price to certain individuals through a directed share program, including our directors, officers, employees and other persons identified by the Company. The number of shares of our common stock available for sale to the general public will be reduced to the extent these individuals purchase such reserved shares. Any reserved shares that are not so purchased will be offered by the

[1] Does not reflect shares of common stock that may be issued upon exercise of outstanding Jones Act Warrants, at an exercise price of $0.00001 per share, or upon exercise of outstanding Creditor Warrants, at an exercise price of $ per share (after giving effect to the stock split).

	underwriters to the general public on the same basis as the other shares offered by this prospectus. See "Underwriting (Conflicts of Interest)—Directed Share Program."
Risk Factors	See "Risk Factors" for a discussion of risks you should carefully consider before deciding to invest in our common stock.
Conflicts of Interest	Highbridge, one of our principal stockholders, is an indirect subsidiary of J.P. Morgan Chase & Co. As a result, J.P. Morgan Chase & Co. will be deemed to have a "conflict of interest" within the meaning of Financial Industry Regulatory Authority ("FINRA") Rule 5121. FINRA Rule 5121 imposes certain requirements on a FINRA member participating in the public offering of securities of an issuer if there is a conflict of interest and/or if that issuer controls, is controlled by, or is under common control with, the FINRA member. Accordingly, this offering is being made in compliance with the requirements of Rule 5121 regarding a FINRA member firm's underwriting of securities of an affiliate. Neither J.P. Morgan Chase & Co. nor any other affiliated agent of J.P. Morgan Chase & Co. will sell any of our securities to any account over which it exercises discretionary authority unless it has received specific written approval from the account holder in accordance with Rule 5121. Barclays Capital Inc. has been appointed as a "qualified independent underwriter" in connection with this offering.
Listing	We have applied to have our common stock approved for listing on the NYSE under the symbol "HOS."

The number of shares of our common stock to be outstanding after this offering is based on shares of our common stock outstanding as of June 30, 2024, after giving effect to the stock split, and does not reflect:

- shares of common stock that may be issued upon exercise of outstanding Jones Act Warrants, at an exercise price of $0.00001 per share;
- shares of common stock that may be issued upon exercise of outstanding Creditor Warrants, at an exercise price of $ per share;
- shares of common stock that may be issued upon the exercise of outstanding options at an average weighted exercise price of $ or the vesting of restricted stock units issued under our 2020 Management Incentive Plan; and
- shares of common stock that may be issued pursuant to future awards under our 2020 Management Incentive Plan or our 2024 Omnibus Incentive Plan to be in effect following this offering.

Unless otherwise indicated or the context otherwise requires, all information in this prospectus assumes or gives effect to:

- the filing and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws, each of which will occur immediately prior to the closing of this offering;
- the -for-one stock split of our shares of common stock and the related increase of our authorized shares of common stock to shares;

- an initial offering price of $ per share of common stock (which is the midpoint of the estimated offering price range shown on the cover page of this prospectus);
- no exercise of the outstanding options or warrants described above; and
- no exercise of the underwriters' option to purchase up to an additional shares of common stock from the selling stockholders.

Summary Historical Financial and Other Data

The following table shows our summary historical consolidated financial and other data for the periods and as of the dates indicated. The summary consolidated statements of operations and cash flow data for the six months ended June 30, 2024 and 2023 and the balance sheet data as of June 30, 2024 have been derived from our Quarterly Financial Statements included elsewhere in this prospectus. The summary consolidated statements of operations and cash flow data for the years ended December 31, 2023, 2022 and 2021 and the balance sheet data as of December 31, 2023 and 2022 have been derived from our Annual Financial Statements included elsewhere in this prospectus.

Our historical results are not necessarily indicative of the results to be expected in any future period. You should read the following summary financial and other data in conjunction with the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our Financial Statements and related notes included elsewhere in this prospectus.

	Six Months Ended June 30,		Year Ended December 31,		
(dollars in thousands)	2024	2023	2023	2022	2021
Statement of Operations Data:					
Revenues:					
Vessel revenues	$283,207	$ 256,487	$528,780	$406,034	$214,680
Non-vessel revenues	23,569	21,902	44,669	45,192	41,620
	306,776	278,389	573,449	451,226	256,300
Costs and expenses:					
Operating expense	181,818	141,501	305,463	214,788	142,819
Depreciation expense	18,093	11,753	26,355	18,601	15,672
Amortization expense	12,163	10,366	21,496	10,339	2,711
General and administrative expense	32,430	32,366	66,108	58,946	40,632
Stock-based compensation expense	4,423	15,363	19,097	5,330	3,372
Terminated debt refinancing costs	—	3,633	3,693	—	—
	248,927	214,982	442,212	308,004	205,206
Gain on sale of assets	31	2,566	2,702	21,837	2,679
Operating income	57,880	65,973	133,939	165,059	53,773
Net interest expense	10,430	18,142	30,047	38,340	35,284
Other expense, net	61	4,634	12,859	38,783	13,969
Income before income taxes	47,389	43,197	91,033	87,936	4,520
Income tax expense	3,163	6,362	16,495	7,174	1,533
Net income	$ 44,226	$ 36,835	$ 74,538	$ 80,762	$ 2,987
Per Share Data[(1)]:					
Net income per share:					
Basic earnings per common share	$ 2.59	$ 2.17	$ 4.38	$ 4.80	$ 0.20
Diluted earnings per common share	$ 2.29	$ 1.94	$ 3.89	$ 4.39	$ 0.19
Weighted average shares used in computing net income per share:					
Basic	17,099	17,036	17,004	16,829	14,980
Diluted	19,293	19,119	19,157	18,394	15,497

(dollars in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021
Pro Forma Per Share Data (unaudited)[2]:					
Pro forma net income per share:					
Pro forma basic earnings per common share	$	$	$	$	$
Pro forma diluted earnings per common share	$	$	$	$	$
Pro forma weighted average shares used in computing net income per share:					
Basic					
Diluted					

(1) See Note 5 of our Quarterly Financial Statements and Note 5 to our Annual Financial Statements included elsewhere in this prospectus for an explanation of the method used to calculate our basic and diluted net earnings per common share and the weighted-average number of shares used in the computation of the per share amounts.

(2) The unaudited pro forma basic earnings per common share was calculated by dividing net income by the weighted-average number of shares of common stock and Jones Act Warrants outstanding during the period, each as adjusted for the implementation of a -for-1 stock split with respect to our common stock. The unaudited pro forma diluted earnings per common share was calculated by dividing net income by the weighted-average number of common shares and Jones Act Warrants outstanding during the period plus the effect of dilutive Creditor Warrants, dilutive stock options and restricted stock unit awards, each as adjusted for the implementation of a -for-1 stock split with respect to our common stock.

(dollars in thousands)	June 30, 2024	December 31, 2023	December 31, 2022
Balance Sheet Data (at period end):			
Cash and cash equivalents	$ 91,078	$ 120,055	$ 217,303
Total current assets	272,799	270,824	357,933
Property, plant and equipment, net	625,270	602,422	449,249
Total assets	987,252	946,519	860,220
Total current liabilities	132,917	130,415	88,203
Total long-term debt, net of original issue discount and deferred financing costs	349,001	349,001	410,258
Total liabilities	585,976	585,226	589,388
Total stockholders' equity	401,276	361,293	270,832

(dollars in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021
Statement of Cash Flows Data					
Net Cash provided by (used in):					
Operating activities	$ 26,666	$ 62,349	$ 146,115	$ 112,967	$ 49,611
Investing activities	(49,482)	(43,972)	(168,345)	(109,157)	(4,124)
Financing activities	(3,942)	(6,978)	(76,038)	32,875	37,624
Other Financial Data (unaudited):					
EBITDA[1]	$ 88,075	$ 83,458	$ 168,931	$ 155,216	$ 58,187
Adjusted EBITDA[1]	94,809	111,817	213,629	204,830	77,219
Adjusted Free Cash Flow[1]	30,828	75,566	132,688	171,284	47,726
Capital expenditures	75,626	62,144	201,071	151,196	21,382

(1) EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow are non-GAAP financial measures. As such, they should not be considered in isolation or as a substitute for operating income, net income or loss, cash flows provided by operating, investing and financing activities, or other income or cash flow statement data prepared in accordance with GAAP. See "—Non-GAAP Financial Measures" below for our definitions of EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow and reconciliations of each to the most directly comparable GAAP financial measure.

Non-GAAP Financial Measures

We disclose and discuss EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow as non-GAAP financial measures in this prospectus. We define EBITDA as earnings (net income or loss) before interest, income taxes, depreciation and amortization. Adjusted EBITDA reflects certain adjustments to EBITDA for gains or losses on early extinguishment of debt, terminated debt refinancing costs, stock-based compensation expense and interest income. In addition, Adjusted EBITDA excludes non-cash gains or losses on the fair value adjustment of liability-classified warrants. We define Adjusted Free Cash Flow as Adjusted EBITDA less cash paid for deferred drydocking charges, cash paid for maintenance capital improvements and non-vessel capital expenditures, cash paid for interest and cash paid for (refunds of) income taxes. Our measures of EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow may not be comparable to similarly titled measures presented by other companies. Other companies may calculate EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow differently than we do, which may limit their usefulness as comparative measures.

We view EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow primarily as liquidity measures and, as such, we believe that the GAAP financial measure most directly comparable to those measures is cash flows provided by operating activities. Because EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow are not measures of financial performance calculated in accordance with GAAP, they should not be considered in isolation or as a substitute for operating income, net income or loss, cash flows provided by operating, investing and financing activities, or other income or cash flow statement data prepared in accordance with GAAP. Additionally, Adjusted Free Cash Flow does not represent the total increase or decrease in our cash balance, and it should not be inferred that the entire amount of Adjusted Free Cash Flow is available for dividends, debt or share repurchases or other discretionary expenditures, since we have non-discretionary expenditures that are not deducted from this measure.

EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow are widely used by investors and other users of our consolidated financial statements as supplemental financial measures that, when viewed with our GAAP results and the accompanying reconciliations, we believe provide additional information that is useful to gain an understanding of the factors and trends affecting our ability to service debt, pay income taxes and fund drydocking charges, maintenance capital improvements and non-vessel capital expenditures. We also believe the disclosure of EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow helps investors or lenders meaningfully evaluate and compare our cash flow generating capacity from quarter to quarter and year to year.

EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow are also financial metrics used by management as supplemental internal measures for planning and forecasting overall expectations and for evaluating actual results against such expectations; for short-term cash bonus incentive compensation purposes; to compare to the EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow of other companies, vessels or other assets when evaluating potential acquisitions; to assess our ability to service existing fixed charges and incur additional indebtedness; and to purchase, convert or construct additional vessels. Additionally, we have historically made certain adjustments to EBITDA to internally evaluate our performance based on the computation of ratios used in certain financial covenants of our credit agreements with various lenders, whenever applicable. Currently, our credit agreements have incurrence tests and other financial covenants, including coverage and leverage ratios.

These ratios are calculated using certain adjustments to EBITDA defined by our credit agreements, which adjustments are consistent with those reflected in Adjusted EBITDA in this prospectus. In addition, we believe that, based on covenants in prior credit facilities, future debt arrangements may require compliance with certain ratios that will likely include EBITDA or Adjusted EBITDA in the computations. Adjusted EBITDA is also currently utilized in connection with the Company's short-term cash bonus incentive compensation programs.

The following tables reconcile cash flows provided by operating activities to EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow, as we define those terms, for the six months ended June 30, 2024 and 2023, and the years ended December 31, 2023, 2022 and 2021, respectively:

	Six Months Ended June 30,		Year Ended December 31,		
(dollars in thousands)	2024	2023	2023	2022	2021
EBITDA Reconciliation to GAAP:					
Net cash flows provided by operating activities	$26,666	$ 62,349	$ 146,115	$ 112,967	$ 49,611
Cash paid for deferred drydocking charges	26,106	15,416	29,828	19,114	14,113
Cash paid for interest	14,556	15,502	32,970	8,868	8,467
Cash paid for income taxes	13,035	1,136	9,311	474	2,399
Recovery of (provision for) credit losses	34	(386)	(551)	(257)	(44)
Changes in other operating assets and liabilities	11,805	7,260	(19,166)	38,995	(516)
Stock-based compensation expense	(4,423)	(15,363)	(19,097)	(5,330)	(3,372)
Amortization of deferred contract-specific costs of sales	(431)	(489)	(1,028)	—	—
Fair value adjustment of liability-classified warrants	696	(4,533)	(10,917)	(41,408)	(15,150)
Loss on early extinguishment of debt, net	—	—	(1,236)	(44)	—
Gain on sale and disposal of assets	31	2,566	2,702	21,837	2,679
EBITDA	$88,075	$ 83,458	$ 168,931	$ 155,216	$ 58,187
Adjusted EBITDA Reconciliation to GAAP:					
Net cash flows provided by operating activities	$26,666	$ 62,349	$ 146,115	$ 112,967	$ 49,611
Cash paid for deferred drydocking charges	26,106	15,416	29,828	19,114	14,113
Cash paid for interest	14,556	15,502	32,970	8,868	8,467
Cash paid for income taxes	13,035	1,136	9,311	474	2,399
Recovery of (provision for) credit losses	34	(386)	(551)	(257)	(44)
Changes in other operating assets and liabilities	11,805	7,260	(19,166)	38,995	(516)
Amortization of deferred contract-specific costs of sales	(431)	(489)	(1,028)	—	—
Interest income	3,007	4,830	9,755	2,832	510
Gain on sale and disposal of assets	31	2,566	2,702	21,837	2,679
Terminated debt refinancing costs	—	3,633	3,693	—	—
Adjusted EBITDA	$94,809	$ 111,817	$ 213,629	$ 204,830	$ 77,219
Adjusted Free Cash Flow Reconciliation to GAAP:					
Net cash flows provided by operating activities	$26,666	$ 62,349	$ 146,115	$ 112,967	$ 49,611
Cash paid for maintenance capital improvements	(9,969)	(3,782)	(7,745)	(3,762)	(3,826)
Cash paid for non-vessel capital expenditures	(315)	(415)	(1,087)	(1,328)	(688)
Recovery of (provision for) credit losses	34	(386)	(551)	(257)	(44)
Changes in other operating assets and liabilities	11,805	7,260	(19,166)	38,995	(516)
Amortization of deferred contract-specific costs of sales	(431)	(489)	(1,028)	—	—
Interest income	3,007	4,830	9,755	2,832	510
Gain on sale and disposal of assets	31	2,566	2,702	21,837	2,679
Terminated debt refinancing costs	—	3,633	3,693	—	—
Adjusted Free Cash Flow	$30,828	$ 75,566	$ 132,688	$ 171,284	$ 47,726

The following table provides the detailed components of EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow as we define those terms, for the six months ended June 30, 2024 and 2023, and the years ended December 31, 2023, 2022 and 2021 (in thousands):

	Six Months Ended June 30,		Year Ended December 31,		
	2024	2023	2023	2022	2021
Components of EBITDA:					
Net income	$ 44,226	$ 36,835	$ 74,538	$ 80,762	$ 2,987
Interest, net					
Interest expense	13,437	22,972	39,802	41,172	35,794
Interest income	(3,007)	(4,830)	(9,755)	(2,832)	(510)
Total interest, net	10,430	18,142	30,047	38,340	35,284
Income tax expense	3,163	6,362	16,495	7,174	1,533
Depreciation	18,093	11,753	26,355	18,601	15,672
Amortization	12,163	10,366	21,496	10,339	2,711
EBITDA	$ 88,075	$ 83,458	$168,931	$155,216	$ 58,187
Loss on early extinguishment of debt, net	$ —	$ —	$ 1,236	$ 44	$ —
Stock-based compensation expense	4,423	15,363	19,097	5,330	3,372
Interest income	3,007	4,830	9,755	2,832	510
Fair value of liability-classified warrants	(696)	4,533	10,917	41,408	15,150
Terminated debt refinancing costs	—	3,633	3,693	—	—
Adjusted EBITDA	$ 94,809	$111,817	$213,629	$204,830	$ 77,219
Cash paid for deferred drydocking charges[1]	$(26,106)	$(15,416)	$ (29,828)	$ (19,114)	$(14,113)
Cash paid for maintenance capital improvements[1]	(9,969)	(3,782)	(7,745)	(3,762)	(3,826)
Cash paid for non-vessel capital expenditures[1]	(315)	(415)	(1,087)	(1,328)	(688)
Cash paid for interest	(14,556)	(15,502)	(32,970)	(8,868)	(8,467)
Cash paid for income taxes	(13,035)	(1,136)	(9,311)	(474)	(2,399)
Adjusted Free Cash Flow	$ 30,828	$ 75,566	$132,688	$171,284	$ 47,726

(1) For additional information concerning these items, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Capital Expenditures and Related Commitments."

Set forth below are the material limitations associated with using EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow as non-GAAP financial measures compared to cash flows provided by operating activities:

- EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow do not reflect the future capital expenditure requirements that may be necessary to replace our existing vessels upon expiration of their useful lives;
- EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow do not reflect the interest, future principal payments and other financing-related charges necessary to service the debt that we have incurred in acquiring and constructing our vessels;
- EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow do not reflect the deferred income taxes that we will eventually have to pay once we are no longer in an overall NOL carryforward position, as applicable; and

- EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow do not reflect changes in our net working capital position.

Management compensates for the above-described limitations in using EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow as non-GAAP financial measures by only using EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow to supplement our GAAP results.

Other Operating Data

(dollars in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021
Offshore Supply Vessels:					
Average number of OSVs[1]	57.9	53.6	53.8	57.0	58.8
Average number of active OSVs[2]	36.9	31.4	32.2	26.7	22.2
Average OSV fleet capacity (DWT)[3]	256,552	232,419	235,514	229,001	228,256
Average OSV capacity (DWT)[4]	4,432	4,338	4,374	4,020	3,885
Average OSV utilization rate[5]	42.1%	44.4%	44.3%	37.7%	31.2%
Active OSV utilization rate[6]	66.0%	75.9%	74.0%	80.7%	82.8%
Average OSV dayrate[7]	$ 41,030	$ 37,587	$ 39,297	$ 32,305	$ 19,785
Effective OSV dayrate[8]	$ 17,274	$ 16,689	$ 17,409	$ 12,179	$ 6,173
Multi-Purpose Support Vessels:					
Average number of MPSVs[1]	12.0	12.0	12.0	12.0	12.0
Average number of active MPSVs[2]	12.0	11.0	11.2	10.4	8.9
Average MPSV utilization rate[5]	72.4%	71.1%	68.4%	65.2%	46.7%
Active MPSV utilization rate[6]	72.4%	77.5%	73.6%	75.0%	63.0%
Average MPSV dayrate[7]	$ 64,130	$ 61,231	$ 62,372	$ 53,421	$ 40,245
Effective MPSV dayrate[8]	$ 46,430	$ 43,535	$ 42,662	$ 34,830	$ 18,794

(1) Represents the weighted-average number of vessels owned during the period, adjusted to reflect date of acquisition or disposition of vessels. We owned 55 and 54 OSVs and 12 MPSVs as of December 31, 2023 and December 31, 2022, respectively. Excluded from the data as of December 31, 2023 and 2022 are four non-owned vessels that we now manage for the U.S. Navy, one OSV acquired from the U.S. Department of Transportation's Maritime Administration that is currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel, and two partially constructed Jones Act-qualified MPSV newbuilds to be completed pursuant to our settlement with the Surety. We owned 60 and 53 OSVs and 12 MPSVs as of June 30, 2024 and June 30, 2023, respectively. Excluded from the data as of June 30, 2024 and June 30, 2023 are four non-owned vessels that we manage for the U.S. Navy, one OSV acquired from the U.S. Department of Transportation's Maritime Administration that is currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel and two partially constructed Jones Act-qualified MPSV newbuilds to be completed pursuant to our settlement with the Surety. Also excluded from the data as of the dates indicated are the following vessels acquired under the ECO Acquisitions that had not yet been acquired or had not yet been placed in service: (i) as of December 31, 2022, nine such vessels, (ii) as of December 31, 2023, five such vessels and (iii) as of June 30, 2023, seven such vessels. The Company also sold two and ten OSVs during 2023 and 2022, respectively.

(2) In response to weak market conditions, we elected to stack certain of our OSVs and MPSVs on various dates since October 2014. The average number of active OSVs represents the weighted-average number of vessels that were immediately available for service during each respective period, adjusted to reflect date of stacking or recommissioning of vessels.

(3) Represents the weighted-average number of OSVs owned during the period multiplied by the weighted-average capacity of OSVs during the same period.

(4) Represents actual capacity of the OSVs owned during the period on a weighted-average basis, adjusted to reflect date of acquisition or disposition of vessels.
(5) Utilization rates are weighted-average rates based on a 365-day year. Vessels are considered utilized when they are generating revenues.
(6) Active utilization rate is based on a denominator comprised only of vessel-days available for service by the active fleet, which excludes the impact of inactive or stacked vessel days.
(7) Average OSV and MPSV dayrates represent weighted-average revenue per day, which includes charter hire, crewing services and net brokerage revenues, based on the number of days during the period that the OSVs and MPSVs, respectively, generated revenues.
(8) Effective dayrate represents the average dayrate multiplied by the average utilization rate.

RISK FACTORS

An investment in our common stock involves a high degree of risk. You should carefully consider the risks described below, together with the other information in this prospectus, before deciding whether to purchase our common stock. If any of the risks described below actually occur, our business, financial condition, results of operations or prospects could be materially adversely affected. In any such case, the trading price of our common stock could decline and you could lose all or part of your investment.

Risks Relating to Our Business

We derive substantial revenues from companies in the oil and natural gas exploration and production industry, which is a historically cyclical industry with levels of activity that are directly affected by the levels and volatility of oil and natural gas prices.

The demand for our services from companies in various energy-related industries is cyclical, and to some extent, seasonal, depending primarily on the capital expenditures of offshore energy companies. These capital expenditures are influenced by such factors as:

- prevailing oil and natural gas prices, particularly with respect to prevailing prices on local price indexes in the areas in which we operate and expectations about future commodity prices;
- the action of the Organization of the Petroleum Exporting Countries, plus ("OPEC+"), its members and other state-controlled oil companies relating to oil price and production controls;
- worldwide and regional economic conditions impacting the global supply and demand for oil and natural gas;
- domestic and international political, military, regulatory and economic conditions, including global inflationary pressures, Russia's ongoing invasion of Ukraine and sanctions related thereto, as well as the ongoing conflict in Israel and the surrounding region;
- delay and regulatory uncertainty stemming from local or environmental opposition to offshore energy development projects;
- the cost of exploring for, producing and delivering hydrocarbons;
- political risks within the countries where we operate that can result in reduced exploration and production activities;
- the sale and expiration dates of available offshore leases;
- the discovery rate, size and location of new hydrocarbon reserves, including in offshore areas;
- the rate of decline of existing hydrocarbon reserves due to production;
- laws and regulations related to environmental matters, including those addressing alternative energy sources and the risks of global climate change;
- the development and exploitation of alternative fuels or energy sources and end-user conservation trends;
- domestic, local and foreign governmental regulation and taxes;
- technological advances, including technology related to the exploitation of shale oil, which can result in over-supply of hydrocarbons or a change in demand for hydrocarbons; and
- the ability of offshore energy producers to generate funds for their capital-intensive businesses.

Prices for oil and natural gas have historically been, and we anticipate they will continue to be, extremely volatile and reactive to changes in the supply of and demand for oil and natural gas (including changes resulting

from the ability of OPEC+ to establish and maintain production quotas), domestic and worldwide economic conditions and political instability in oil producing countries. In the past, low oil prices have adversely affected demand for our services and any decreases, over a sustained period of time, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our business also depends on our obtaining significant contracts, primarily from companies in the oil and gas exploration and production industry. The timing of or failure to obtain contracts, delays in awards of contracts, cancellations of contracts, delays in completion of contracts, or failure to obtain timely payments from our customers, could result in significant periodic fluctuations in our results of operations and operating cash flows. If customers do not proceed with the completion of significant projects or if significant defaults on customer payment obligations to us arise, or if we encounter disputes with customers involving such payment obligations, we may face difficulties in collecting payment of amounts due to us, including for costs we previously incurred.

Impairment of our long-term assets may adversely impact our financial position and results of operations.

We periodically evaluate our long-lived assets, including our property and equipment, and intangible assets. In performing these assessments, we project future cash flows on an undiscounted basis for long-lived assets and compare these cash flows to the carrying amount of the related assets. These cash flow projections are based on our current operating plans, estimates and judgmental assumptions. We perform the assessment of potential impairment for our property and equipment and intangibles whenever facts and circumstances indicate that the carrying value of those assets may not be recoverable due to various external or internal factors. In such event, if we determine that our estimates of future cash flows were inaccurate or our actual results are materially different from what we have predicted, we could record additional impairment charges in future periods, which could have a material adverse effect on our financial position and results of operations.

The waiver, repeal or administrative weakening of the Jones Act could adversely impact our business.

Substantial portions of our operations are conducted in the U.S. coastwise trade, and thus, are subject to the provisions of the Jones Act which, subject to limited exceptions, restricts maritime transportation of merchandise between points in the United States (known as cabotage or coastwise trade) to vessels that are: (a) built in the United States; (b) registered under the U.S. flag; (c) crewed by U.S. citizens or lawful permanent residents; and (d) owned and operated by U.S. citizens within the meaning of the Jones Act. For years, there have been attempts to repeal or amend such provisions, and such attempts are expected to continue in the future. In addition, the President of the United States may waive the requirement for using U.S.-flag vessels with coastwise endorsements in the U.S. coastwise trade in the interest of national defense. Furthermore, the Jones Act restrictions on the coastwise trade are subject to certain exceptions under certain international trade agreements, including the General Agreement on Trade in Services. If maritime cabotage services were included in the General Agreement on Trade in Services or other international trade agreements, the shipping of maritime cargo between covered U.S. ports could be opened to foreign-flag vessels, foreign-built vessels or foreign-owned vessels. Repeal, substantial amendment, waiver of provisions, or other administrative weakening of the Jones Act could significantly adversely affect us by, among other things, resulting in additional competition from competitors with lower operating costs, because of their ability to use vessels built in lower-cost foreign shipyards, owned and manned by foreign nationals with promotional foreign tax incentives and with lower wages and benefits than U.S. citizens. Because foreign vessels may have lower construction costs and operate at significantly lower costs than companies operating in the U.S. coastwise trade, such a change could significantly increase competition in the U.S. coastwise trade, which could have a material adverse effect on our business, financial position, results of operations, cash flows and growth prospects.

We must continue to comply with the Jones Act's citizenship requirements.

Because we own and operate U.S.-flagged vessels in the U.S. coastwise trade, the Jones Act requires that at least 75% of the outstanding shares of each class or series of the capital stock of the Company must be owned

and controlled by U.S. citizens. We are responsible for monitoring the ownership of our equity securities and subsidiaries to ensure compliance with the citizenship requirements of the Jones Act. If we do not continue to comply with such requirements, we would be prohibited from operating our U.S.-flagged vessels in the U.S. coastwise trade and may incur severe penalties, such as fines and/or forfeiture of such vessels and/or permanent loss of U.S. coastwise trading privileges for such vessels.

Our operations may be impacted by changing macroeconomic conditions, including inflation.

Inflation has been an ongoing concern in the U.S. since 2021. Ongoing inflationary pressures have resulted in and may result in additional increases to the costs of goods, services and personnel, which in turn could cause our capital expenditures and operating costs to rise. Sustained levels of high inflation caused the U.S. Federal Reserve and other central banks to increase interest rates multiple times in 2022 and 2023 in an effort to curb inflationary pressure on the costs of goods and services, which could have the effects of raising the cost of capital and depressing economic growth, either of which (or the combination thereof) could hurt the financial and operating results of our business. Further, we are unable to predict the impact of efforts by the U.S. Federal Reserve and other central banks to combat elevated levels of inflation. If their efforts are too aggressive, they may lead to a recession. Alternatively, if they are insufficient or are not sustained long enough to lower inflation to more acceptable levels, consumer spending may be adversely impacted for a prolonged period of time, which could impact oil prices. Any of these events could materially affect our business and operating results.

High oil prices are also inflationary and governmental or economic responses to high oil prices could impact the operations of our customers. Sustained high oil prices could also drive over-investment and create the potential for global over-supply, which could cause prices to fall, also impacting investment by our customers.

Any future reduction in worldwide economic growth and economic activity could, if sustained, ultimately lead to a global recession. In a global recession, it is likely that the demand for oil and natural gas would decline and the number of planned offshore energy projects would decrease. Such a scenario would negatively impact the demand for offshore support services, and in turn, our financial performance.

Certain developments in the global oil and gas markets, such as the Russian invasion of Ukraine and related sanctions, and the ongoing conflict in Israel and the surrounding region have had, and may continue to have, material adverse consequences for general economic, financial and business conditions, and could materially and adversely affect our business, financial condition, results of operations and liquidity and those of our customers, suppliers and other counterparties.

Changes in the supply of and demand for oil and gas impacts the level of services that we provide to customers, which in turn impacts our financial position, results of operations and cash flows.

Although as of the date of this prospectus we have not been materially impacted by the resulting supply chain disruptions, the Russian invasion of Ukraine and related sanctions have significantly disrupted supply chains for crude oil and natural gas. We cannot predict the level of future demand, effects on domestic pricing, and impacts on U.S. oil and gas production. Further, the Russia Ukraine conflict and other geopolitical tensions, as well as the related international response, have exacerbated inflationary pressures, causing increases in the prices for goods and services and exacerbating global supply chain disruptions, which have resulted in, and may continue to result in, shortages in materials and services and related uncertainties. Such shortages have resulted in, and may continue to result in, cost increases for labor, fuel, materials and services, and could continue to cause costs to increase, and also result in the scarcity of certain materials. Any economic slowdown or recession in Europe or globally, including as a result of such supply chain disruptions or sanctions, may also impact demand and depress the price for crude oil, natural gas or other products that we handle, which could have significant adverse consequences on our financial condition and the financial condition of our customers, suppliers and other counterparties, and could diminish our liquidity. The U.S. government has also implemented geographic restrictions for certain offshore oil and gas operators and projects, which may reduce the number of

projects our vessels may support. While the geographic areas in which we operate are largely unaffected by these sanctions, they could negatively impact our business and financial condition. Further, the ongoing conflict in Israel and the surrounding region could escalate into a broader conflict that could disrupt energy operations and supply chains globally.

Our results of operations are materially affected by conditions in the global capital markets and the economy generally, both in the U.S. and elsewhere around the world. Weak economic conditions sustained uncertainty about global economic conditions, concerns about future U.S. budgetary cuts, or a prolonged or further tightening of credit markets could cause our customers and potential customers to postpone or reduce spending on products or services or put downward pressure on prices, which could have an adverse effect on our business, results of operations or cash flows. In the event of extreme prolonged adverse market events, such as a global credit crisis, we could incur significant losses. The future impact of these current events on our financial condition, results of operations and cash flows depends largely on developments outside our control which cannot be predicted with certainty.

Our business and our customers' businesses are subject to complex laws and regulations that can adversely affect the cost, manner, or feasibility of doing business.

Our operations are subject to extensive federal, state and local laws and regulations, including complex environmental laws and occupational health and safety laws. We may be required to make large expenditures to comply with such regulations. Failure to comply with these laws and regulations or accidental spills or releases of oil and/or hazardous substances may result in the suspension or termination of operations or permits and other authorizations, and subject us to administrative, civil, and criminal penalties. In the event of environmental violations or accidental spills or releases, we may be charged with the costs of investigation, remediation or other corrective actions. In addition, citizen groups and other third parties may file claims for nuisance, provision of alternative water supplies, property damage or bodily injury. Laws and regulations protecting the environment have become more stringent in recent years, and may, in some circumstances, result in liability for environmental damage regardless of negligence or fault through a strict, joint and several liability scheme, even if our operations were lawful at the time or in accordance with industry standards. In addition, pollution and similar environmental risks generally are not fully insurable. These liabilities and costs could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Additionally, changes in environmental laws or regulations, including laws relating to the emission of carbon dioxide and other GHGs or other climate change concerns, could require us to devote capital or other resources to comply with these laws and regulations. These changes could also subject us to additional costs and restrictions, including increased fuel costs. Such changes in laws or regulations could increase costs of compliance and doing business for our customers and thereby decrease the demand for our services. Because our business depends on the level of activity in the offshore oil and gas industry, existing or future laws and regulations related to GHGs and climate change, including incentives to conserve energy or use alternative energy sources, could have a negative impact on our business if such laws and regulations reduce the worldwide demand for oil and gas or limit drilling opportunities for our customers.

Additionally, we operate our vessels in a number of international markets and are subject to various international treaties and the local laws and regulations in jurisdictions where our vessels operate and/or are registered. These conventions, laws and regulations govern matters of environmental protection, GHG emissions, worker health and safety, vessel and port security, and the manning, construction, ownership and operation of vessels, including cabotage requirements similar to the Jones Act. Changes in such international treaties and such local laws and regulations can be unpredictable and may adversely affect our ability to carry out operations overseas.

The Inflation Reduction Act of 2022 could accelerate the transition to a low carbon economy and impose increased costs on our customers.

In August 2022, President Biden signed the Inflation Reduction Act of 2022 ("IRA 2022") into law. The IRA 2022 contains incentives for the development of renewable energy, clean hydrogen, clean fuels, electric vehicles and supporting infrastructure and carbon capture and sequestration, among other provisions. These incentives could further accelerate the transition of the U.S. economy away from the use of fossil fuels towards lower-or zero-carbon emissions alternatives, which could decrease demand for oil and gas and consequently reduce demand for our services in that sector. In addition, the IRA 2022 imposes the first ever federal fee on the emission of GHGs through a methane emissions charge. The IRA 2022 amends the federal Clean Air Act ("CAA") to impose a fee on the emission of methane above certain thresholds established in the IRA 2022 from sources required to report their GHG emissions to the U.S. Environmental Protection Agency ("EPA"). The methane emissions charge will begin accruing during calendar year 2024 at a rate of $900 per ton of methane above applicable emissions thresholds, increase to $1,200 per ton above thresholds in 2025, and be set at $1,500 per ton above thresholds for 2026 and each year thereafter. In January 2024, the EPA issued a proposed rule that would require facilities to calculate and pay these methane emissions charges for the prior year's emissions by March 31, 2025, with future filings due on an annual basis. The methane emissions charge and other related initiatives targeting methane emissions could increase our customers' operating costs in the oil and gas industry and reduce demand for our services.

Imposition of laws, executive actions or regulatory initiatives to restrict, delay or cancel leasing, permitting or drilling activities in deepwaters of the U.S. or foreign countries may reduce demand for our services and products and have a material adverse effect on our business, financial condition or results of operations.

We provide services for oil and natural gas exploration and production customers operating offshore in the deepwaters of the U.S. and in other countries. In the U.S., President Biden issued an executive order in January 2021 that commits to substantial action on climate change, calling for, among other things, the elimination of subsidies provided to the fossil fuel industry and an increased emphasis on climate-related risks across government agencies and economic sectors. In September 2023, the Biden Administration announced that federal agencies will be directed to consider the social cost of GHGs in agency budgeting, procurement, and other agency decisions, including in environmental reviews conducted pursuant to the National Environmental Policy Act, where appropriate. Additionally, regulatory agencies under the Biden Administration may issue new or amended rulemakings regarding deepwater and ultra-deepwater leasing, permitting or drilling that could result in more stringent or costly restrictions, delays or cancellations in offshore oil and natural gas exploration and production activities. Additionally, decisions regarding federal offshore leasing have been subject to legal challenges that could delay or suspend offshore lease auctions, adversely affecting our customers' businesses and reducing demand for our services. In December 2023, the U.S. Department of the Interior ("DOI") finalized a new five-year offshore leasing plan for the U.S. GoM. The plan calls for a maximum of three offshore lease sales, in 2025, 2027 and 2029, and no lease sales will be held in 2024. The five-year lease plan represents the smallest number of planned sales in the history of the offshore leasing program. In early 2024, legal challenges to the plan were filed by both industry and environmental groups.

Any new legislation, executive actions or regulatory initiatives, whether in the U.S. or in other countries, that impose increased costs, more stringent operational standards or result in significant delays, cancellations or disruptions in our customers' operations, could increase the risk of losing leasing or permitting opportunities, expired leases due to the time required to develop new technology, increased supplemental bonding costs, or cause our customers to incur penalties, fines or shut-in production at one or more of their facilities, any or all of which could reduce demand for our services. We cannot predict with any certainty the full impact of any new laws, regulations, executive actions or regulatory initiatives on our customers' drilling operations or the opportunity to pursue such operations, or on the cost or availability of insurance to cover the risks associated with such operations. The matters described above, individually or in the aggregate, could have a material adverse effect on our business, financial condition and results of operations.

We operate in a highly competitive industry.

The offshore drilling and production support industry is both highly competitive and capital intensive and requires substantial resources and investment to satisfy customers and maintain profitability. Our customers award contracts based on price, industry reputation, service quality, vessel offerings and capabilities, transit costs and other similar factors. Increased competition for deepwater and ultra-deepwater drilling contracts could depress dayrates and utilization rates, adversely affecting our profitability. A sustained inability to win contracts in our key markets would put pressure on our ability to service our debt.

Our financial and operating performance may be subject to the state of the offshore wind energy market.

Our results of operations may be subject to the state of the offshore wind energy market and the inherent complexity of developing wind energy projects. In addition to the state and federal government policies supporting renewable energy, the growth and development of the offshore wind energy market is subject to a number of factors, including, among other things:

- a new and complex permitting process;
- higher development costs than onshore alternatives;
- the availability and cost of financing for the estimated pipeline of offshore wind energy projects;
- fixed price contracts of wind development projects make it difficult to recover cost increases;
- the deferral or cancellation of offshore wind projects, such as when several operators for east coast wind projects terminated their agreements for the provision of wind power due to higher than expected costs;
- dynamics of the electricity market, which may be affected by a number of factors, including government regulation, power transmission, seasonality, fluctuations in demand, and the cost and availability of fuel, particularly natural gas;
- the cost of raw materials used to make wind turbines, particularly steel;
- the general increase in demand for electricity or “load growth”;
- the costs of competing power sources, including natural gas, nuclear power, solar power and other power sources;
- the development of new power generating technology, advances in existing technology or discovery of power generating natural resources;
- the development of electrical transmission infrastructure;
- state and federal laws and regulations, particularly those favoring low carbon energy generation alternatives;
- administrative and legal challenges to proposed offshore wind energy development projects; and
- heightened focus on environmental or habitat concerns.

We may be unable to attract and retain qualified, skilled employees necessary to operate our business, and the loss of key personnel could adversely affect our relationship with the military.

Much of our success depends on our ability to attract and retain highly skilled and qualified personnel. Our inability to hire, train and retain a sufficient number of qualified employees, including mariners, could impair our ability to manage, maintain and grow our business.

In crewing our vessels, we require skilled employees who can perform physically demanding work. As a result of past volatility in the oil and gas industry, many industry employees chose to pursue employment in other

fields, leading the industry to experience a significant shortfall in qualified mariners. As conditions in the industry have improved, it has become more challenging to engage experienced personnel as crews on our vessels. We face strong competition within the broader oilfield industry for employees and potential employees, including competition from drilling rig operators for fleet personnel. We may have difficulty hiring employees or finding suitable replacements as needed and it is possible that we would have to raise wage rates or increase benefits offered to attract workers and to retain current employees. In such circumstances, if we are unable to increase our service rates to customers to compensate for wage increases or recruit qualified personnel to operate vessels at full utilization, our financial condition and results of operations may be adversely affected.

Additionally, the ongoing viability and potential growth of our contractual relationship with the U.S. military is dependent on our continued employment of certain key personnel. Any action taken by the U.S. military in response to the loss of key personnel, or potential loss of key personnel, from our operations could adversely affect our current and future business with the military and, in turn, adversely affect our financial results.

Further, our operations are dependent upon the efforts and continued employment of our executive officers and key management personnel, including, but not limited to, our Founder, Chairman, President and Chief Executive Officer, Todd M. Hornbeck, who has substantial experience and relationships with our major customers. Given industry management turnover resulting from restructurings and other corporate changes, seasoned managers are in demand. Although we have entered into employment agreements with our executive officers and key management personnel, there is no guarantee that they will remain employed by us. In the event of the loss of key management personnel, we would be required to hire a replacement and there can be no assurance that the replacement will be suitable or favorable to us, which could adversely affect our financial results and operations. The loss of services of one or more of our executive officers or key management personnel could have a negative impact on our financial condition and results of operations.

We may be adversely affected by potential litigation.

In the future, we may become parties to litigation. In general, litigation can be expensive and time consuming to bring or defend against. Such litigation could result in settlements or damages that could significantly affect our financial results. It is not possible to predict the potential litigation that we may become party to nor the final resolution of such litigation. The impact of any such litigation on our businesses and financial stability, however, could be material.

Stacked vessels, and the reactivation of such vessels, may require substantial capital and operating expenditures and regulatory approvals.

Due to then-applicable difficult market conditions, we have in the past elected, and may in the future elect, to stack certain vessels in our fleet in order to reduce the number of crew and personnel that operate and maintain such vessels. Though vessel stacking reduces the costs of operating a vessel, it reduces the number of available vessels we can deploy to service our customers and limits potential revenues. If market conditions should decline, we may be required to stack additional vessels.

When we elect to reactivate the stacked vessels, we will incur substantial capital and operating expenditures. These expenditures could increase as a result of changes in the cost of labor and materials, changes in technology, customer requirements for new or upgraded equipment, the size of our fleet, the cost of replacement parts for existing vessels, the geographic location of the vessels or the length of contracts. We will also incur costs associated with regulatory recertification and remobilization, changes in safety or other equipment standards and may incur additional costs to hire and train personnel to operate the vessels. Making such alterations may require the stacked vessels to remain out of service for extended periods of time, with corresponding losses of revenues. Such costs could have an adverse effect on our financial results and operations.

If we are unable to fund these capital expenditures with our liquidity, we may be required to incur additional borrowings, or seek out additional financing arrangements with banks or other capital providers. Our failure to

obtain the funds for necessary future capital expenditures could have a material adverse effect on our business and on our financial position, results of operations and cash flows.

Reactivation of vessels could adversely impact the market for OSVs and MPSVs.

As of July 31, 2024, within our fleet, 18 U.S.-flagged OSVs and three foreign-flagged OSVs were stacked. Certain of our competitors have also stacked OSVs and may also stack additional OSVs from time to time. To the extent that we or our competitors reactivate vessels in response to improvement or perceived improvement in market conditions faster than the market can absorb such additional vessels, the market for OSVs could become oversaturated and would adversely affect dayrates and utilization for our vessels.

Increases in the supply of vessels could decrease dayrates.

A material increase in the supply of OSVs or MPSVs, whether through new construction (including our own), refurbishment or conversion of vessels from other uses, remobilization, reactivation or changes in law or its application could increase competition for charters, lower utilization or lower dayrates, any of which would adversely affect our revenues and profitability. Such an increase in vessel capacity could also exacerbate the impact of any future downturn in the oil and gas industry, which would have an adverse impact on our business.

Additionally, because the Jones Act does not cover certain services provided by MPSVs, foreign competitors may deploy additional MPSVs to the U.S. GoM or build additional MPSVs that will compete with us in the U.S. GoM.

The early termination of or inability to renew contracts for our vessels could have an adverse effect on our operations.

Certain contracts for our vessels, including contracts with the United States government, allow for early termination at the customer's option. Many of our contracts that contain early termination provisions contain remedies or other provisions that would compensate us in the event an option is exercised, such as early termination fees, but customers may choose to exercise their termination rights in spite of such remedies or provisions and such remedies may not fully compensate us for the loss of the contract.

Additionally, in economic downturns, customers have requested that we adjust the terms of their contracts to be more customer-friendly, including by assuming greater risks. While we are not required to give such concessions, commercial considerations may dictate that we do so, given the relatively few deepwater and ultra-deepwater customers operating in the U.S. GoM. Certain customers who seek to terminate our contracts may attempt to defeat or circumvent our protections against certain liabilities for which we receive indemnity. Our customers' ability to perform their obligations under their contracts, including their ability to fulfill their indemnity obligations to us, may be negatively impacted by an economic downturn. Our customers, which include national energy companies, often have significant bargaining leverage over us. Should a counterparty fail to honor its obligations under an agreement with us, we could sustain losses, which could have an adverse effect on our business and on our financial position, results of operations or cash flows.

Until we replace the terminated contracts with new contracts, our business could be temporarily disrupted or adversely affected, as there may be a gap in the operation of the vessels between the current contracts and subsequent contracts, or we may not be able to secure new contracts on substantially similar terms due to the prevailing market or industry conditions at the time of expiration. The fluctuation in the demand for our services may be impacted by volatility in oil and gas markets, which could ultimately adversely affect our financial position, results of operations or cash flows. As of July 31, 2024, within our fleet, 18 U.S.-flagged OSVs and three foreign-flagged OSVs were stacked. Further, as of July 31, 2024, we had 46 existing contracts for our vessels that are currently operating, which have durations ranging from 8 days to five years. When oil and natural gas prices are low or it is expected that such prices will decrease in the future, we may be unable to obtain

contracts at attractive dayrates or at all. We may not be able to obtain new contracts in direct continuation with existing contracts, or depending on prevailing market conditions, we may enter into contracts at dayrates substantially below the existing dayrates or on terms otherwise less favorable.

We may not be able to complete the construction of our remaining two newbuilds and may experience delays related to the newbuilds.

We began constructing two Jones Act-qualified MPSVs under our prior newbuild program. These vessels are large and complex. We estimate that the cost to complete these vessels will exceed the $53.8 million total contract price we are required to pay for their completion and that the sureties that have taken over their construction will be required to pay significant sums in excess of our remaining original contract contribution. While the sureties are contractually required to fund these excess costs, they might not do so, which would result in delay and disputes. Moreover, the vessels are complex and the shipyard performing the completion work for the sureties may be unable or unwilling to perform on the anticipated timeline or at all, also potentially causing delay and disruption to our planned uses for the vessels.

Failure to successfully complete repairs, maintenance and routine drydockings on-time and on-budget could adversely affect our financial condition and operations.

We routinely engage shipyards to drydock vessels for regulatory compliance, repairs and maintenance. Equipment shortages, insufficient shipyard availability, unforeseen engineering issues, work stoppages, weather interference, unanticipated cost increases, inability to obtain necessary certifications and approvals, material shortages, labor issues, and other similar factors could lead to extended delays or additional costs. Significant delays could adversely affect our ability to perform under our contracts, and significant cost overruns could adversely affect our operations and profitability.

At July 31, 2024, our total contracted backlog was $666.8 million. The contractual revenue we ultimately receive may be lower than the contracted backlog due to a number of factors, including vessel downtime or suspension of operations. The actual dayrate may be lower than the contractual operating dayrate assumed in the contracted backlog described above because a down-time (such as waiting on weather) rate, repair rate, standby rate or force majeure rate, may apply under certain circumstances. Several factors could cause vessel downtime or a suspension of operations, including equipment breakdowns and other unforeseen engineering problems, marine casualties, labor strikes and other work stoppages, shortages of material and skilled labor, surveys by government and maritime authorities, periodic classification surveys, severe weather or harsh operating conditions, and force majeure events.

In certain contracts, the dayrate may be reduced to zero if, for example, repairs extend beyond a stated period of time. Our total contracted backlog includes only firm commitments and certain contracted option periods, which are represented by signed contracts or, in some cases, other definitive agreements awaiting contract execution. We may not be able to realize the full amount of our total contracted backlog due to events beyond our control. In addition, some of our customers have experienced liquidity issues in the past, including some recently, and these liquidity issues could be experienced again if commodity prices decline for an extended period of time. Liquidity issues and other market pressures could lead our customers to seek bankruptcy protection or to seek to repudiate, cancel or renegotiate these agreements for various reasons. Our inability to realize the full amount of our total contracted backlog may have an adverse effect on our financial position, results of operations or cash flows.

In addition to industry concentrations, we have certain customer concentrations, and the loss of a significant customer would adversely impact our financial results.

For the six months ended June 30, 2024 and the year ended December 31, 2023, Occidental Petroleum Company accounted for 15% and 20% of our consolidated revenues, respectively, and MSC accounted for 16%

of our consolidated revenues. The loss or material reduction of business from a significant customer could therefore have a material adverse effect on our results of operations and cash flows. Moreover, our customer contracts subject us to counterparty risks. See "—We may be unable to collect amounts owed to us by customers." The ability of each of our counterparties to perform their obligations under a contract with us will depend on a number of factors that are beyond our control such as the overall financial condition of the counterparty. Should a significant customer fail to honor its obligations under an agreement with us, we could sustain losses, which could have a material adverse effect on our business, financial condition and results of operations.

Recently completed and future acquisitions by us may create additional risks.

We regularly consider possible acquisitions of single vessels, vessel fleets and businesses, such as our purchases of 19 OSVs since 2017. The success of this strategy is dependent upon our ability to identify appropriate acquisition targets, negotiate transactions on favorable terms, finance transactions, complete transactions and successfully integrate them into our existing business. Subject to the terms of our indebtedness, we may finance future acquisitions with cash from operations, additional indebtedness and/or by issuing additional equity or debt securities. Acquisitions can involve a number of special risks and challenges, including, but not limited to:

- diversion of management time and attention from existing business and other business opportunities;
- delays in closing the acquisition due to third-party consents, regulatory approvals or other reasons;
- adverse effects from disclosed or undisclosed matters pertaining to the acquisition;
- loss or termination of employees and the costs associated with the termination or replacement of such employees;
- the assumption of debt, litigation or other liabilities of the acquired business;
- the incurrence of additional debt related to the acquisition;
- costs, expenses and working capital requirements associated with the acquisition;
- dilution of stock ownership of existing stockholders;
- accounting charges for restructuring and related expenses, impairment of goodwill, amortization of intangible assets and stock-based compensation expense; and
- risks associated with reactivation of idle vessels, such as higher than anticipated cost or time, unknown condition, and obsolescence or unavailability of spare parts or components.

Even if we consummate an acquisition, the process of integrating the new acquisition into our operations may result in unforeseen operational difficulties and additional costs, and may adversely affect the effectiveness of internal controls over financial reporting. In addition, valuations supporting our acquisitions and strategic investments could change rapidly and integration may be more costly to accomplish than we expect. Moreover, our management may not be able to effectively manage a substantially larger business or successfully operate a new line of business. Failure to manage these acquisition risks could materially and adversely affect our ability to achieve anticipated levels of utilization, profitability or other benefits from the acquisitions, and ultimately could materially and adversely affect our business, results of operations and financial condition.

Uncertainty surrounding potential legal, regulatory and policy changes, as well as the potential for general market volatility and regulatory uncertainty, because of the upcoming United States presidential and congressional elections may have a material adverse effect on our results of operations, cash flows and financial position.

We and our customers, particularly in the oil and natural gas industry, face regulatory and tax uncertainties due to the upcoming United States presidential and congressional elections in the fall of 2024. The nature, timing

and economic effects of any potential change to the current legal and regulatory framework affecting our and our customers' businesses are uncertain. Some changes may adversely affect our or our customers' operations and have an adverse impact on our business, financial condition, results of operations and growth prospects. In addition, a significant portion of our revenue is generated from contracts with the United States government. For the six months ended June 30, 2024, charters with the MSC accounted for 16% of our consolidated revenues. Department of Defense ("DoD") budgets could be negatively impacted by several factors, including, but not limited to, a change in defense spending policy as a result of the presidential election or otherwise, the United States government's budget deficits, spending priorities, possible political pressure to reduce United States government military spending and the ability of the U.S. government to enact appropriations bills and other relevant legislation, each of which could cause the DoD budget to remain unchanged or to decline. A significant decline in United States military expenditures could negatively impact our revenue through an inability to enter into favorable charters with the United States government.

Our contracts with the United States government might not be renewed, may be renewed at lower rates or may impose additional requirements.

In 2023, we were informed that the MSC was conducting a market survey of companies capable of providing services we currently perform pursuant to a ten-year O&M contract scheduled to expire in February, 2025. We were subsequently informed that the MSC would seek to renegotiate that O&M contract with us on a sole-source basis. Due to factors outside our control, including government budget cuts or other political events, such as a prolonged government shutdown, we may be unable to renegotiate the contract on favorable terms or at all. Further, the contract or the sole-source determination may be challenged by third parties.

Our contracts with the United States government may impose requirements related to climate change, such as requirements that we disclose information about our GHG emissions or that we set and publicize emissions reductions targets for our operations. For example, in November 2022, the Federal Acquisition Regulatory Council proposed a rule under which we would qualify as a "major" contractor with at least $50 million in annual federal contracts, and thus would be required to disclose our Scope 1 and 2 GHG emissions and our relevant Scope 3 GHG emissions, make annual disclosures aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures, and set science-based emissions reduction targets. See "Business—Government Regulation—Climate Change." Our government contracts may be impacted by regulatory or legislative requirements related to climate change that could increase the cost of our government operations or accelerate obsolescence of vessels we employ for the government.

Our business involves a number of operational risks that may disrupt our business or adversely affect our financial results, and insurance may be unavailable or inadequate to protect against such risks.

Our vessels are subject to operating risks, including, but not limited to:

- catastrophic marine disaster;
- adverse weather and sea conditions;
- mechanical failure;
- collisions or allisions;
- oil spills or other hazardous substance releases;
- navigational errors;
- acts of God; and
- war, terrorism or piracy.

The occurrence of any of the enumerated events, or other similar events, may result in vessel damage, vessel loss, personnel injury or death, or environmental contamination. The occurrence of any such event could expose us to liability or costs.

Affected vessels may also be removed from service and thus be unavailable for income-generating activity.

Additionally, certain of our protection and indemnity insurance is provided by various mutual protection and indemnity associations. As associations, they rely on member premiums, investment reserves and income, and reinsurance to manage liability risks on behalf of their members. Increased investment losses, underwriting losses or reinsurance costs could cause domestic or international marine insurance associations to substantially raise the cost of premiums, resulting not only in higher premium costs, but also higher levels of deductibles. Increases in our premiums or deductible levels could adversely affect our operating costs.

While we believe that our insurance coverage is adequate and insures against risks that are customary in the industry, we may be unable to renew such coverage in the future at commercially reasonable rates. Moreover, existing or future coverage may not be sufficient to cover claims that may arise, and we do not maintain insurance for loss of income resulting from a marine casualty.

Operations in offshore waters have inherent and historically higher risk than onshore activities, and our operations could be affected by third-party actions.

Offshore operations are subject to a variety of operating risks specific to the marine environment, such as perils of the sea and marine casualty events that such perils can cause or contribute to, including capsizing, collisions, allisions and damage or loss from adverse weather conditions. In addition to being vulnerable to the risks associated with operating offshore, we may also be affected by actions of third-parties. For example, a third-party marine vessel may damage or destroy our assets or an accident caused by a third-party marine vessel may cause us to be subject to remediation and other costs resulting from releases of hazardous materials and other environmental and natural resource damages. In addition to utilization loss of our vessels and increased costs, these hazards could cause serious injuries, fatalities, contamination or property damage for which we could be held responsible.

Further, the offshore oil and gas and alternative energy industries are subject to unforeseen occurrences or catastrophic events such as hurricanes, fires, explosions, collisions involving marine vessels and oil spills. Such catastrophic events could negatively affect the industry as a whole, which could have a material adverse effect on our business and on our financial position, results of operations and cash flows.

Our operations may be materially adversely affected by tropical storms and hurricanes.

Tropical storms, hurricanes and the threat of tropical storms and hurricanes often result in the shutdown of operations in coastal regions, including the GoM, as well as operations within the path and the projected path of the tropical storms or hurricanes. The Atlantic hurricane season is June through November. In addition, climate change could result in an increase in the frequency and severity of tropical storms, hurricanes or other extreme weather events. In the future, during a tropical storm or hurricane, we may be unable to operate in the area of the storm. Additionally, tropical storms or hurricanes may cause evacuation of personnel, reduce the areas in which, or the number of days during which, our customers would contract for our vessels in general and cause damage to our vessels and other equipment, which may result in suspension of certain operations. The shutdowns, related evacuations and damage can create unpredictability in activity and utilization rates, as well as delays and cost overruns, which could have a material adverse effect on our business, financial condition and results of operations.

Cybersecurity attacks may result in potential liability or reputational damage or otherwise adversely affect our business.

Many of our business and operational processes are heavily dependent on traditional and emerging technology systems, some of which are managed by us and some of which are managed by third-party service and equipment providers, to conduct day-to-day operations, improve safety and efficiency and lower costs. We

use computerized systems to help run our financial and operations functions, including the processing of payment transactions, store confidential records and conduct vessel operations, which may subject our business to increased risks. If any of our financial, operational or other technology systems fail or have other significant shortcomings, our financial results could be adversely affected. Our financial results could also be adversely affected if an employee or other third party causes our operational systems to fail, either as a result of inadvertent error or by deliberately tampering with or manipulating our operational systems. In addition, dependence upon automated systems, including those on board our vessels, may further increase the risk of operational system flaws, and employee or other tampering or manipulation of those systems will result in losses that are difficult to detect.

Cybersecurity incidents are increasing in frequency and magnitude across all business types. We have experienced attempted cybersecurity attacks but have not suffered any material adverse effect to our business and operations as a result of such attempts. We have implemented security measures, internal controls and testing that are designed to detect and protect against cyberattacks. The Company regularly updates and reviews its testing protocols, however, no security measure is infallible. Despite these measures and any additional measures we may implement or adopt in the future, our facilities, vessels and systems, and those of our third-party service providers, have been and are vulnerable to security breaches, computer viruses, lost or misplaced data, programming errors, scams, burglary, human errors, misdirected wire transfers, and other adverse events, including threats to our critical operations technologies and process control networks. Third-party systems on which we rely could also suffer such attacks or operational system failures. Any of these occurrences could result in material harm to our business, including ransom payments, significant remediation and cybersecurity protection costs, loss of customer or employee data, loss of intellectual property or proprietary information, litigation and legal risks, including regulatory actions, potential liability, reputational damage, or damage to the company's competitiveness, stock price and long-term shareholder value, or otherwise have an adverse effect on our business, operations and financial results.

In addition, laws and regulations governing data privacy and the unauthorized disclosure of confidential or protected information and recent legislation in certain U.S. states, pose increasingly complex compliance challenges and potentially elevate costs, and any failure to comply with these laws and regulations could result in significant penalties and legal liability.

Our operations in international markets and shipyard activities in foreign shipyards subjects us to risks inherent in conducting business internationally.

We derive a portion of our revenues from foreign sources. In addition, certain of our shipyard repair and procurement activities are being conducted with foreign vendors. We therefore face risks inherent in conducting business internationally, such as legal and governmental regulatory requirements, potential vessel detentions, seizures or nationalization of assets, import-export quotas or other trade barriers, difficulties in collecting accounts receivable and longer collection periods, political and economic instability, kidnapping of or assault on personnel, piracy, adverse tax consequences, difficulties and costs of staffing international operations and language and cultural differences. We do not hedge against foreign currency risk. While we endeavor to contract in U.S. dollars when operating internationally, some contracts may be denominated in a foreign currency, which would result in a foreign currency exposure risk. We also face risks related to administrative or other legal changes in foreign cabotage laws, or other legal or administrative changes that adversely impact planned or expected offshore energy development. For instance, since the fourth quarter of 2023, maritime regulators in Mexico have implemented new approaches in their oversight of Navieras that historically have had permissible levels of non-Mexican ownership, such as ours. As a result, we took legal action in Mexico to preserve our cabotage privileges there, and a Mexican court has ordered that our cabotage privileges be reinstated. We have appealed this decision to further clarify the court's ruling, and our cabotage privileges remain active during the pendency of the appeal. We expect the appellate process to last between one and three years. If determined in a manner that is unfavorable to the Company, we expect that the Company may not be able to continue Mexican cabotage operations under its current structure. If the Company prevails in its appeal, we expect that the

Company will be able to continue to exercise its reinstated privileges, unless legislative or other actions disallow such operations. Despite these favorable court rulings, and the pendency of appeals, Mexican maritime regulators have limited our ability to object to the employment of non-Mexican flag vessels that compete with our own Mexican-flagged vessels, which is one of the privileges of a Mexican Naviera. Since the fourth quarter of 2023, we have moved all but two of our Mexican-flagged vessels into various non-Mexican international markets to continue utilizing our highly-skilled Mexican mariners and shore-based employees as part of our international services, which we believe will result in a temporary reduction of revenue for some of those vessels. All of these risks associated with our international operations are beyond our control and difficult to insure against. We cannot predict the nature and the likelihood of any such events. If such an event should occur, however, it could have a material adverse effect on our financial condition and results of operations.

Our employees are covered by federal laws that may subject us to job-related claims in addition to those provided by state laws.

Provisions of the Jones Act, the Death on the High Seas Act and general maritime law cover certain of our employees. These laws preempt state workers' compensation laws and permit employees and their representatives to pursue actions against employers for job-related tort claims in federal courts. Because we are generally not protected by the damage limits imposed by state workers' compensation statutes for these types of claims, we may be exposed to higher damage awards for these types of claims.

We are susceptible to unexpected increases in operating expenses such as crew wages, materials and supplies, maintenance and repairs and insurance costs.

Many of our operating costs, such as crew wages, materials and supplies, maintenance and repairs, and insurance costs are unpredictable and vary based on events beyond our control. Our profitability will vary based on fluctuations in operating costs. If our operating costs increase, we may not be able to recover such costs from customers. Such an increase in operating costs could adversely affect our financial results.

We may be unable to collect amounts owed to us by customers.

We typically grant customers credit on a short-term basis. Because we do not typically collect collateralized receivables from customers, we are subject to credit risk on the credit we extend. We estimate uncollectible accounts in our financial statements based on historical losses, current economic conditions, and individual customer evaluations. However, our estimates may not be accurate and the receivables due from customers as reflected in our financial statements may not be collectible.

Our business may be subject to risks related to climate change, including physical risks such as increased adverse weather patterns and transition risks such as evolving climate change regulation, alternative fuel measures and/or mandates, shifting consumer preferences, technological advances and negative shifts in market perception towards the oil and natural gas industry and associated businesses, any of which could result in increased operating expenses and capital costs or decreased resources and adversely affect our financial results.

One of the asserted long-term physical effects of climate change may be an increase in the severity and frequency of adverse weather conditions, such as hurricanes, which may increase our insurance costs or risk retention, limit insurance availability or reduce the areas in which, or the number of days during which, our customers would contract for our vessels in general and in the U.S. GoM in particular. Such conditions could also cause damage to our assets. Any of these impacts, individually or in the aggregate, could materially and adversely affect our business, financial conditions, and results of operations. We are currently unable to predict the manner or extent of any such effect. Our ability to mitigate the adverse physical impacts of climate change depends in part upon our disaster preparedness and response and business continuity planning.

Combating the effects of climate change continues to attract considerable attention in the United States and internationally, including from regulators, legislators, companies in a variety of industries, financial market participants and other stakeholders. This focus, together with government grants, incentives and subsidies focused on alternative energy development, such as those contained in the IRA 2022, and changes in consumer and industrial/commercial behavior, preferences and attitudes with respect to the generation and consumption of energy, petroleum products and the use of products manufactured with, or powered by, petroleum products, may in the long-term result in (i) the enactment of additional climate change-related regulations, policies and initiatives (at the government, regulator, corporate and/or investor community levels), including alternative energy requirements, new fuel consumption standards, energy conservation and emissions reductions measures and responsible energy development, (ii) technological advances with respect to the generation, transmission, storage and consumption of energy (e.g., wind, solar and hydrogen power, smart grid technology and battery technology, and increasing efficiency) and (iii) increased availability of, and increased consumer and industrial/commercial demand for, alternative energy sources and products manufactured with, or powered by, alternative energy sources (e.g., electric vehicles and renewable residential and commercial power supplies).

Climate change legislation and regulatory initiatives may arise from a variety of sources, including international, national, regional and state levels of government and associated administrative bodies, seeking to monitor, restrict or regulate existing emissions of GHGs, such as carbon dioxide and methane, as well as to restrict or eliminate future emissions. Restrictions on GHG emissions that may be imposed, or the adoption and implementation of regulations that require reporting of GHG emissions or other climate-related information or otherwise seek to limit GHG emissions (including carbon pricing schemes) from ourselves or our customers, could adversely affect our business and the oil and gas industry. Accordingly, our business and operations, and those of our customers, are subject to executive, regulatory, political and financial risks associated with marine transportation, petroleum products and the emission of GHGs. Any legislation or regulatory programs related to climate change could increase our costs and require substantial capital, compliance, operating and maintenance costs, reduce demand for petroleum and related marine transportation services, reduce our access to financial markets, and create greater potential for governmental investigations or litigation. For example, the adoption of legislation or regulatory programs to reduce GHG emissions could require us or our customers to incur increased operating costs or acquire emissions allowances or to comply with new regulatory requirements. Such regulatory initiatives could also stimulate demand for alternative forms of energy that do not rely on petroleum products and indirectly reduce demand for our services. Further, the U.S. Securities and Exchange Commission (the "SEC") adopted its final rules for climate-related disclosures in March 2024 (the "SEC Climate Rules"), which will mandate extensive disclosure of certain climate-related information, including, among other items, material climate-related risks and related governance, strategy and risk management processes, and certain financial impacts. The SEC Climate Rules are currently stayed pending completion of judicial review and are widely expected to face additional legal challenges going forward. We cannot currently predict with certainty the timing and costs of implementation or any potential adverse impacts resulting from the SEC Climate Rules. However, assuming they take effect, we could incur additional operational and compliance burdens and increased costs relating to the assessment and disclosure of climate-related matters, including costs relating to establishment of additional internal controls and collecting, measuring and analyzing information related to such matters. Further, we cannot predict how any information disclosed pursuant to the rules may be used by financial institutions or investors. We may face increased litigation and enforcement risks, or limits or restrictions on our access to capital, related to disclosures made pursuant to the SEC Climate Rules.

Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas, technological advances in fuel economy and energy generation devices, and the increased competitiveness of and technological advances with respect to alternative energy sources (such as electric vehicles, wind, solar, geothermal, tidal, fuel cells and biofuels) could reduce demand for oil and natural gas and therefore indirectly negatively impact our revenues. Furthermore, as our competitors use or develop new technological advances designed to reduce their impacts on the environment or climate change, such as the use of alternative fuels for marine vessels, we may be placed at a competitive disadvantage or may be forced by competitive pressures to implement new technologies at substantial costs. We may not be able to respond to these

competitive pressures or implement new technologies on a timely basis or at an acceptable cost. If one or more of the technologies we use now or in the future were to become obsolete, our business, financial condition or results of operations could be materially and adversely affected.

Additionally, certain segments of the investor community have recently expressed negative sentiment towards investing in the oil and natural gas industry and associated businesses. Climate change-related developments in particular may result in negative perceptions of the traditional oil and gas industry and, in turn, reputational risks involving business activities associated with petroleum product exploration and production. There have been efforts in recent years, for example, to influence the investment community, including investment advisors, insurance companies, and certain sovereign wealth, pension and endowment funds and other groups, by promoting divestment of fossil fuel equities and pressuring lenders to limit funding and insurance underwriters to limit coverages to companies engaged in the extraction of fossil fuel reserves. Financial institutions may elect in the future to shift some or all of their investment into non-fossil fuel related sectors. Some investors, including certain pension funds, university endowments and family foundations, have stated policies to reduce or eliminate their investments in the oil and natural gas sector based on social and environmental considerations. Institutional lenders who provide financing to companies associated with the oil and gas industry have also become more attentive to sustainable lending practices, and some may elect not to provide traditional energy producers or companies that support such producers with funding. Such developments could ultimately result in reduced demand for our services or reduce our access to, and increase the cost of, debt or capital.

Any legislation, regulatory programs, technological advances or social pressures related to climate change could increase our or our customers' operating and compliance costs, reduce demand for our services, and, together with negative investor sentiment, may have a material adverse effect on our business, financial condition, results of operations and cash flows. For further discussion, please see "Business—Government Regulation—Climate Change."

Increased scrutiny and changing stakeholder expectations with respect to ESG matters may impact our business and expose us to additional risks.

In recent years, companies across all industries are facing increasing scrutiny from stakeholders related to their ESG and sustainability practices. A number of advocacy groups, both domestically and internationally, have engaged in activism campaigns centered around increasing attention and demands for governmental and private sector action related to climate change and promoting the use of substitutes to fossil fuel products. Further, failure or a perception (whether or not valid) of failure to implement our ESG strategy or achieve sustainability goals and targets we have set, could damage our reputation, causing our investors or other stakeholders to lose confidence in the Company, and negatively impact our operations. There can be no assurance that we will be able to accomplish any announced goals, targets initiatives, commitments or objectives related to our ESG strategy, as statements regarding the same reflect our current plans and aspirations and are not guarantees that we will be able to achieve them within the timelines we announce, or at all. In certain circumstances, we could determine in our discretion that it is not feasible or practical to implement or complete certain of our ESG goals, targets, initiatives, policies or procedures based on cost, timing or other considerations. Our continuing efforts to research, establish, accomplish and accurately report on the implementation of our ESG strategy, including any ESG goals, may also create additional operational risks and expenses and expose us to reputational, legal and other risks. Moreover, while we may create and publish voluntary disclosures regarding ESG matters from time to time, some of the statements in those voluntary disclosures may be based on hypothetical expectations and assumptions that may or may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith. Such expectations and assumptions are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying, measuring and reporting on many ESG matters. The occurrence of any of the foregoing could have a material adverse effect on our business and financial condition.

Further, our business and growth opportunities require us to have strong relationships with various key stakeholders, including our investors, employees, suppliers, customers and others. We may face pressures from stakeholders, many of whom are increasingly focused on climate change, to prioritize sustainable energy practices, reduce our carbon footprint and promote sustainability while at the same time remaining a successfully operating business. If we do not successfully manage expectations across these varied stakeholder interests, it could erode our stakeholder trust and thereby affect our brand and reputation. Such erosion of confidence could negatively impact our business through decreased demand and growth opportunities, delays in projects, increased legal action and regulatory oversight, adverse press coverage and other adverse public statements, difficulty hiring and retaining top talent, difficulty obtaining necessary approvals and permits from governments and regulatory agencies on a timely basis and on acceptable terms and difficulty securing investors and access to debt or capital.

In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters. Such ratings are used by some investors to inform their investment decisions and thus unfavorable ESG ratings could have a negative impact on our access to and cost of capital as well as our reputation.

Supplier capacity constraints or shortages in parts, equipment or materials, supplier production disruptions, supplier quality and sourcing issues or price increases could increase our operating costs, decrease our revenues and adversely impact our operations.

Our reliance on third-party suppliers, manufacturers and service providers to secure equipment and materials used in our operations exposes us to volatility in the quality, price and availability of such items. During periods of reduced demand, many of these third-party suppliers reduced their inventories of parts and equipment and, in some cases, reduced their production capacity. Further, the volatility of the price of steel can impact the construction and repair costs of our vessels. When we seek to reactivate stacked vessels, upgrade our active vessels or purchase additional vessels, these reductions and global supply chain constraints could make it more difficult for us to find equipment, materials, parts and labor for our vessels. If an alternative vendor to obtain equipment or parts is unavailable, many of the specialized parts and equipment we utilize are rebuildable, can be found in the aftermarket, or can be substituted with crossover components in a similar time period, or if such options were unavailable or could not be completed in a timely manner, we have a sufficient fleetsize with legacy technology to use component parts from certain vessels to keep our other vessels running. However, there is a risk that the use of one or more of such alternatives could cause a disruption or delay to our routes or operations resulting in an adverse effect on our business. While we believe we maintain a sufficient inventory of spare parts and equipment and have employed highly-trained, internal technical resources, including engineers and repair technicians, capable of maintaining, repairing or rebuilding the specialized machinery and equipment aboard our vessels, there can be no assurance that these measures would be sufficient to avoid an adverse impact on our business during periods of reduced demand or supply chain constraints. A disruption or delay in the deliveries from third-party suppliers, capacity constraints, production disruptions, price increases (including those related to the price of steel, inflation and supply chain disruptions), defects or quality-control issues, recalls or other decreased availability or servicing of parts and equipment could adversely affect our ability to meet our commitments to customers on a timely basis and adversely impact our operations and revenues by resulting in uncompensated downtime, reduced dayrates, the incurrence of liquidated damages or other penalties or the cancellation or termination of contracts, or increase our operating costs.

We may be unable to effectively and efficiently manage our fleet as we expand our business, which could have an adverse effect on our business, financial condition and results of operations.

We have expanded, and plan to continue to expand, the size, scope and nature of our business through mergers and acquisitions, resulting in an increase in the breadth of our fleet and service offerings and an expansion of our business geographically, including in traditional oilfield as well as offshore wind, military and other non-oilfield applications. Business expansion places increasing demands on us and/or our fleet. We must anticipate demand well into the future in order to service our extensive customer base. The inability to effectively and efficiently manage our assets to meet the current and future needs of our customers, which may vary widely

from what is originally forecast due to a number of factors beyond our control, including periods of difficult market conditions or slowdowns in any of the business sectors or various regions in which we operate, could have an adverse effect on our business, financial condition and results of operations. We could experience any of these conditions at the same time, resulting in a relatively greater impact on our results of operations than they might have on other companies that have more diversified operations.

Certain of our principal stockholders are involved in other ventures related to the offshore services industry and have the ability to take actions that could conflict with our interests.

Certain of our directors, including those directors appointed by our principal stockholders or their investment managers or respective affiliates are involved in the offshore services industry through their direct and indirect participation in businesses which are our potential competitors, service providers or customers. Situations may arise in connection with potential acquisitions, investments or contractual disputes where the other interests of these directors may conflict with our interests. Although our directors with conflicts of interest will be subject to and expected to follow the procedures set out in applicable legislation, regulations, rules and policies, any conflicts of interest may not be resolved in favor of our interests. Additionally, the involvement of our directors with other business ventures may require their time and attention be shared with their other business ventures.

Our principal stockholders may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investment, even though such transactions might involve risks to our other investors and lenders. In addition, our principal stockholders and their investment managers and respective affiliates are in the business of making investments in companies and may, from time to time, acquire interests in businesses that directly or indirectly compete with our business, as well as businesses that are significant existing or potential customers or service providers. Our principal stockholders or their investment managers or respective affiliates may also seek to acquire businesses and/or assets that we seek to acquire and, as a result, these acquisition opportunities may not be available to us or may be more expensive for us to pursue.

Risks Relating to Legal, Regulatory, Accounting and Tax Matters

We may be unable to maintain an effective system of disclosure controls and procedures or internal control over financial reporting and produce timely and accurate financial statements or comply with applicable regulations.

As a public company, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act") the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), and, if approved for listing, the rules and regulations and the listing standards of NYSE.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers. We are also continuing to improve our internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting-related costs and significant management oversight.

We may discover weaknesses in our disclosure controls and procedures and internal control over financial reporting in the future. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic

management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures and internal control over financial reporting could cause delays in our ability to comply with public company reporting requirements (including under the Exchange Act or stock exchange rules) and could also cause investors to lose confidence in our reported financial and other information, which could have a negative effect on the trading price of our common stock. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the NYSE. We are not currently required to comply with the SEC rules that implement Section 404 of the Sarbanes-Oxley Act and are therefore not required to make a formal assessment of the effectiveness of our internal control over financial reporting for that purpose. As a public company, we will be required to provide an annual management report on the effectiveness of our internal control over financial reporting commencing with our second annual report.

Our independent registered public accounting firm is not currently required to formally attest to the effectiveness of our internal control over financial reporting. Once such reporting becomes required, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is documented, designed or operating. Any failure to maintain effective disclosure controls and internal control over financial reporting could have a material adverse effect on our business and operating results and could cause a decline in the price of our common stock.

We and our directors and executive officers may be subject to litigation for a variety of claims, which could harm our reputation and adversely affect our business, results of operations and financial condition.

In the ordinary course of business, we have in the past and may in the future be involved in and subject to litigation for a variety of claims or disputes and receive regulatory inquiries. These claims, lawsuits and proceedings could include labor and employment, wage and hour, commercial, regulatory, antitrust, alleged securities law violations or other investor claims, environmental damage, claims that our employees have wrongfully disclosed or we have wrongfully used proprietary information of our employees' former employers and other matters. Claims under any such litigation may be material or may be indeterminate. The number and significance of these potential claims and disputes may increase as our business expands. Further, our general liability insurance may not cover all potential claims made against us or be sufficient to indemnify us for all liability that may be imposed. Any claim against us, regardless of its merit, could be costly, divert management's attention and operational resources, and harm our reputation.

Our directors and executive officers may also be subject to litigation. The limitation of liability and indemnification provisions that are included in our amended and restated certificate of incorporation, our amended and restated bylaws and indemnification agreements that we have entered into with our directors and executive officers provide that we will indemnify our directors and officers to the fullest extent permitted by Delaware law and may discourage stockholders from bringing a lawsuit against our directors and executive officers for breach of their fiduciary duties. Such provisions may also reduce the likelihood of derivative litigation against our directors and executive officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be harmed to the extent that we pay the costs of settlement and damage awards against our directors and executive officers as required by these indemnification provisions. We have obtained insurance policies under which, subject to the limitations of the policies, coverage is provided to our directors and executive officers against loss arising from claims made by reason of breach of fiduciary duty or other wrongful acts as a director or executive officer, including claims relating to securities matters, and to us with respect to payments that may be made by us to these directors and executive officers pursuant to our indemnification obligations or otherwise as a matter of law. These insurance policies may not cover all potential claims made against our directors and executive officers, may not be available to us in the future at a reasonable rate and may not be adequate to indemnify us for all liability that may be imposed.

As litigation is inherently unpredictable, we cannot assure you that any potential claims or disputes will not harm our business, results of operations and financial condition.

We do not own the Hornbeck Brands, but may use the Hornbeck Brands pursuant to the terms of a license granted by HFR, and our business may be materially harmed if we breach our license agreement or it is terminated.

In connection with the closing of this offering, we will amend and restate our Third Amended and Restated Trade Name and Trademark License Agreement, dated September 4, 2020 (the "Third A&R License Agreement"). Pursuant to the Fourth A&R License Agreement (as defined herein) between us and HFR, LLC ("HFR"), we will have an exclusive license to use the various Hornbeck trade names and trademarks provided in the Fourth A&R License Agreement, which include "Hornbeck," "Hornbeck Offshore," "Hornbeck Offshore Services," "HOS," "HOSMAX," "HOSS" and our current horse head logos (the "Hornbeck Brands"). The Fourth A&R License Agreement will have a term of ten years, which can be extended at the option of the Company, provided that Todd M. Hornbeck is our CEO or Chairman of our Board of Directors and the Company pays a renewal fee of $10 million to HFR (as adjusted for inflation over the first ten-year term). The Fourth A&R License Agreement will be terminable by us for convenience, by HFR for our material breach of the Fourth A&R License Agreement, or if Todd Hornbeck is no longer our CEO or Chairman of our Board of Directors, whether he has been terminated with or without cause or has resigned or departed the Company. In each of these events, the Company is entitled to a wind-down period of between two and five years, depending upon the reason for termination and the date of its occurrence.

Termination of the Fourth A&R License Agreement would eliminate our rights to use the Hornbeck Brands and to use our corporate name and may result in our having to undergo other significant rebranding efforts. Loss of the rights to use the Hornbeck Brands could disrupt our recognition in the marketplace, damage goodwill we may have generated, and otherwise have a material adverse effect on us. These rebranding efforts may require significant resources and expenses and may affect our ability to attract and retain customers, all of which may have a material adverse effect on our business, contracts, financial condition, operating results, liquidity and prospects.

Our success also depends in part upon successful prosecution, maintenance, enforcement and protection of our owned and licensed intellectual property, including the Hornbeck Brands that we license from HFR. Under the Fourth A&R License Agreement, we will be obligated to take actions to obtain, maintain, enforce and protect the Hornbeck Brands. Should we fail to maintain, enforce or protect the Hornbeck Brands or other intellectual property, we could be materially harmed. See "Certain Relationships and Related Party Transactions—Third and Fourth Amended and Restated License Agreement."

Defending against intellectual property claims could adversely affect our business.

We may from time to time face allegations that we are infringing, misappropriating or otherwise violating the intellectual property rights of third parties, including the intellectual property rights of our competitors. We may be unaware of the intellectual property rights that others may claim cover some or all of our technology or services. Irrespective of the validity of any such claims, we could incur significant costs and diversion of resources in defending against them, and there is no guarantee any such defense would be successful, which could have a material adverse effect on our business, contracts, financial condition, operating results, liquidity and prospects.

Even if these matters do not result in litigation or are resolved in our favor or without significant cash settlements, these matters, and the time and resources necessary to litigate or resolve them, could divert the time and resources of our management team and harm our business, our operating results and our reputation.

Subjective estimates and judgments used by management in the preparation of our financial statements, including estimates and judgments that may be required by new or changed accounting standards, may impact our financial condition and results of operations.

The preparation of financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses. Due to the inherent uncertainty in making estimates, results reported in future periods may be affected by changes in estimates reflected in our financial statements for earlier periods. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. From time to time, there may be changes in the financial accounting and reporting standards that govern the preparation of our financial statements. These changes can materially impact how we record and report our financial condition and results of operations. In some instances, we could be required to apply a new or revised standard retrospectively. If the estimates and judgments we use in preparing our financial statements are subsequently found to be incorrect or if we are required to restate prior financial statements, our financial condition or results of operations could be significantly affected.

Changes in tax laws could adversely affect our business, financial condition and results of operations.

Changes in tax laws in any of the multiple jurisdictions in which we operate, or adverse outcomes from tax audits that we may be subject to in any such jurisdiction, could result in an unfavorable change in our effective tax rate, which could adversely affect our business, financial condition and operating results. In particular, in the United States, the recently enacted IRA 2022 introduced, among other changes, a 15% corporate minimum tax on certain United States corporations and a 1% excise tax on certain stock redemptions by publicly traded United States corporations. We do not currently expect that the 15% corporate minimum tax or 1% excise tax would have an effect on our overall effective tax rate. However, we are currently unable to predict the ultimate impact of the IRA 2022 or any further changes in U.S. tax law on our business, financial condition and operating results. In addition, tax laws are dynamic and subject to change as new laws are passed and new interpretations of the law are issued or applied. For example, the Biden administration has proposed several tax increases, including raising the U.S. corporate income tax rate from 21% to 28%.

Further, we operate in a number of jurisdictions, which contributes to the volatility of our effective tax rate. Changes in tax laws or the interpretation of tax laws in the jurisdictions in which we operate may affect our effective tax rate. For example, a number of countries, as well as organizations such as the Organization for Economic Cooperation and Development, support a global minimum tax initiative. Such countries and organizations are also actively considering changes to existing tax laws or have proposed new tax laws that could increase our tax obligations. In addition, we are required under GAAP to place valuation allowances against our NOL carryforwards and other deferred tax assets in certain tax jurisdictions. These valuation allowances result from analysis of positive and negative evidence supporting the realization of tax benefits. Negative evidence includes a cumulative history of pre-tax operating losses in specific tax jurisdictions. Changes in valuation allowances have historically resulted in material fluctuations in our effective tax rate. Economic conditions or changes in tax laws may dictate the continued imposition of current valuation allowances and, potentially, the establishment of new valuation allowances. While significant valuation allowances remain, our effective tax rate will likely continue to experience significant fluctuations. Furthermore, certain foreign jurisdictions may take actions to delay our ability to collect value-added tax refunds.

Our ability to utilize our NOL carryforwards may be limited.

As of December 31, 2023, we had deferred tax assets related to U.S. federal NOL carryforwards of approximately $55.6 million and state NOL carryforwards of approximately $6.0 million. Our ability to utilize our U.S. federal and state NOL carryforwards depends on many factors, including our future income, which cannot be assured. Section 382 of the Internal Revenue Code of 1986, as amended (the “Code”) generally imposes an annual limitation on the amount of NOLs that may be used to offset taxable income when a

corporation has undergone an "ownership change" (as determined under Section 382 of the Code). An ownership change generally occurs if one or more stockholders (or groups of stockholders) who are each deemed to own at least 5% of such corporation's stock increase their aggregate ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. In the event that an ownership change occurs, utilization of the relevant corporation's NOLs would be subject to an annual limitation under Section 382 of the Code, generally determined, subject to certain adjustments, by multiplying (i) the fair market value of the corporation's equity at the time of the ownership change by (ii) the highest percentage approximately equivalent to the yield on long-term tax-exempt bonds for any month in the three-calendar month period ending with the calendar month in which the ownership change occurs. Any unused annual limitation may be carried over to later years. A portion of our NOLs is already limited under Section 382 of the Code as a result of an ownership change that occurred in connection with our reorganization in September 2020. We do not currently expect that this offering would result in an additional ownership change under Section 382 of the Code; however, future changes in our stock ownership, which may be outside of our control, may trigger an additional ownership change and, consequently, additional limitations under Section 382 of the Code. Any such limitations on our ability to use our NOL carryforwards to offset future taxable income could adversely affect our future cash flows. Many states have similar laws, in addition to laws that suspend, reduce or eliminate the ability to carry losses forward. Our state NOLs relate to Louisiana and a portion of such NOLs are subject to an annual limitation due to the ownership change described above. Accordingly, our state NOLs totaling $6.0 million as of December 31, 2023 may be carried forward indefinitely, but the deductibility of a portion of such state NOLs may be limited to the lesser of 72% of the current year taxable income or the available NOL carryforward for returns filed on or after July 1, 2015.

We are subject to various anti-corruption laws and regulations and laws and regulations relating to economic sanctions. Violations of these laws and regulations could have a material adverse effect on our business, financial condition and results of operations.

We are subject to various anti-corruption laws, including the U.S. Foreign Corrupt Practices Act, the United Nations Convention Against Corruption and the Brazil Clean Company Act. These laws generally prohibit companies and their intermediaries from engaging in bribery or making other improper payments of cash (or anything else of value) to government officials and other persons in order to obtain or retain business or to obtain an improper business benefit. Our business operations also must be conducted in compliance with applicable economic sanctions laws and regulations, including rules administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council, and other relevant authorities.

We strive to conduct our business activities in compliance with relevant anti-corruption laws and regulations, and we have adopted proactive procedures to promote such compliance. While we are not aware of issues of historical noncompliance, full compliance cannot be guaranteed. Violations of anti-corruption laws and regulations, or even allegations of such violations, could result in civil or criminal penalties or other fines or sanctions, including prohibition of our participating in or curtailment of business operations in those jurisdictions and the seizure of vessels or other assets, which could have a material adverse effect on our business, financial condition and results of operation. Moreover, we may be held liable for actions taken by local partners or agents in violation of applicable anti-bribery laws, even though these partners or agents may themselves not be subject to such laws. Further, changes to the applicable laws and regulations, and/or significant business growth, may result in the need for increased compliance-related resources and costs.

Our Creditor Warrants are accounted for as liabilities and changes in the value of these warrants could have a material effect on our financial results.

Our Creditor Warrants (warrants entitling holders to purchase common stock at a strike price set at an enterprise value of $621.2 million, or $27.83 per share ($ per share after giving effect to the stock split) (subject to adjustment)), were issued on September 4, 2020. ASC 815-40 provides for the remeasurement of the

fair value of such derivatives at each balance sheet date, with a resulting non-cash gain or loss related to the change in the fair value being recognized in the consolidated statements of operations. As a result of the recurring fair value measurement, for so long as the Creditor Warrants remain outstanding or not amended, our financial statements and results of operations may fluctuate quarterly based on factors which are outside of our control. Due to the recurring fair value measurement, we expect that we will recognize non-cash gains or losses on the Creditor Warrants each reporting period that they remain outstanding or not amended and that the amount of such gains or losses could be material. See Note 11 to our Annual Financial Statements and Note 9 to our Quarterly Financial Statements included elsewhere in this prospectus for additional information about the Creditor Warrants.

Risks Relating to Our Indebtedness

Our indebtedness could materially adversely affect our financial condition.

We have a significant amount of indebtedness. As of June 30, 2024, our total indebtedness was approximately $349.0 million, consisting of outstanding principal amount of Second Lien Term Loans under the Second Lien Credit Agreement.

Our substantial indebtedness could have important consequences, including the following:

- making it more difficult for us to satisfy our other obligations;
- limiting our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements;
- requiring us to dedicate a substantial portion of our cash flows to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions and other general corporate purposes;
- increasing our vulnerability to general adverse economic and industry conditions;
- limiting our flexibility in planning for and reacting to changes in the industry in which we compete;
- placing us at a disadvantage compared to other, less leveraged competitors; and
- increasing our cost of borrowing.

In addition, each of the First Lien Credit Agreement and the Second Lien Credit Agreement contains restrictive covenants that limit our ability to engage in activities that may be in our long-term best interest. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all our debt and/or the exercise of other remedies by the lenders and other secured parties thereunder. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources.”

We may not be able to generate sufficient cash to service all of our indebtedness or repay such indebtedness when due and may be forced to take other actions to satisfy our obligations under our indebtedness, such as refinancings, which may not be successful or completed on favorable terms.

Our ability to make scheduled payments on or refinance our debt obligations depends on our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond our control. We cannot be sure that our business will generate sufficient cash flows from operating activities, or that future borrowings will be available, to permit us to pay the principal, premium, if any, and interest on our indebtedness.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to

dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance our indebtedness. We may not be able to implement any such alternative measures, if necessary, on a timely basis or at all. Even if successful, we may not be able to negotiate such alternative actions on favorable terms and such actions may not be sufficient to allow us to meet our scheduled debt service obligations.

For example, the loans under the Second Lien Credit Agreement mature in March 2026. If, at such time, market conditions are materially different or our credit profile has deteriorated, the cost of refinancing our debt may be significantly higher than our indebtedness existing at that time and may require us to comply with more onerous covenants that could further restrict our business operations, or we may not be able to refinance such debt at all. Additionally, each of the First Lien Credit Agreement and the Second Lien Credit Agreement restricts, and any of our future debt instruments may restrict, our ability to dispose of assets and use the proceeds from those dispositions and may also restrict our ability to raise debt or equity capital to be used to repay other indebtedness when it becomes due. We may not be able to consummate any such dispositions or to obtain proceeds in an amount sufficient to meet any debt service obligations then due. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Debt Agreements."

Any failure to meet any future debt service obligations or any inability to obtain any additional financing on terms acceptable to us or to comply therewith could have a material adverse effect on our business, financial condition and results of operations.

Despite our current level of indebtedness, we and our subsidiaries may still be able to incur substantially more debt. This could further exacerbate the risks to our financial condition described herein.

We and our subsidiaries may be able to incur significant additional indebtedness in the future. Although each of the First Lien Credit Agreement and the Second Lien Credit Agreement contains restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the additional indebtedness incurred in compliance with these restrictions could be substantial. These restrictions on the incurrence of additional indebtedness also will not prevent us from incurring obligations that do not constitute indebtedness, such as the remaining $48.5 million commitment under the MPSV construction contracts as of June 30, 2024.

The terms of the First Lien Credit Agreement and the Second Lien Credit Agreement restrict our current and future operations, including our ability to respond to changes or to take certain actions.

Each of the First Lien Credit Agreement and the Second Lien Credit Agreement contains a number of restrictive covenants that impose significant operating and financial restrictions on us and may limit our ability to engage in acts that may be in our long-term best interest. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Debt Agreements." The restrictive covenants under the First Lien Credit Agreement and the Second Lien Credit Agreement include restrictions on our ability to:

- incur additional indebtedness and guarantee indebtedness;
- pay dividends or make other distributions or repurchase or redeem our capital stock;
- prepay, redeem or repurchase subordinated, junior lien and unsecured debt;
- issue certain preferred stock or similar equity securities;
- make loans and investments;
- sell or otherwise dispose of assets or property, except in certain circumstances;
- create or incur liens;
- enter into transactions with affiliates;

- enter into agreements restricting our subsidiaries' ability to pay dividends, to enter into and perform certain intercompany debt transactions and to transfer assets to us or other subsidiaries;
- permit the sum of our and our subsidiaries' unrestricted cash and cash equivalents, determined in accordance with GAAP (including any cash and cash equivalents held in an account subject to a control agreement in favor of the secured parties under the First Lien Credit Agreement and the Second Lien Credit Agreement and any unused commitments available to be borrowed under any other permitted debt facility) to be less than $25 million as of the last day of any fiscal quarter; and
- make fundamental changes in our business, corporate structure or capital structure, including, among other things, entering into mergers, acquisitions, consolidations and other business combinations.

As a result of these restrictions, we may be:

- limited in how we conduct our business;
- unable to raise additional debt or equity financing to operate during general economic or business downturns; or
- unable to compete effectively or to take advantage of new business opportunities. These restrictions may affect our ability to grow in accordance with our strategy.

A breach of the covenants or restrictions under the First Lien Credit Agreement or the Second Lien Credit Agreement could result in a default or an event of default. Such a default may allow the creditors to accelerate the related debt and/or exercise other remedies and may result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. In exacerbated or prolonged circumstances, one or more of these events could result in our bankruptcy or liquidation. Our principal stockholders hold $281.2 million of the Second Lien Term Loans.

Risks Related to this Offering and Ownership of Our Common Stock

No market currently exists for our common stock, and an active, liquid trading market for our common stock may not develop, which may cause shares of our common stock to trade at a discount from the initial offering price and make it difficult to sell the shares of common stock you purchase.

Prior to this offering, there has not been a public trading market for shares of our common stock. We cannot predict the extent to which investor interest in us will lead to the development of a trading market or how active and liquid that market may become. If an active and liquid trading market does not develop or continue, you may have difficulty selling your shares of our common stock at an attractive price or at all. The initial public offering price per share of common stock will be determined by negotiations between us and the underwriters, and may not be indicative of the price at which shares of our common stock will trade in the public market after this offering. The market price of our common stock may decline below the initial offering price and you may not be able to sell your shares of our common stock at or above the price you paid in this offering, or at all.

You will incur immediate and substantial dilution.

Existing stockholders have paid substantially less per share of our common stock than the price in this offering. The initial public offering price per share of our common stock will be substantially higher than the as adjusted net tangible book value per share of outstanding common stock prior to completion of this offering. Based on our as adjusted net tangible book value as of June 30, 2024, and upon the issuance and sale of shares of our common stock by us at an initial public offering price of $ per share (which is the midpoint of the estimated offering price range shown on the cover page of this prospectus), if you purchase our common stock in this offering, you will pay more for your shares than the amounts paid by our existing stockholders for their shares and you will suffer immediate dilution of approximately $ per share. Dilution is the amount by which the offering price paid by purchasers of our common stock in this offering will exceed the as adjusted net

tangible book value per share of our common stock upon completion of this offering. You may experience additional dilution upon future equity issuances or upon the exercise of our outstanding Jones Act Warrants or Creditor Warrants, exercise of options to purchase our common stock or the settlement of restricted stock units granted to our employees, executive officers and directors under our 2020 Management Incentive Plan or our 2024 Omnibus Incentive Plan. See "Dilution."

Our stock price may change significantly following this offering, and you may not be able to resell shares of our common stock at or above the price you paid or at all, and you could lose all or part of your investment as a result.

We and the underwriters will negotiate to determine the initial public offering price. You may not be able to resell your shares at or above the initial public offering price due to a number of factors such as those listed in "—Risks Relating to Our Business" and the following:

- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates and investment recommendations by securities analysts and investors;
- changes in economic conditions for companies in our industry;
- changes in market valuations of, or earnings and other announcements by, companies in our industry;
- declines in the market prices of stocks generally, particularly those of companies in our industry;
- additions or departures of key management personnel;
- strategic actions by us or our competitors;
- announcements by us, our competitors or our suppliers of significant contracts, price reductions, new products or technologies, acquisitions, joint marketing relationships, joint ventures, other strategic relationships or capital commitments;
- dilution as a result of the exercise of our outstanding Jones Act Warrants or Creditor Warrants;
- changes in preference of our customers;
- changes in general economic or market conditions or trends in our industry or the economy as a whole;
- changes in business or regulatory conditions;
- future sales of our common stock or other securities;
- investor perceptions of or the investment opportunity associated with our common stock relative to other investment alternatives;
- the public's response to press releases or other public announcements by us or third parties, including our filings with the SEC;
- announcements relating to litigation or governmental investigations;
- guidance, if any, that we provide to the public, any changes in this guidance or our failure to meet this guidance;
- the development and sustainability of an active trading market for our stock;
- changes in accounting principles; and
- other events or factors, including those resulting from informational technology system failures and disruptions, natural disasters, war, acts of terrorism, pandemics or responses to these events.

Furthermore, the stock market may experience extreme volatility that, in some cases, may be unrelated or disproportionate to the operating performance of particular companies. These broad market and industry fluctuations may adversely affect the market price of our common stock, regardless of our actual operating performance. In addition, price volatility may be greater if the public float and trading volume of our common stock is low.

In the past, following periods of market volatility, stockholders have instituted securities class action litigation. If we were to become involved in securities litigation, it could have a substantial cost and divert resources and the attention of executive management from our business regardless of the outcome of such litigation.

Because we have no current plans to pay cash dividends on our common stock, you may not receive any return on investment unless you sell your common stock for a price greater than that which you paid for it.

We have no current plans to pay cash dividends on our common stock. The declaration, amount and payment of any future dividends on our common stock will be at the sole discretion of our Board of Directors. Our Board of Directors may take into account general and economic conditions, our financial condition and results of operations, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by us to our stockholders or by our subsidiaries to us, including restrictions under the First Lien Credit Agreement and the Second Lien Credit Agreement, and such other factors as our Board of Directors may deem relevant. See "Dividend Policy."

As a result, you may not receive any return on an investment in our common stock unless you sell our common stock for a price greater than your purchase price.

Our common stock is subject to restrictions on foreign ownership and possible required divestiture by non-U.S. citizen stockholders.

Hornbeck could lose the privilege of owning and operating vessels in the coastwise trade if non-U.S. citizens were to own or control, in the aggregate, more than 25% of common stock in Hornbeck. Such loss could have a material adverse effect on our results of operations.

Our amended and restated certificate of incorporation and our amended and restated bylaws authorize our Board of Directors to establish with respect to any class or series of capital stock of Hornbeck certain rules, policies and procedures, including procedures with respect to transfer of shares, to ensure compliance with the Jones Act. In order to provide a reasonable margin for compliance with the Jones Act, our amended and restated certificate of incorporation provides that all non-U.S. citizens in the aggregate may not own more than 21% of the outstanding shares of our common stock, with certain limited grandfathered circumstances allowing up to 24% of the outstanding shares of our common stock to be owned by non-U.S. citizens on and after the effective date of the initial public offering. Our Jones Act trading privileges are conditioned upon foreign ownership of our common stock never exceeding 25%. While we take steps to prevent foreign ownership from exceeding 25%, we do not control trading in our stock and cannot control non-compliance by a foreign purchaser of our stock resulting in our exceeding the foreign citizenship ownership limitations. Moreover, the USCG may temporarily or permanently revoke our coastwise trading privileges if we are not in compliance with the citizenship requirements, which would have a significant negative impact on our operations and financial results.

As of August 31, 2024, approximately 22.9% of the Company's issued and outstanding common stock is owned by non-U.S. citizens and, after giving effect to this offering, the Company expects the percentage of its common stock owned by non-U.S. citizens to decrease to approximately %. Our amended and restated certificate of incorporation provides the Board of Directors with authority to take certain actions to protect our Jones Act status. These actions may include: (i) refusing to recognize any transfer (including our original issuance) that would result in ownership by non-U.S. citizens in the aggregate exceeding 21% of our issued and

outstanding common stock, with certain limited grandfathered circumstances allowing up to 24% of the outstanding shares of our common stock to be owned by non-U.S. citizens on and after the effective date of the initial public offering, (ii) treating any such purported transfer as void ab initio or (iii) redeeming any share of our common stock that caused the ownership by non-U.S. citizens to exceed such 21% ownership limitation, with certain limited grandfathered circumstances allowing up to 24% of the outstanding shares of our common stock to be owned by non-U.S. citizens on and after the effective date of the initial public offering. In the event the Board of Directors authorizes such a redemption, we would instruct our transfer agent to issue one Jones Act Warrant, or in certain situations, cash or interest bearing promissory notes, in respect of shares of common stock that caused ownership by non-U.S. citizens to exceed the applicable permitted limit, and such holder(s)' interests in those shares will be terminated. Any purported issuance or transfer of shares of our common stock in violation of these ownership provisions will be ineffective to issue or transfer the common stock or any voting, dividend or other rights associated with them. The existence and enforcement of these requirements could have an adverse impact on the liquidity or market value of our equity securities in the event that U.S. citizens were unable to transfer Hornbeck shares to non-U.S. citizens. Furthermore, under certain circumstances, this ownership requirement could discourage, delay or prevent a change of control of Hornbeck.

If securities analysts do not publish research or reports about our business or if they downgrade our stock or our sector, our stock price and trading volume could decline.

The trading market for our common stock will rely in part on the research and reports that industry or financial analysts publish about us or our business. We do not control these analysts. Furthermore, if one or more of the analysts who do cover us downgrade our stock or our industry, or the stock of any of our competitors, or publish inaccurate or unfavorable research about our business, the price of our stock could decline. If one or more of these analysts stop covering us or fail to publish reports on us regularly, we could lose visibility in the market, which in turn could cause our stock price or trading volume to decline.

We will incur significantly increased costs and become subject to additional regulations and requirements as a result of becoming a public company, and our management will be required to devote substantial time to new compliance matters, which could lower our profits or make it more difficult to run our business.

As a public company, we will incur significant legal, regulatory, finance, accounting, investor relations and other expenses that we have not incurred as a private company, including costs associated with public company reporting requirements. As a result of having publicly traded common stock, we will also be required to comply with, and incur costs associated with such compliance with, the Sarbanes-Oxley Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the Dodd-Frank Act, as well as rules and regulations implemented by the SEC and the exchange on which we list our shares. The expenses incurred by public companies generally for reporting and corporate governance purposes have been increasing. We expect these rules and regulations to increase our legal and financial compliance costs and to make some activities more time-consuming and costly. Our management will need to devote a substantial amount of time to ensure that we comply with all of these requirements, diverting the attention of management away from revenue-producing activities. These laws and regulations also could make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. These laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our Board of Directors, our board committees or as our executive officers. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions and other regulatory action and potentially civil litigation.

Failure to comply with requirements to design, implement and maintain effective internal control over financial reporting could have a material adverse effect on our business and stock price.

As a privately-held company, we were not required to evaluate our internal control over financial reporting in a manner that meets the standards of publicly traded companies required by Section 404(a) of the Sarbanes-Oxley Act, or "Section 404."

As a public company, we will have significant requirements for enhanced financial reporting and internal controls. The process of designing and implementing effective internal controls is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory environments and to expend significant resources to maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company. If we are unable to establish or maintain appropriate internal financial reporting controls and procedures, it could cause us to fail to meet our reporting obligations on a timely basis, result in material misstatements in our consolidated financial statements and harm our results of operations. In addition, we will be required, pursuant to Section 404, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting in the second annual report following the completion of this offering. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. Testing and maintaining internal controls may divert our management's attention from other matters that are important to our business. In addition, our independent registered public accounting firm will be required to issue an attestation report on the effectiveness of our internal control over financial reporting in the second annual report following the completion of this offering.

In connection with the implementation of the necessary procedures and practices related to internal control over financial reporting, we may identify deficiencies that we may not be able to remediate in time to meet the deadline imposed by the Sarbanes-Oxley Act for compliance with the requirements of Section 404. In addition, we may encounter problems or delays in completing the remediation of any deficiencies identified by our independent registered public accounting firm in connection with the issuance of their attestation report.

Our testing, or the subsequent testing by our independent registered public accounting firm, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses which could result in a material misstatement of our annual or quarterly consolidated financial statements or disclosures that may not be prevented or detected.

We may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404 or our independent registered public accounting firm may not issue an unqualified opinion. If either we are unable to conclude that we have effective internal control over financial reporting or our independent registered public accounting firm is unable to provide us with an unqualified opinion, investors could lose confidence in our reported financial information, which could have a material adverse effect on the trading price of our common stock.

Future sales, or the perception of future sales, by us or our existing stockholders in the public market following this offering could cause the market price for our common stock to decline.

After this offering, the sale of shares of our common stock in the public market, or the perception that such sales could occur, including sales by our existing stockholders and holders of our Jones Act Warrants and Creditor Warrants, could harm the prevailing market price of shares of our common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

Upon completion of this offering and after giving effect to the stock split, we will have a total of shares of our common stock outstanding. Additionally, shares of our common stock will be

issuable upon the exercise of Jones Act Warrants and shares of our common stock will be issuable upon the exercise of Creditor Warrants, with an exercise price of $0.00001 per share and $ per share, respectively, and shares of our common stock will be issuable upon exercise of outstanding options, at an average weighted exercise price of $, or upon settlement of restricted stock units under the 2020 Management Incentive Plan. Of the outstanding shares, the shares sold in this offering (or shares if the underwriters exercise in full their option to purchase additional shares) will be freely tradable, other than certain shares sold pursuant to our directed share program that are subject to "lock up" restrictions as described under "Underwriting (Conflicts of Interest)," without restriction or further registration under the Securities Act, except that any shares held by our affiliates, as that term is defined under Rule 144 of the Securities Act, or Rule 144, including our directors, executive officers and other affiliates (including our principal stockholders), may be sold only in compliance with the limitations described in "Shares Eligible for Future Sale."

The shares of common stock held by our principal stockholders and certain of our directors and executive officers after this offering, representing % of the total outstanding shares of our common stock following this offering, will be "restricted securities" within the meaning of Rule 144 and subject to certain restrictions on resale. Restricted securities may be sold in the public market only if they are registered under the Securities Act or are sold pursuant to an exemption from registration such as Rule 144, as described in "Shares Eligible for Future Sale."

In connection with this offering, we, our directors and executive officers and certain holders of our outstanding common stock prior to this offering, including our principal stockholders, will sign lock-up agreements with the underwriters that will, subject to certain exceptions, restrict the disposition of, or hedging with respect to, the shares of our common stock or securities convertible into or exchangeable for shares of common stock, each held by them for 180 days following the date of this prospectus, except with the prior written consent of J.P. Morgan Securities LLC and Barclays Capital Inc. See "Underwriting (Conflicts of Interest)" for a description of these lock-up agreements. J.P. Morgan Securities LLC and Barclays Capital Inc., on behalf of the underwriters, may, in their sole discretion, release all or some portion of the shares subject to the 180-day lock-up agreements prior to the expiration of such period.

Upon the expiration of the lock-up agreements described above, all of such shares (other than shares under the 2020 Management Incentive Plan that are subject to contractual transfer restrictions) will be eligible for resale in a public market, subject, in the case of shares held by our affiliates, to volume, manner of sale and other limitations under Rule 144. We expect that our principal stockholders and their respective affiliates may be considered our affiliates based on their respective expected share ownership (consisting of approximately shares held by funds, investment vehicles or accounts managed or advised by Ares or its affiliates, shares held by Whitebox and shares held by Highbridge), as well as their board designation rights. Certain other of our stockholders may also be considered affiliates at that time.

In addition, pursuant to the Registration Rights Agreement (as defined herein), upon the completion of this offering, certain of our existing securityholders party thereto will have the right, subject to certain conditions, to require us to register the offer and sale of certain shares of our common stock owned by them (including shares of common stock issuable upon exercise of any Jones Act Warrants or Creditor Warrants owned by them) under the Securities Act. Registration of any of these shares of common stock would result in such shares becoming freely tradable without compliance with Rule 144 upon effectiveness of the registration statement. For a further description of these rights, see the section entitled "Certain Relationships and Related Party Transactions—Registration Rights Agreement." Following completion of this offering, the outstanding shares of our common stock covered by registration rights would represent approximately % of our outstanding common stock (or %, if the underwriters exercise in full their option to purchase additional shares). Additionally, shares of our common stock issuable upon the exercise of Jones Act Warrants and shares of our common stock issuable upon the exercise of Creditor Warrants will be covered by these registration rights.

As soon as practicable following this offering, we intend to file one or more registration statements on Form S-8 under the Securities Act to register all shares of our common stock subject to outstanding stock options and subject to issuance upon settlement of restricted stock units the shares of our common stock subject to issuance under our 2020 Management Incentive Plan and our 2024 Omnibus Incentive Plan to be adopted in connection with this offering. Any such Form S-8 registration statements will automatically become effective upon filing. Accordingly, shares registered under such registration statements will be available for sale in the open market. We expect that the initial registration statement on Form S-8 will cover shares of our common stock.

As restrictions on resale end, or if the existing stockholders exercise their registration rights, the market price of our shares of common stock could drop significantly if the holders of these shares sell them or are perceived by the market as intending to sell them. These factors could also make it more difficult for us to raise additional funds through future offerings of our shares of common stock or other securities.

In the future, we may also issue our securities in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding shares of our common stock. Any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to you.

The exercise of all or any number of outstanding Jones Act Warrants or Creditor Warrants or the issuance or vesting of equity awards may dilute your ownership of shares of common stock.

Hornbeck has a number of outstanding securities that provide for the right to purchase or receive shares of common stock, including two series of warrants and certain compensatory equity awards.

As of July 31, 2024, Hornbeck had 11.4 million shares of common stock issuable upon the exercise of Jones Act Warrants and 1.6 million shares of common stock issuable upon the exercise of Creditor Warrants (and , respectively, after giving effect to the stock split), with an exercise price of $0.00001 per share and $27.83 per share ($ per share after giving effect to the stock split), respectively. Investors could be subject to voting dilution upon the exercise of such warrants, each subject to Jones Act-related foreign ownership restrictions. With respect to compensatory equity awards, a total of 1.8 million shares (shares after giving effect to the stock split) of our common stock have been reserved for issuance under our 2020 Management Incentive Plan as equity-based awards to Hornbeck employees, directors and certain other persons.

The grant or vesting of equity awards, including any that we may grant or assume in the future, whether under our 2020 Management Incentive Plan, our 2024 Omnibus Incentive Plan to be adopted in connection with this offering, or any other equity plan sponsored by Hornbeck, and the exercise of warrants and the subsequent issuance of shares of common stock, could have an adverse effect on the market for our common stock, including the price that an investor could obtain for their shares of common stock.

We have a high level of concentrated stock ownership.

Certain of our stockholders, including our principal stockholders, have significant influence over us as a result of their share ownership. This concentration could lead to conflicts of interest and difficulties for non-insider investors to effect corporate changes, and could adversely affect our Company's share price. Our principal stockholders, collectively, would hold approximately % of our issued and outstanding shares of common stock upon the completion of this offering (giving effect to the exercise of our outstanding Jones Act Warrants and Creditor Warrants) and have the ability to influence all matters submitted to our stockholders for approval (including the election and removal of directors and any merger, consolidation or sale of all or substantially all of our assets). Accordingly, this concentration of ownership may have the effect of delaying, deferring or preventing a change in control of our Company, impeding a merger, consolidation, takeover or other business combination involving us or discouraging a potential acquirer from making a tender offer or otherwise

attempting to obtain control of us, which in turn could have a material adverse effect on the market price of our shares. The issuance of stock options and warrants could lead to greater concentration of share ownership among insiders and could lead to dilution of share ownership which could lead to depressed share prices. In addition, our principal stockholders may have different interests than investors in this offering.

Anti-takeover provisions in our organizational documents could delay or prevent a change of control.

Certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws may have an anti-takeover effect and may delay, defer or prevent a merger, acquisition, tender offer, takeover attempt, or other change of control transaction that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by our stockholders.

These provisions will provide for, among other things:

- limitations on the removal of directors;
- if the Appointing Persons (as defined in the amended and restated certificate of incorporation), in the aggregate, hold less than 35% of the outstanding shares of common stock, our amended and restated certificate of incorporation may only be amended by the affirmative vote of the holders of at least two-thirds of the voting power our then outstanding common stock; and
- establishing advance notice and certain information requirements for nominations for election to our Board of Directors or for proposing matters that can be acted upon by stockholders at stockholder meetings.

These anti-takeover provisions could make it more difficult for a third party to acquire us, even if the third party's offer may be considered beneficial by many of our stockholders. As a result, our stockholders may be limited in their ability to obtain a premium for their shares in such circumstances. See "Description of Capital Stock and Warrants."

Our Board of Directors will be authorized to issue and designate shares of our preferred stock without stockholder approval.

Our amended and restated certificate of incorporation authorizes our Board of Directors, without the approval of our stockholders, to issue shares of our preferred stock, subject to limitations prescribed by applicable law, rules and regulations and the provisions of our amended and restated certificate of incorporation, as shares of preferred stock in series, to establish from time to time the number of shares to be included in each such series and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations or restrictions thereof. The powers, preferences and rights of these series of preferred stock may be senior to or on parity with our common stock, which may reduce its value.

After the completion of this offering, our amended and restated certificate of incorporation will impose certain restrictions that may affect our ability to approve certain corporate actions.

Subject to certain conditions, under our amended and restated certificate of incorporation, for so long as our principal stockholders who maintain director nomination rights collectively own at least 30% of our Fully Diluted Securities (as defined in the amended and restated certificate of incorporation), certain corporate actions will require the prior written consent of Ares and at least one of Whitebox or Highbridge, including, among other things: changing the size of our Board of Directors, consummating a change of control transaction, acquiring or disposing of certain assets, incurring certain indebtedness, certain issuances of equity, entering into voluntary liquidation or the commencement or bankruptcy proceedings, or entering into certain transactions with related parties. Our principal stockholders may have different interests than our other stockholders and may exercise these consent rights in ways that are adverse to the interests of such other stockholders. For more information

about the director nomination rights, see "Management—Composition of the Board of Directors," and for more information about the principal stockholders' consent rights under our amended and restated certificate of incorporation, see "Description on Capital Stock and Warrants—Consent Rights."

Our amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents.

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or agents to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law (the "DGCL"), our amended and restated certificate of incorporation or our amended and restated bylaws, or (iv) any action asserting a claim against us that is governed by the internal affairs doctrine, in each such case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. If the Court of Chancery lacks subject matter jurisdiction, a federal district court of the United States of America located in the State of Delaware will be the exclusive forum for such actions.

Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder, and Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. There is uncertainty as to whether a court would enforce the forum selection provision with respect to such claims, and in any event, our stockholders would not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder.

Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of, and consented to, the provisions of our amended and restated certificate of incorporation described in the preceding sentences. Although we believe the provision benefits us by providing increased consistency in the application of Delaware law in the types of lawsuits to which it applies, this choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees or agents, which may discourage such lawsuits against us and such persons. Additionally, the Company cannot be certain that a court will decide that these provisions are either applicable or enforceable, and if a court were to find the choice of forum provisions contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm the business, operating results and financial condition of the Company.

USE OF PROCEEDS

We estimate that the net proceeds to us from this offering, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, will be approximately $ million, assuming an initial public offering price of $ per share (which is the midpoint of the estimated offering price range shown on the cover page of this prospectus).

We intend to use the net proceeds to us from this offering for general corporate purposes.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, based on the mid-point of the estimated offering price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) of 1,000,000 shares from the expected number of shares to be sold by us in this offering, assuming no change in the assumed initial public offering price per share, the mid-point of the estimated offering price range set forth on the cover page of this prospectus, would increase (decrease) our net proceeds from this offering by $ million. To the extent we raise more proceeds in this offering than currently estimated, we will use such proceeds for general corporate purposes. To the extent we raise less proceeds in this offering than currently estimated, we will use less proceeds for general corporate purposes.

We will not receive any proceeds from the sale of our common stock by the selling stockholders. We will, however, bear the costs associated with the sale of shares of common stock by the selling stockholders, other than underwriting discounts and commissions. For more information, see “Principal and Selling Stockholders” and “Underwriting (Conflicts of Interest).”

DIVIDEND POLICY

We do not currently anticipate paying any dividends on our common stock immediately following this offering and currently expect to retain all future earnings for use in the operation and expansion of our business. Following this offering and upon repayment of certain outstanding indebtedness, we may reevaluate our dividend policy. The declaration, amount and payment of any future dividends on our common stock will be at the sole discretion of our Board of Directors, which may take into account general and economic conditions, our financial condition and results of operations, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by us to our stockholders or by our subsidiaries to us, including restrictions under the First Lien Credit Agreement and the Second Lien Credit Agreement, and such other factors as our Board of Directors may deem relevant. If we elect to pay such dividends in the future, we may reduce or discontinue entirely the payment of such dividends at any time.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2024:

- on an actual basis; and
- on an as adjusted basis giving effect to (i) the filing and effectiveness of our amended and restated certificate of incorporation in connection with the completion of this offering and the implementation of the -for-one stock split and increase in our authorized shares of common stock to be effected pursuant thereto and (ii) the sale of shares of our common stock in this offering at the assumed initial offering price of $ per share (the midpoint of the estimated offering price range on the cover page of this prospectus), after deducting underwriting discounts, commissions and estimated offering expenses and the application of the net proceeds to us as described in "Use of Proceeds."

You should read the information in this table in conjunction with our Financial Statements and the notes to those Financial Statements appearing in this prospectus, as well as the information under the headings "Use of Proceeds" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	As of June 30, 2024	
(in thousands, except for share amounts)	Actual	As Adjusted[1]
Cash and cash equivalents[2]	$ 91,078	$
Long-term indebtedness[3]		
Second Lien Term Loans	$349,001	$
Stockholders' equity:		
Common stock, including paid-in capital: par value $0.00001 per share; 50,000,000 shares authorized and 5,641,968 shares issued and outstanding, actual; shares authorized and shares issued and outstanding, as adjusted	$ —	$
Additional paid in capital	211,389	
Retained earnings	192,654	
Accumulated other comprehensive income	(2,767)	
Total stockholders' equity	$401,276	$
Total capitalization	$750,277	$

(1) Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, based on the midpoint of the estimated offering price range set forth on the cover page of this prospectus, would increase (decrease), as applicable, cash and cash equivalents, additional paid-in-capital, total stockholders' equity and total capitalization by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We may also increase or decrease the number of shares we are offering. An increase (decrease) of 1,000,000 shares offered by us from the expected number of shares to be sold by us in this offering, assuming no change in the assumed initial public offering price per share, the midpoint of the estimated offering price range set forth on the cover page of this prospectus, would increase (decrease), as applicable, cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by approximately $ million, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(2) Does not give effect to $183.4 million remaining to be incurred in connection with the two newbuild MPSVs and the C/SOV + Flotel conversion.

(3) On August 13, 2024, we entered into the First Lien Revolving Credit Facility. As of September 13, 2024, there were no Revolving Loans outstanding under the First Lien Revolving Credit Facility.

The outstanding share information in the table above is based on shares of our common stock outstanding as of June 30, 2024, after giving effect to the stock split, and does not reflect:

- shares of common stock that may be issued upon exercise of outstanding Jones Act Warrants, at an exercise price of $0.00001 per share;
- shares of common stock that may be issued upon exercise of outstanding Creditor Warrants, at an exercise price of $ per share;
- shares of common stock that may be issued upon the exercise of outstanding options at an average weighted exercise price of $ or the vesting of restricted stock units issued under our 2020 Management Incentive Plan; and
- shares of common stock that may be issued pursuant to future awards under our 2020 Management Incentive Plan or our 2024 Omnibus Incentive Plan to be in effect following this offering.

DILUTION

If you invest in our common stock in this offering, your ownership interest in us will be diluted to the extent of the difference between the initial public offering price per share of our common stock and the as adjusted net tangible book value per share of our common stock after this offering. Dilution results from the fact that the per share offering price of the common stock is substantially in excess of the book value per share attributable to the shares of common stock held by existing stockholders. Because the stock split will take place prior to or concurrently with the closing of this offering, we have presented dilution in as adjusted net tangible book value per share before this offering assuming the implementation of a -for-one stock split with respect to our common stock, in order to more meaningfully present the dilutive impact on the investors in this offering.

Our as adjusted net tangible book value as of June 30, 2024 was approximately $ million, or $ per share of our common stock ($ per share after giving effect to the stock split). We calculate as adjusted net tangible book value per share by taking the amount of our total tangible assets, reduced by the amount of our total liabilities, and then dividing that amount by the total number of shares of common stock outstanding after giving effect to the stock split.

After giving effect to (i) the sale of shares of our common stock in this offering by the Company and the selling stockholders at an initial public offering price of $ per share (the midpoint of the estimated offering price range shown on the cover of this prospectus), after deducting the underwriting discounts and commissions and estimated offering expenses payable by us, (ii) the application of the net proceeds to us from this offering as set forth under "Use of Proceeds," and (iii) the stock split, our as adjusted net tangible book value as of June 30, 2024 would have been $ million, or $ per share of our common stock. This amount represents an immediate increase in net tangible book value of $ per share to existing stockholders and an immediate and substantial dilution in net tangible book value of $ per share to investors purchasing shares in this offering at the initial public offering price.

The following table illustrates this dilution on a per share basis:

Initial public offering price per share of common stock (the midpoint of the estimated offering price range shown on the cover page of this prospectus)	$	$
Net tangible book value per share as of June 30, 2024	$	$
Increase in tangible book value per share attributable to investors in this offering	$	$
As adjusted net tangible book value per share after this offering	$	$
Dilution per share to investors in this offering	$	$

Dilution is determined by subtracting as adjusted net tangible book value per share of common stock after the offering from the initial public offering price per share of common stock.

The following table summarizes, as of June 30, 2024, the differences between the number of shares purchased from us, the total consideration paid to us, and the average price per share paid by existing stockholders and by new investors. As the table shows, new investors purchasing shares in this offering will pay an average price per share substantially higher than our existing stockholders paid. The table below is based on an initial public offering price of $ per share for shares purchased in this offering and excludes underwriting discounts and commissions and estimated offering expenses payable by us:

	Shares Purchased		Total Consideration		
($ in millions, except per share amounts)	**Number**	**%**	**Amount**	**%**	**Avg/Share**
Existing stockholders	(1)	%		%	$
New investors in this offering		%		%	
Total		%		%	$

(1) Reflects shares owned by the selling stockholders that will be purchased by new investors as a result of this offering:

	Shares Purchased		Total Consideration		
	Number	%	Amount	%	Avg/Share
Selling stockholders		%		%	

If the underwriters were to fully exercise their option to purchase additional shares of our common stock, the percentage of shares of our common stock held by existing stockholders as of June 30, 2024 would be % and the percentage of shares of our common stock held by new investors would be %.

The discussion and tables above are based on shares of our common stock outstanding as of June 30, 2024, after giving effect to the stock split, and excludes million shares of common stock issuable upon exercise of the Jones Act Warrants and Creditor Warrants, with an exercise price of $0.00001 per share and $ per share, respectively, and shares of our common stock issuable upon exercise of options or settlement of restricted stock units under the 2020 Management Incentive Plan.

To the extent that outstanding Jones Act Warrants or Creditor Warrants are exercised, outstanding options or restricted stock units settle, or we grant options, restricted stock, restricted stock units or other equity-based awards to our employees, executive officers and directors in the future, or other issuances of common stock are made, there will be further dilution to new investors.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the information contained in "Summary—Summary Financial and Other Data," "Business," "Risk Factors" and the Financial Statements and related notes included elsewhere in this prospectus. Unless the context otherwise requires, all references in this section to "the Company," "Hornbeck," "we," "us," or "our" refer to the business of Hornbeck Offshore Services, Inc. Additionally, unless noted otherwise, discussions surrounding our vessels are as of July 31, 2024. Such discussions also include two partially constructed Jones Act-qualified MPSV newbuilds to be completed pursuant to our settlement with the Surety, as discussed further in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Resumption of MPSV Newbuild Construction," and one OSV currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel. Our vessels exclude four OSVs formerly owned by us that we now operate and maintain for the U.S. Navy.

During the fourth quarter of 2022, the Company reclassified certain vessels from OSVs to MPSVs and MPSVs to OSVs based on the nature of each vessel's current operations and technical capabilities. For purposes of the following discussion and analysis, we have comparably calculated and classified prior-period amounts to conform with the current vessel classifications.

This discussion contains forward-looking statements that involve risks and uncertainties about our business and operations and reflect our plans, estimates and beliefs. Our actual results and the timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those we describe below, under "Risk Factors" and elsewhere in this prospectus. See "Special Note Regarding Forward-Looking Statements."

Company Overview

Hornbeck is a leading provider of marine transportation services to customers in the offshore oilfield market and diversified non-oilfield markets, including military support services, renewable energy development and other non-oilfield service offerings. Since our founding more than 27 years ago, we have focused on providing innovative, technologically advanced marine solutions to meet the evolving needs of our customers across our core geographic regions covering the United States and Latin America. Our team brings substantial industry expertise built through decades of experience and has leveraged that knowledge to amass what we believe is one of the largest, highest specification fleets of Offshore Supply Vessels ("OSVs") and Multi-Purpose Support Vessels ("MPSVs") in the industry. Approximately 75% of our total fleet consists of high-spec or ultra high-spec vessels, and we believe we have the number one ultra high-spec market position in the U.S., and the third largest fleet of high-spec and ultra high-spec OSVs in the world, measured by DWT capacity. We own a fleet of 75 multi-class OSVs and MPSVs, 58 of which are U.S. Jones Act-qualified vessels. Our Jones Act-qualified high-spec and ultra high-spec OSVs account for approximately 26% of the total industry supply of such vessels. We opportunistically expand our fleet within existing and/or into new, high-growth, cabotage-protected markets from time to time to enhance our fleet offerings to customers. Our mission is to be recognized as the energy industry's marine transportation and service Company of Choice® for our customers, employees and investors through innovative, high-quality, value-added business solutions delivered with enthusiasm, integrity and professionalism with the utmost regard for the safety of individuals and the protection of the environment.

Our fleet of 60 OSVs primarily provides transportation of equipment, materials and supplies to offshore drilling rigs, production platforms, subsea construction projects and other non-oilfield applications. Increasingly, given their versatility, our OSVs are being deployed in a variety of non-oilfield applications including military support services, renewable energy development for offshore wind, humanitarian aid and disaster relief, aerospace and telecommunications. Our OSVs differ from other marine service vessels in that they provide increased cargo-carrying flexibility and capacity that can transport large quantities of deck cargoes, as well as

various liquid and dry bulk cargoes in below-deck tanks providing flexibility for a variety of jobs. Moreover, our OSVs are outfitted with advanced technologies, including DP capabilities, which allows each vessel to safely interface with another offshore vessel, exploration and production facility or an offshore asset by maintaining an absolute or relative station-keeping position when performing its work at sea.

Our fleet of 15 MPSVs provides commissioning and decommissioning support services, asset construction capabilities, recurring inspection, repair and maintenance services and flotel accommodations. Such vessels primarily serve the oil and gas market, with capabilities including the installation of subsea and top-side oilfield infrastructure necessary in the modern deepwater and ultra-deepwater oilfields. Further, these vessels are capable of supporting a variety of other non-oilfield offshore infrastructure projects, including the development of offshore windfarms, by providing the equipment and capabilities to support the installation and maintenance of wind turbines and platforms. Because of our ability to serve a diverse set of end markets, MPSV operations are typically less directly linked with the number of active drilling rigs in operation and therefore can be less cyclical. Our high- and ultra high-spec OSVs can be contracted alongside our MPSVs on major projects, providing operating efficiencies and pull-through revenue. Most of our MPSVs have one or more deepwater or ultra-deepwater cranes fitted on the deck, deploy one or more Remotely Operated Vehicles ("ROVs") to support subsea work, and have an installed helideck to facilitate the on-/off-boarding of specialist service providers and personnel. MPSVs can also be outfitted as flotels to provide accommodations, offices, catering, laundry, medical, and recreational facilities to large numbers of offshore workers for the duration of a project. When configured as flotels, our MPSVs have capacities to house up to 245 workers for major installation, maintenance and overhaul projects. Included in our total MPSV fleet count are the two HOS 400 class MPSVs that are currently under construction and one of our U.S.-flagged, HOSMAX 280 class OSVs that is currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel. Based on overall length and total lifting capacity, the two HOS 400 class MPSVs are expected to be the largest Jones Act-qualified MPSVs in the market and will have additional capabilities due to their size and sophistication. In addition to the services performed by our existing fleet of MPSVs, the two newbuild vessels will be equipped with systems that we expect will make them suitable for complex services, including light well intervention, that require larger or more versatile vessels than the fleet of MPSVs currently available in the U.S. market. Once converted, our C/SOV+Flotel MPSV will be capable of providing services to the U.S. offshore wind market both during the commissioning phase of an offshore wind farm and during its operational life. We expect the converted MPSV to be placed into active service as either a C/SOV or flotel in 2025, while the two newbuild MPSVs are now expected to be placed into active service in 2026 or possibly thereafter.

After enduring a multi-year industry downturn in addition to the COVID-19 pandemic, market conditions have continued to improve. As global economies have reopened, demand for hydrocarbons improved against a backdrop of rising geopolitical tensions, the war in Ukraine, the ongoing conflict in Israel and the surrounding region and constrained supply, mostly due to several years of low investment by our customers in deepwater and ultra-deepwater offshore exploration and production activities. During 2022, the domestic oil price peaked at $124 per barrel, representing a near 14-year high. Over the past 12 months, the price has ranged from $67.71 per barrel to $94.17 per barrel and currently resides at $78.56 per barrel as of July 31, 2024. The improved outlook for oil prices is having a positive impact on spending by our customers, which is creating improved demand for our services. This improved demand has come at a time when vessel owners have kept a significant number of vessels in stack for multiple years, intensifying the demand for active vessels. The higher cost of reactivating vessels, together with labor shortages, supply chain constraints and capital restraints affecting vessel owners dampens the prospect of large-scale reactivations of stacked vessels in the short-term. These general conditions have favorably impacted our utilization rates and our pricing. Simultaneously, however, we have experienced significant upward pressure on operating expense stemming mostly from increased wages for licensed mariners and general inflationary trends.

The U.S. GoM active floating rig count has increased since 2020 and has remained stable at about 20 rigs over the past several quarters. We expect the active rig count to remain relatively flat in the U.S. GoM through 2026. In Brazil, the rig count has risen significantly since 2020 and is expected to continue growing to

approximately 33 units through 2026. Brazil's growth has drawn U.S.-flagged vessels, including some of our own, which has reduced the available vessel supply in the U.S. GoM and other markets in which we operate.

We have experienced difficulties in executing our strategic plans in Mexico since November 2023. Mexican maritime regulators have challenged our right to perform cabotage in Mexico with our fleet of 14 Mexican-flagged vessels. As a result, we took legal action in Mexico to preserve our cabotage privileges there, and a Mexican court has ordered that our cabotage privileges be reinstated. We have appealed this decision to further clarify the court's ruling, and our cabotage privileges remain active during the pendency of the appeal. We expect the appellate process to last between one and three years. Despite these favorable court rulings, and the pendency of appeals, Mexican maritime regulators have limited our ability to object to the employment of non-Mexican flag vessels that compete with our own Mexican-flagged vessels, which is one of the privileges of a Mexican Naviera. In order to mitigate these actions, we have repositioned 9 of our 11 active Mexican-flagged vessels to international markets. Our Mexican operating subsidiary has been successful in these international activities with long-tenured Mexican crews and shore-based employees that are highly trained in our operating practices, core values and company culture.

During late 2023 and early 2024, the redeployment of our Mexican-flagged vessels had a transitory negative effect on their utilization levels. Such redeployment also adversely impacted the planned international utilization of some of our U.S.-flagged vessels. We believe that the negative effects on our financial results for the fourth quarter of 2023 and first quarter of 2024 have been mostly mitigated and we have made the adjustments necessary to operate with a smaller Mexican footprint until such time as the regulatory uncertainty there is resolved.

The current inflationary environment has affected the cost of our operations, including but not limited to increased labor, repair and maintenance, consumable supply and insurance costs, and we budgeted for an increase of approximately 10% in such costs in 2024 compared to 2023. To date, we have largely mitigated the impact on our operating margins through price escalation clauses in our customer contracts or higher pricing for our vessels operating in the spot market. If we are unable to secure price escalation clauses in our customer contracts or if market prices for our services do not increase at a rate at least commensurate with general inflation, the effects of inflation could have a materially adverse impact on our results in the future.

Recent Developments

First Lien Revolving Credit Facility

On August 13, 2024, we entered into a First Lien Revolving Credit Facility with DNB Bank ASA, New York Branch, as administrative agent, Wilmington Trust, National Association, as collateral agent, and the lenders party thereto. All capitalized terms in the description below not defined herein have the meaning assigned to them in such agreement. The current aggregate commitments for the Revolving Loans under the First Lien Revolving Credit Facility total $75 million, all of which remain undrawn. The First Lien Revolving Credit Facility also has a customary uncommitted incremental facility in an amount up to $50 million (or such greater amount as consented to by all lenders). Our ability to borrow under the First Lien Revolving Credit Facility is subject to customary conditions precedent, including no default or event of default, representations and warranties being true and correct in all material respects, and pro forma compliance with the financial covenants therein. See "—Liquidity and Capital Resources—Debt Agreements."

Resumption of MPSV Newbuild Construction

In October 2023, we entered into a final settlement of a dispute with the Surety and Gulf Island related to the construction of two MPSV newbuilds. Pursuant to the settlement agreement, Gulf Island released all claims asserted against us and we released our claims against Gulf Island and the Surety. Further, the Surety agreed to take over and complete the construction of the two U.S.-flagged, Jones Act-qualified, HOS 400 class MPSVs at a

shipyard acceptable to us. In December 2023, Eastern was mutually selected by the parties and was contracted by the Surety to complete construction of the two MPSVs. We are obligated to pay only the remaining portion of the original shipyard contract price for the two MPSVs, which amounted to $53.8 million in the aggregate on the settlement date. The Surety is required to cure all defaults of Gulf Island and pay all completion costs in excess of the $53.8 million remaining original contract price, excluding any approved change orders arising after the settlement date. There is no cap on the Surety's completion cost. As of June 30, 2024, we had paid $5.3 million to Eastern related to the completion of these two MPSVs.

Pursuant to the settlement, the Surety is contractually required to deliver both MPSVs in 2025. We were provided an updated schedule by the Surety and Eastern indicating that they currently expect a six-month shipyard delay for the delivery of the first of the two MPSVs. An updated delivery schedule has not yet been provided for the second vessel. Following physical delivery by the shipyard, we expect each vessel to undergo crane and other system installations, which we expect will make the first vessel available for commercial service in the first half of 2026, and the second vessel thereafter. In addition to the remaining $48.5 million of the original contract price as of June 30, 2024, we expect to incur an incremental $91.2 million in the aggregate for outfitting, overhead and the post-delivery discretionary enhancements, of which $63.6 million solely relates to the purchase and installation of cranes on both vessels. As of June 30, 2024, we had incurred $0.8 million of such incremental amounts, excluding capitalized interest. Once placed in service, we expect that our book carrying value for each vessel will be approximately $80.0 million, which is significantly below the expected market value of Jones Act-qualified vessels of this age, type, size and specifications.

ECO Acquisitions

In January 2024, we took delivery of the sixth and final vessel under ECO Acquisitions #2 and paid $15.3 million for the remaining 90% of the original purchase price and $0.1 million for purchase price adjustments related to discretionary enhancements completed in the shipyard by Nautical. As of June 30, 2024, we had paid an aggregate of $102.0 million for the original purchase price, including deposits, and $10.6 million in purchase price adjustments associated with discretionary enhancements, additional outfitting and post-closing modifications for the ECO Acquisitions #2 vessels. Delivery of this final vessel marks the completion of the combined 12 vessel acquisitions under the ECO Acquisitions. We expect to incur an incremental $0.2 million related to additional outfitting, discretionary enhancements and post-closing modifications for certain of these vessels during the remainder of 2024.

Mexico Cabotage Status

In the fourth quarter of 2023, maritime regulators in Mexico implemented new approaches in their oversight of Navieras that have historically had permissible levels of non-Mexican ownership, such as ours. As a result, we took legal action in Mexico to preserve our cabotage privileges there, and a Mexican court ordered that our cabotage privileges be reinstated. We have appealed this decision to further clarify the court's ruling, and our cabotage privileges remain active during the pendency of the appeal. We expect the appellate process to last between one and three years. Despite these favorable court rulings, and the pendency of appeals, Mexican maritime regulators have limited our ability to object to the employment of non-Mexican flag vessels that compete with our own Mexican-flagged vessels, which is one of the privileges of a Mexican Naviera. Since the fourth quarter of 2023, we have moved all but two of our Mexican-flagged vessels into various non-Mexican international markets, while continuing to utilize our highly-skilled Mexican mariners and shore-based employees as part of our international services.

Performance and other Key Indicators

Vessel Count, Utilization and Dayrates

Our revenues, net income and cash flows from operating activities are largely dependent upon the activity level of our marine service vessels. In analyzing our activity level, we focus primarily on vessel count (including

whether vessels are active or stacked), average and effective vessel utilization, and average and effective vessel dayrates. Our activity level is largely dependent on the level of exploration, development and production activity of our oilfield customers and the demand for marine transportation services in our non-oilfield markets, all of which impact dayrates and utilization, which, in turn inform management decisions regarding vessel count and deployment. Our oilfield customers' business activity is dependent on current and expected crude oil and natural gas prices, which fluctuate depending on expected future levels of supply and demand for crude oil and natural gas, and on estimates of the cost to find, develop and produce crude oil and natural gas reserves. Business activity for our non-oilfield customers is driven by an expanding need for specialized marine services in support of military, offshore wind and other non-oilfield applications.

The table below sets forth the average dayrates, utilization rates and effective dayrates for our owned OSVs and MPSVs and the average number and size of such vessels owned during the periods indicated. These vessels generate the majority of our revenues. Excluded from the OSV and MPSV information below is the results of operations for our shore-based port facility and vessel management services, including the four vessels formerly owned by us that we now operate and maintain for the U.S. Navy.

	Six Months Ended June 30,		Year Ended December 31,		
	2024	2023	2023	2022	2021
Offshore Supply Vessels:					
Average number of OSVs[1]	57.9	53.6	53.8	57.0	58.8
Average number of active OSVs[2]	36.9	31.4	32.2	26.7	22.2
Average OSV fleet capacity (DWT)[3]	256,552	232,419	235,514	229,001	228,256
Average OSV capacity (DWT)[4]	4,432	4,338	4,374	4,020	3,885
Average OSV utilization rate[5]	42.1%	44.4%	44.3%	37.7%	31.2%
Active OSV utilization rate[6]	66.0%	75.9%	74.0%	80.7%	82.8%
Average OSV dayrate[7]	$ 41,030	$ 37,587	$ 39,297	$ 32,305	$ 19,785
Effective OSV dayrate[8]	$ 17,274	$ 16,689	$ 17,409	$ 12,179	$ 6,173
Multi-Purpose Support Vessels:					
Average number of MPSVs[1]	12.0	12.0	12.0	12.0	12.0
Average number of active MPSVs[2]	12.0	11.0	11.2	10.4	8.9
Average MPSV utilization rate[5]	72.4%	71.1%	68.4%	65.2%	46.7%
Active MPSV utilization rate[6]	72.4%	77.5%	73.6%	75.0%	63.0%
Average MPSV dayrate[7]	$ 64,130	$ 61,231	$ 62,372	$ 53,421	$ 40,245
Effective MPSV dayrate[8]	$ 46,430	$ 43,535	$ 42,662	$ 34,830	$ 18,794

(1) Represents the weighted-average number of vessels owned during the period, adjusted to reflect date of acquisition or disposition of vessels. We owned 55 and 54 OSVs and 12 MPSVs as of December 31, 2023 and December 31, 2022, respectively. Excluded from the data as of December 31, 2023 and 2022 are four non-owned vessels that we manage for the U.S. Navy, one OSV acquired from the U.S. Department of Transportation's Maritime Administration that is currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel, and two partially constructed Jones Act-qualified MPSV newbuilds to be completed pursuant to our settlement with the Surety. We owned 60 and 53 OSVs and 12 MPSVs as of June 30, 2024 and June 30, 2023, respectively. Excluded from the data as of June 30, 2024 and June 30, 2023 are four non-owned vessels that we manage for the U.S. Navy, one OSV acquired from the U.S. Department of Transportation's Maritime Administration that is currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel and two partially constructed Jones Act-qualified MPSV newbuilds to be completed pursuant to our settlement with the Surety. Also excluded from the data as of the dates indicated are the following vessels acquired under the ECO Acquisitions that had not yet been acquired or had not yet been placed in service: (i) as of December 31, 2022, nine such vessels, (ii) as of December 31, 2023, five such vessels and (iii) as of June 30, 2023, seven such vessels. The Company also sold two and ten OSVs during 2023 and 2022, respectively.

(2) In response to weak market conditions, we elected to stack certain of our OSVs and MPSVs on various dates since October 2014. The average number of active OSVs represents the weighted-average number of

vessels that were immediately available for service during each respective period, adjusted to reflect date of stacking or recommissioning of vessels.

(3) Represents the weighted-average number of OSVs owned during the period multiplied by the weighted-average capacity of OSVs during the same period.

(4) Represents actual capacity of the OSVs owned during the period on a weighted-average basis, adjusted to reflect date of acquisition or disposition of vessels.

(5) Utilization rates are weighted-average rates based on a 365-day year. Vessels are considered utilized when they are generating revenues.

(6) Active utilization rate is based on a denominator comprised only of vessel-days available for service by the active fleet, which excludes the impact of inactive or stacked vessel days.

(7) Average OSV and MPSV dayrates represent weighted-average revenue per day, which includes charter hire, crewing services and net brokerage revenues, based on the number of days during the period that the OSVs and MPSVs, respectively, generated revenues.

(8) Effective dayrate represents the average dayrate multiplied by the average utilization rate.

Operating Expense

Our operating costs are primarily a function of total fleet size, the number of active vessels and areas of operations.

These costs include, but are not limited to:

- wages paid to vessel crews;
- maintenance and repairs to vessels;
- contract-specific cost of sales;
- marine insurance;
- materials and supplies; and
- routine inspections to ensure compliance with applicable regulations and to maintain certifications for our vessels with the USCG and various classification societies.

As of June 30, 2024, we had 18 U.S.-flagged OSVs and three foreign-flagged OSVs stacked. By removing these vessels from our active operating fleet, we significantly reduced our operating costs, including crew costs. As of June 30, 2024, our fixed operating costs were spread over 51 owned and operated vessels in active service and four vessels formerly owned by us that we now operate and maintain for the U.S. Navy.

In certain foreign markets in which we operate, we may be subject to higher operating costs compared to our domestic operations due to challenges and costs of staffing international operations, social taxes, local content requirements, and increased administration. We may not be able to recover higher international operating costs through higher dayrates charged to our customers. Therefore, when we increase our international complement of vessels, our gross margins may fluctuate depending on the foreign areas of operation and the complement of vessels operating domestically.

In addition to the operating costs described above, we incur fixed charges related to the depreciation of our fleet and amortization of costs for routine drydock inspections to ensure compliance with applicable regulations and to maintain certifications for our vessels with the USCG and various classification societies. The aggregate number of drydockings and other repairs undertaken in a given period determines the level of maintenance and repair expenses and marine inspection amortization charges. We capitalize costs incurred for drydock inspection and regulatory compliance and amortize such costs over the period between such drydockings, typically between 24 and 36 months. Applicable maritime regulations require us to drydock our vessels twice in a five-year period for inspection and routine maintenance and repair. If we undertake a disproportionately large number of

drydockings in a particular year, comparability of results may be affected. While we can defer required drydockings of stacked vessels, we will be required to conduct such deferred drydockings prior to such vessels returning to service, which could delay their return to active service.

The table below sets forth a breakdown of our operating expenses by type and the corresponding percent of total operating expenses (in thousands except percent of total and amounts per day):

	Three Months Ended June 30,				Six Months Ended June 30,				Twelve Months Ended December 31,			
	2024		2023		2024		2023		2023		2022	
Operating expense												
Contract-related cost of sales	$ 5,568	6.2%	$ 5,325	7.1%	$ 10,748	5.9%	$ 9,012	6.4%	$ 20,804	6.8%	$ 8,804	4.1%
Personnel expense	54,509	60.5%	46,866	62.8%	107,859	59.3%	91,116	64.4%	194,091	63.5%	144,874	67.4%
Maintenance and repair	17,387	19.3%	11,549	15.5%	36,401	20.0%	21,293	15.0%	46,095	15.1%	28,750	13.4%
Insurance	3,098	3.4%	3,050	4.1%	6,285	3.5%	4,931	3.5%	9,925	3.2%	7,935	3.7%
Materials and supplies	4,868	5.4%	3,257	4.4%	10,476	5.8%	6,592	4.7%	16,329	5.3%	8,554	4.0%
Other	4,723	5.2%	4,545	6.1%	10,049	5.5%	8,557	6.0%	18,219	6.1%	15,871	7.4%
Total operating expense	$ 90,153	100.0%	$ 74,592	100.0%	$ 181,818	100.0%	$ 141,501	100.0%	$ 305,463	100.0%	$ 214,788	100.0%
Active OSV opex	$ 53,363	59.2%	$ 44,293	59.4%	$ 106,409	58.5%	$ 83,037	58.7%	$ 178,784	58.5%	$ 114,702	53.4%
Active MPSV opex	26,168	29.0%	21,134	28.3%	52,033	28.6%	41,436	29.3%	84,260	27.6%	65,927	30.7%
Stacked Vessel opex	2,373	2.6%	1,781	2.4%	6,865	3.8%	2,365	1.7%	12,414	4.1%	6,138	2.9%
Non-vessel opex	8,249	9.2%	7,384	9.9%	16,511	9.1%	14,663	10.3%	30,005	9.8%	28,021	13.0%
Total operating expense	$ 90,153	100.0%	$ 74,592	100.0%	$ 181,818	100.0%	$ 141,501	100.0%	$ 305,463	100.0%	$ 214,788	100.0%
Active OSV opex per day	$ 15,432		$ 15,354		$ 15,845		$ 14,610		$ 15,212		$ 11,770	
Active MPSV opex per day	$ 23,963		$ 21,113		$ 23,825		$ 20,812		$ 20,612		$ 17,367	
Stacked vessel opex per day	$ 1,241		$ 870		$ 1,796		$ 563		$ 1,518		$ 527	
Total vessel opex per day	$ 12,677		$ 11,453		$ 25,988		$ 21,483		$ 11,469		$ 7,416	

General & Administrative (G&A) Expense

Our G&A expenses are primarily a function of the number of shoreside personnel and include, but are not limited to, base salaries, benefits and incentive compensation for shoreside employees, legal and other third-party advisor expenses, rent and other items.

The table below sets forth our general and administrative expenses in total, as a percentage of total revenue and per vessel day (in thousands except % of revenue and amounts per day):

	Three Months Ended June 30,		Six Months Ended June 30,		Twelve Months Ended Dec. 31	
	2024	2023	2024	2023	2023	2022
General and administrative expense	$ 16,882	$ 15,609	$ 32,430	$ 32,366	$ 66,108	$ 58,946
G&A as a % of total revenues	9.6%	10.6%	10.6%	11.6%	11.5%	13.1%
G&A per active vessel day	$ 3,710	$ 4,017	$ 3,644	$ 4,217	$ 4,173	$ 4,353
G&A per total vessel day	$ 2,613	$ 2,631	$ 2,549	$ 2,726	$ 2,753	$ 2,341

Capital Expenditures

In addition to our operating metrics, we also focus on capital expenditures. Growth capital expenditures are expenditures undertaken by us to expand our fleet of vessels through acquisition or newbuild construction, while maintenance capital expenditures consist of deferred drydocking charges and maintenance capital improvements of existing vessels. Fluctuations in maintenance capital expenditures is primarily driven by the number of required recertification drydockings undertaken in a given period. Commercial capital expenditures represent vessel-related expenditures incurred to retrofit, convert or modify a vessel's systems, structures or equipment to enhance functional capabilities and improve marketability or to meet certain commercial requirements. Non-vessel capital expenditures primarily relate to fixed asset additions or improvements related to our port facility, office locations, information technology, non-vessel property, plant and equipment or other shoreside support initiatives. For a more detailed description of growth, maintenance, commercial and non-vessel capital expenditures, see "—Liquidity and Capital Resources—Capital Expenditures and Related Commitments."

The table below sets forth a breakdown of our capital expenditures by type and the corresponding vessel downtime related to deferred drydockings vessel counts and days (in thousands except as noted):

	Three Months Ended June 30,		Six Months Ended June 30,		Twelve Months Ended December, 31	
	2024	2023	2024	2023	2023	2022
Capital expenditures[(1)]						
Growth capital expenditures	$ 6,146	$ 21,403	$ 26,313	$ 32,254	$ 128,547	$ 116,047
Maintenance capital expenditures	15,185	11,543	36,075	19,198	37,573	22,872
Commercial capital expenditures	8,474	3,315	12,923	10,277	33,864	10,949
Non-vessel capital expenditures	—	303	315	415	1,087	1,328
Total capital expenditures	$ 29,805	$ 36,564	$ 75,626	$ 62,144	$ 201,071	$ 151,196
Drydock downtime						
OSVs						
Number of vessels commencing drydock activities	3	1	6	6	15	10
Out-of-service time for drydock activities (in days)	72	187	188	298	608	333
MPSVs						
Number of vessels commencing drydock activities	1	2	4	2	5	4
Out-of-service time for drydock activities (in days)	63	82	316	82	191	200

(1) For further explanation on what these items consist of, see "—Liquidity and Capital Resources—Capital Expenditures and Related Commitments."

Reportable Segments

The Company has one reportable segment, which encompasses all aspects of its marine transportation services business. As the chief operating decision maker, our Chief Executive Officer evaluates the Company's operating results on a consolidated basis to assess performance and allocate resources. While the Company's vessels operate in various geographic regions and customer markets, they are centrally managed, share multiple forms of common costs, provide similar or complementary marine transportation services, are manned by crews that may move from location to location or market to market as needed, and are marketed on a portfolio basis with the goal of maximizing Adjusted EBITDA and Adjusted Free Cash Flow and generating the highest possible rate of return on invested capital without a permanent commitment to geographic region or customer market.

Results of Operations

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Summarized financial information for the three months ended June 30, 2024 and 2023, respectively, is shown below in the following table (in thousands except % change):

	Three Months Ended June 30,		Change	
	2024	2023	$	%
Revenues:				
Vessel revenues				
Domestic	$115,459	$ 99,776	$15,683	15.7%
Foreign	48,539	36,136	12,403	34.3
	163,998	135,912	28,086	20.7
Non-vessel revenues	11,982	10,986	996	9.1
	175,980	146,898	29,082	19.8
Operating expenses	90,153	74,592	15,561	20.9
Depreciation and amortization	15,870	11,684	4,186	35.8
General and administrative expenses	16,882	15,609	1,273	8.2
Stock-based compensation expense	2,584	2,361	223	9.4
Terminated debt refinancing costs	—	3,633	(3,633)	100.0
	125,489	107,879	17,610	16.3
Gain on sale of assets	27	2,576	(2,549)	(99.0)
Operating income	50,518	41,595	8,923	21.5
Foreign currency loss	(537)	(629)	92	(14.6)
Interest expense	(6,706)	(11,123)	4,417	39.7
Interest income	1,327	2,614	(1,287)	(49.2)
Fair value adjustment of liability-classified warrants	(8,490)	(7,947)	(543)	6.8
Other income	—	42	(42)	(100.0)
Income tax expense	(3,014)	(4,168)	1,154	(27.7)
Net income	$ 33,098	$ 20,384	$12,714	62.4%

Revenues. Revenues for the three months ended June 30, 2024 and 2023 were $176.0 million and $146.9 million, respectively. Our weighted-average active operating fleet for the three months ended June 30, 2024 and 2023 was 50.0 and 42.7 vessels, respectively. For the three months ended June 30, 2024, we had a weighted-average of 21.0 vessels stacked compared to a weighted-average of 22.5 vessels stacked in the prior-year period.

Vessel revenues for the three months ended June 30, 2024 and 2023 were $164.0 million and $135.9 million, respectively. Vessels acquired since the first quarter of 2023 contributed $12.0 million to the

increase in revenue from the prior-year period, while the remaining variance was due to improved market conditions for our vessels. Revenues from our OSV fleet increased $15.0 million, or 17.6% for the three months ended June 30, 2024 compared to the prior-year period. Average OSV dayrates were $41,898 for the three months ended June 30, 2024 compared to $37,569 for the same period in 2023. Our average OSV utilization was 44.7% for the three months ended June 30, 2024 compared to 47.0% for the same period in 2023. Our OSVs incurred 72 days of aggregate downtime for regulatory drydockings and were stacked for an aggregate of 1,911 days during the three months ended June 30, 2024 compared to 187 and 1,953 days, respectively, for the same period in 2023. Excluding stacked vessel days, our active OSV utilization was 69.4% and 78.8% for the same periods, respectively. Our effective, or utilization-adjusted, OSV dayrates were $18,728 for the three months ended June 30, 2024 compared to $17,657 for the same period in 2023. Revenues from our MPSV fleet increased $13.0 million, or 25.8% for the three months ended June 30, 2024 compared to the prior-year period. Average MPSV dayrates were $70,601 for the three months ended June 30, 2024 compared to $59,933 for the three months ended June 30, 2023. Our MPSV utilization was 82.4% for the three months ended June 30, 2024 compared to 77.2% for the same period in 2023. Our MPSVs incurred 63 days of aggregate downtime for regulatory drydockings and were stacked for an aggregate of zero days during the three months ended June 30, 2024 compared to 82 and 91 days, respectively, for the same period in 2023. Excluding stacked vessel days, our active MPSV utilization was 82.4% and 84.2% during the three months ended June 30, 2024 and the same period in 2023, respectively. Our effective, or utilization-adjusted, MPSV dayrates were $58,175 for the three months ended June 30, 2024 compared to $46,268 for the same period in 2023. Domestic vessel revenues for the three months ended June 30, 2024 increased $15.7 million, or 15.7%, from the year-ago period primarily due to the addition of acquired vessels and an increase in other active vessels and improved market conditions during 2024. Foreign vessel revenues increased $12.4 million, or 34.3%, primarily due to improved market conditions for vessels operating in Brazil and other Latin American markets (excluding Mexico) during the three months ended June 30, 2024. Foreign vessel revenues for the three months ended June 30, 2024 comprised 29.6% of our total vessel revenues compared to 26.6% for the year-ago period.

Non-vessel revenues for the three months ended June 30, 2024 and 2023 were $12.0 million and $11.0 million, respectively. The 9.1% year-over-year increase in non-vessel revenues was primarily due to higher revenues earned from non-owned vessels that we manage on behalf of the U.S. Navy during the three months ended June 30, 2024.

Operating Expense. Operating expense for the three months ended June 30, 2024 and 2023 was $90.2 million and $74.6 million, respectively. Acquired vessels placed in service since the first quarter of 2023 contributed $9.8 million to the increase in operating expense, while the remaining variance was due to increases in maintenance and repair costs, mariner headcount, and local taxes on revenue for vessels operating in Brazil.

Depreciation and Amortization. Depreciation and amortization for the three months ended June 30, 2024 and 2023 was $15.9 million and $11.7 million, respectively. Depreciation increased from the prior year due to eight newly acquired vessels being placed into service subsequent to the first quarter of 2023. Amortization also increased as a result of 28 vessel recertification drydockings being completed since March 31, 2023.

General and Administrative Expense. G&A expense for the three months ended June 30, 2024 and 2023 was $16.9 million and $15.6 million, respectively. The year-over-year increase in G&A expense was primarily attributable to increases in shoreside employee headcount and wages.

Stock-Based Compensation Expense. Stock-based compensation expense for the three months ended June 30, 2024 and 2023 was $2.6 million and $2.4 million, respectively.

Terminated Debt Refinancing Costs. Terminated debt refinancing costs for the three months ended June 30, 2024 and 2023 were $0.0 million and $3.6 million, respectively. The year-over-year decrease in terminated debt refinancing costs was attributable to expenses incurred in connection with a debt refinancing process that was postponed during the second quarter of 2023.

Operating Income. Operating income for the three months ended June 30, 2024 and 2023 was $50.5 million and $41.6 million, respectively. Operating income increased by $8.9 million, or 21.4% for the reasons discussed above, but primarily due to improved market conditions for our vessels. Operating income as a percentage of revenues was 28.7% for the three months ended June 30, 2024 and 28.3% for the same period in 2023.

Interest Expense. Interest expense for the three months ended June 30, 2024 and 2023 was $6.7 million and $11.1 million, respectively. Interest expense decreased primarily due to the contractual conversion of our second-lien term loans to full cash-pay obligations with a lower annual interest rate of 8.25% on September 4, 2023 and the $68.7 million pay-off of the remaining principal balance of our Replacement First Lien Term Loans in August 2023.

Interest Income. Interest income for the three months ended June 30, 2024 and 2023 was $1.3 million and $2.6 million, respectively. Our average cash balance decreased to $95.5 million during the three months ended June 30, 2024 compared to $231.0 million for the same period in 2023. The average interest rate earned on our invested cash balances was 5.6% and 4.5% for the three months ended June 30, 2024 and 2023, respectively. The decrease in average cash balance was primarily due to new vessels acquired under the ECO Acquisitions and the repayment in full of our Replacement First Lien Term Loans in August 2023. The increase in the average interest rate is due to market increases in bank interest rates earned on invested cash balances.

Fair Value Adjustment of Liability-Classified Warrants. Fair value adjustment of liability-classified warrants for the three months ended June 30, 2024 and 2023 was $8.5 million and $7.9 million, respectively. Based on an updated valuation analysis for the three months ended June 30, 2024, the estimated fair value of the outstanding Creditor Warrants increased by $5.34, or 12.8%, per warrant.

Income Tax Expense. Our effective income tax expense rate was 8.3% and 17.0% for the three months ended June 30, 2024 and 2023, respectively. Our current income tax expense reflects current foreign tax liabilities and certain deferred tax liabilities that could not be offset with a reduction in the valuation allowance. Since September 4, 2020, we have offset deferred tax assets with a valuation allowance, as required in certain circumstances by GAAP, leading to volatility in our effective tax rate from period to period.

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023

Summarized financial information for the six months ended June 30, 2024 and 2023, respectively, is shown below in the following table (in thousands except % change):

	Six Months Ended June 30,		Change	
	2024	2023	$	%
Revenues:				
Vessel revenues				
Domestic	$203,601	$192,993	$ 10,608	5.5%
Foreign	79,606	63,494	16,112	25.4
	283,207	256,487	26,720	10.4
Non-vessel revenues	23,569	21,902	1,667	7.6
	306,776	278,389	28,387	10.2
Operating expenses	181,818	141,501	40,317	28.5
Depreciation and amortization	30,256	22,119	8,137	36.8
General and administrative expenses	32,430	32,366	64	0.2
Stock-based compensation expense	4,423	15,363	(10,940)	(71.2)
Terminated debt refinancing costs	—	3,633	(3,633)	(100.0)
	248,927	214,982	33,945	15.8
Gain on sale of assets	31	2,566	(2,535)	(98.8)
Operating income	57,880	65,973	(8,093)	(12.3)
Foreign currency loss	(757)	(857)	100	(11.7)
Interest expense	(13,437)	(22,972)	9,535	(41.5)
Interest income	3,007	4,830	(1,823)	(37.7)
Fair value adjustment of liability-classified warrants	696	(4,533)	5,229	>100.0
Other income	—	756	(756)	(100.0)
Income tax expense	(3,163)	(6,362)	3,199	(50.3)
Net income	$ 44,226	$ 36,835	$ 7,391	20.1%

Revenues. Revenues for the six months ended June 30, 2024 and 2023 were $306.8 million and $278.4 million, respectively. Our weighted-average active operating fleet for the six months ended June 30, 2024 and 2023 was 48.9 and 42.4 vessels, respectively. For the six months ended June 30, 2024, we had an average of 21.0 vessels stacked compared to an average of 23.2 vessels stacked in the prior-year period.

Vessel revenues for the six months ended June 30, 2024 and 2023 were $283.2 million and $256.5 million, respectively. Vessels acquired since the December 31, 2022 contributed $20.0 million to the increase in revenue from the prior-year period, while the remaining variance was due to improved market conditions for our vessels. Revenues from our OSV fleet increased $19.9 million, or 12.3%, for the six months ended June 30, 2024 compared to the prior-year period. Average OSV dayrates were $41,030 for the six months ended June 30, 2024 compared to $37,587 for the same period in 2023. Our average OSV utilization was 42.1% for the six months ended June 30, 2024 compared to 44.4% for the same period in 2023. Our OSVs incurred 188 days of aggregate downtime for regulatory drydockings and were stacked for an aggregate of 3,822 days during the six months ended June 30, 2024 compared to 298 and 4,023 days, respectively, for the same period in 2023. Excluding stacked vessel days, our active OSV utilization was 66.0% and 75.9% for the same periods, respectively. Our effective, or utilization-adjusted, OSV dayrates were $17,274 for the six months ended June 30, 2024 compared to $16,689 for the same period in 2023. Revenues from our MPSV fleet increased $6.8 million, or 7.2%, for the six months ended June 30, 2024 compared to the prior-year period. Average MPSV dayrates were $64,130 for the six months ended June 30, 2024 compared to $61,231 for the same period in 2023. Our MPSV utilization was

72.4% for the six months ended June 30, 2024 compared to 71.1% for the same period in 2023. Our MPSVs incurred 316 days of aggregate downtime for regulatory drydockings and were stacked for an aggregate of zero days during the six months ended June 30, 2024 compared to 82 and 181 days, respectively, for the same period in 2023. Excluding stacked vessel days, our active MPSV utilization was 72.4% and 77.5% during the six months ended June 30, 2024 and the same period in 2023, respectively. Our effective, or utilization-adjusted, MPSV dayrates were $46,430 for the six months ended June 30, 2024 compared to $43,535 for the same period in 2023. Domestic vessel revenues increased $10.6 million, or 5.5%, from the year-ago period primarily due to the addition of acquired vessels and an increase in active vessels and improved market conditions for our vessels during the six months ended June 30, 2024. Foreign vessel revenues increased $16.1 million, or 25.4%, due to improved market conditions for vessels operating in Brazil, Trinidad and Tobago, and other Latin American markets (excluding Mexico) during the six months ended June 30, 2024. Foreign vessel revenues for the six months ended June 30, 2024 comprised 28.1% of our total vessel revenues compared to 24.8% for the prior-year period.

Non-vessel revenues for the six months ended June 30, 2024 and 2023 were $23.6 million and $21.9 million, respectively. The 7.6% year-over-year increase in non-vessel revenues was primarily due to higher revenues earned from non-owned vessels that we manage on behalf of the U.S. Navy during the six months ended June 30, 2024.

Operating Expense. Operating expense for the six months ended June 30, 2024 and 2023 was $181.8 million and $141.5 million, respectively. Vessels acquired since December 31, 2022 contributed $20.6 million to the increase in operating expense, while the remaining variance was due to increases in vessel recertifications and related maintenance and repair costs, mariner headcount, and local taxes on revenue for vessels operating in Brazil.

Depreciation and Amortization. Depreciation and amortization for the six months ended June 30, 2024 and 2023 were $30.3 million and $22.1 million, respectively. Depreciation increased from the prior year due to eight newly acquired vessels being placed into service subsequent to December 31, 2022. Amortization also increased as a result of 30 vessel recertification drydockings being completed since December 31, 2022.

General and Administrative Expense. G&A expense for the six months ended June 30, 2024 and 2023 was $32.4 million and $32.4 million, respectively.

Stock-Based Compensation Expense. Stock-based compensation expense for the six months ended June 30, 2024 and 2023 was $4.4 million and $15.4 million, respectively. The stock-based compensation expense decrease from the prior-year period was primarily attributable to certain long-term incentive grants of time-vesting restricted stock units (“RSUs”) under the 2020 Management Incentive Plan that were issued and one-half of which fully vested on the grant date in the first quarter of 2023.

Terminated Debt Refinancing Costs. Terminated debt refinancing costs for the three months ended June 30, 2024 and 2023 were $0.0 million and $3.6 million, respectively. The year-over-year decrease in terminated debt refinancing costs was attributable to expenses incurred in connection with a debt refinancing process that was postponed during the second quarter of 2023.

Operating Income. Operating income for the six months ended June 30, 2024 and 2023 was $57.9 million and $66.0 million, respectively. Operating income decreased by $8.1 million, or 12.3%, during the current-year period compared to the prior-year period for the reasons discussed above, but primarily due to an increase in active vessels combined with decreased utilization driven by increased vessel recertifications, which resulted in reduced revenues and incremental operating expense compared to the prior-year period. Operating income as a percentage of revenues was 18.9% for the six months ended June 30, 2024 and 23.7% for the same period in 2023.

Interest Expense. Interest expense for the six months ended June 30, 2024 and 2023 was $13.4 million and $23.0 million, respectively. Interest expense decreased primarily due to the contractual conversion of our second-lien term loans to full cash-pay obligations with a lower annual interest rate of 8.25% on September 4, 2023 and the $68.7 million pay-off of the remaining principal balance of our Replacement First Lien Term Loans in August 2023.

Interest Income. Interest income for the six months ended June 30, 2024 and 2023 was $3.0 million and $4.8 million, respectively. Our average cash balance decreased to $107.2 million during the current-year period compared to $232.8 million for the prior-year period. The average interest rate earned on our invested cash balances was 5.6% and 4.1% in the first six months ended June 30, 2024 and 2023, respectively. The decrease in average cash balance was primarily due to new vessels acquired under the ECO Acquisitions and the repayment in full of our Replacement First Lien Term Loans in August 2023. The increase in the average interest rate is due to market increases in bank interest rates earned on invested cash balances.

Fair Value Adjustment of Liability-Classified Warrants. Fair value adjustment of liability-classified warrants for the six months ended June 30, 2024 and 2023 was ($0.7) million and $4.5 million, respectively. Based on an updated valuation analysis as of June 30, 2024, the estimated fair value of the outstanding Creditor Warrants decreased year-to-date by $0.43, or 0.9%, per warrant.

Income Tax Expense. Our effective income tax expense rate was 6.7% and 14.7% for the six months ended June 30, 2024 and 2023, respectively. Our current income tax expense reflects current foreign tax liabilities and certain deferred tax liabilities that could not be offset with a reduction in the valuation allowance. Since September 4, 2020 we have offset deferred tax assets with a valuation allowance, as required in certain circumstances by GAAP, leading to volatility in our effective tax rate from period to period.

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022

Summarized financial information for the years ended December 31, 2023 and 2021, respectively, is shown below in the following table (in thousands except % change):

	Year Ended December 31,		Change	
	2023	2022	$	%
Revenues:				
Vessel revenues				
Domestic	$ 387,952	$ 317,638	$ 70,314	22.1%
Foreign	140,828	88,396	52,432	59.3
	528,780	406,034	122,746	30.2
Non-vessel revenues	44,669	45,192	(523)	(1.2)
	573,449	451,226	122,223	27.1
Operating expenses	305,463	214,788	90,675	42.4
Depreciation and amortization	47,851	28,940	18,911	65.3
General and administrative expenses	66,108	58,946	7,162	12.2
Stock-based compensation expense	19,097	5,330	13,767	>100.0
Terminated debt refinancing costs	3,693	—	3,693	—
	442,212	308,004	134,208	43.6
Gain on sale of assets	2,702	21,837	(19,135)	(87.6)
Operating income	133,939	165,059	(31,120)	(18.9)
Loss on early extinguishment of debt	(1,236)	(44)	(1,192)	>100.0
Foreign currency loss	(1,559)	(198)	(1,361)	>100.0
Interest expense	(39,802)	(41,172)	1,370	(3.3)
Interest income	9,755	2,832	6,923	>100.0
Fair value adjustment of liability-classified warrants	(10,917)	(41,408)	30,491	(73.6)
Other income, net	853	2,867	(2,014)	(70.2)
Income tax expense	(16,495)	(7,174)	(9,321)	>100.0
Net income	$ 74,538	$ 80,762	$ (6,224)	(7.7)%

Revenues. Revenues for 2023 and 2022 were $573.4 million and $451.2 million, respectively. Our weighted-average active operating fleet for 2023 and 2022 was 43.4 and 37.1 vessels, respectively. For 2023, we had a weighted average of 22.4 vessels stacked compared to a weighted average of 31.9 vessels stacked in the prior year.

Vessel revenues for 2023 and 2022 were $528.8 million and $406.0 million, respectively. Vessels acquired in 2022 that provided their first full-year contribution to revenues in 2023 and vessels acquired in 2023 contributed $62.7 million to the year-over-year increase in revenues, while the remaining increase was primarily due to improved market conditions for our vessels. Revenues from our OSV fleet increased $88.5 million, or 34.9%, for 2023 compared to 2022. Average OSV dayrates were $39,297 for 2023 compared to $32,305 for the prior year. Our average OSV utilization was 44.3% for 2023 compared to 37.7% for 2022. Our OSVs incurred 586 days of aggregate downtime for regulatory drydockings and were stacked for an aggregate of 7,887 days during 2023 compared to 332 and 11,074 days, respectively, during 2022. Excluding stacked vessel days, our active OSV utilization was 74.0% and 80.7% for the same periods, respectively. Revenues from our MPSV fleet increased $34.2 million, or 22.4%, for 2023 compared to 2022. Average MPSV dayrates were $62,372 for 2023 compared to $53,421 for 2022. Our MPSV utilization was 68.4% for 2023 compared to 65.2% for 2022. Our MPSVs incurred 191 days of aggregate downtime for regulatory drydockings and were stacked for an aggregate of 310 days during 2023 compared to 200 and 569 days, respectively, during 2022. Excluding stacked vessel days, our active MPSV utilization was 73.6% and 75.0% during 2023 and 2022, respectively. Domestic vessel revenues increased $70.3 million, or 22.1%, from 2022 primarily due to an increase in active vessels and

improved market conditions for our vessels operating in the U.S. GoM. Foreign vessel revenues increased $52.4 million, or 59.3% due to improved market conditions for vessels operating in Mexico during the first nine months of 2023 and in Brazil during the full year 2023. Foreign vessel revenues for 2023 comprised 26.6% of our total vessel revenues compared to 21.8% for 2022.

Non-vessel revenues for 2023 and 2022 were $44.7 million and $45.2 million, respectively. The 1.1% year-over-year decrease in non-vessel revenues was primarily due to lower revenues earned from non-military vessel management services during 2023 compared to the prior year. Our non-vessel revenues primarily include our O&M contract with the U.S. Navy, revenues from our port facility located in Port Fourchon, Louisiana (the "HOS Port"), and other vessel management services.

Operating Expense. Operating expense for 2023 and 2022 was $305.5 million and $214.8 million, respectively. Vessels acquired in 2022 that provided their first full-year contribution to operating expense in 2023 and vessels acquired in 2023 contributed $52.1 million to the year-over-year increase in operating expense, while the remaining variance was due to increases in domestic mariner wages, vessel recertifications and related maintenance and repair costs, and contract-specific costs of sales to meet customer charter requirements, which were ultimately recovered through the agreed upon charter dayrate.

Depreciation and Amortization. Depreciation and amortization expense for 2023 and 2022 was $47.9 million and $28.9 million, respectively. Depreciation increased from the prior year due to nine newly acquired vessels being placed into service in or subsequent to the second quarter of 2022. Amortization also increased as a result of 21 vessel recertification drydockings being completed since September 30, 2022.

General and Administrative Expense. G&A expense for 2023 and 2022 was $66.1 million and $58.9 million, respectively. The year-over-year increase in G&A expense was primarily attributable to increases in shoreside employee headcount and wages and related benefits.

Stock-based Compensation Expense. Stock-based compensation expense for 2023 and 2022 was $19.1 million and $5.3 million, respectively. The stock-based compensation expense increase from the prior-year period was primarily attributable to certain new long-term incentive grants of RSUs under the 2020 Management Incentive Plan that were issued and one-half of which vested on the grant date in the first quarter of 2023.

Terminated Debt Refinancing Costs. Terminated debt refinancing costs for 2023 and 2022 were $3.7 million and $0.0 million, respectively. The terminated debt refinancing costs were attributable to costs related to a debt refinancing process that was postponed during the second quarter of 2023.

Operating Income. Operating income for 2023 and 2022 was $133.9 million and $165.1 million, respectively. Operating income decreased by $31.1 million, or 18.9% during the current-year period compared to the prior-year period for the reasons discussed above, but primarily due to the increase in operating expense from newly acquired vessels. Operating income as a percentage of revenues was 23.4% for 2023 and 36.6% for 2022. Excluding the non-recurring effect of the restricted stock grants that were issued and vested in 2023, the terminated debt refinancing costs incurred in the second quarter of 2023, and the gain on sale of assets in the current and prior-year periods, operating income as a percentage of revenue was 25.5% and 31.7% for 2023 and 2022, respectively.

Interest Expense. Interest expense for 2023 and 2022 was $39.8 million and $41.2 million, respectively. The decrease in interest expense was primarily attributable to electing to pay cash interest only in the second quarter of 2023 for the Second Lien Term Loans, which reduced our interest rate on that debt instrument from 11.5% to 10.25%. In addition, effective September 4, 2023, the Second Lien Term Loans contractually converted to full cash-pay obligations with an annual interest rate of 8.25%. The decrease in interest expense is also related to the $68.7 million payoff of the remaining principal balance of the Replacement First Lien Term Loans in August 2023.

Interest Income. Interest income for 2023 and 2022 was $9.8 million and $2.8 million, respectively. Our average cash balance increased to $213.2 million during 2023 compared to $167.8 million for 2022. The average interest rate earned on our invested cash balances was 4.5% and 1.7% in 2023 and 2022, respectively. The increase in average cash balance was primarily due to improved operating results and net cash proceeds received in the fourth quarter of 2022 from the delayed draw that was funded under the Replacement First Lien Term Loans. The increase in the average interest rate is due to market increases in bank interest rates on invested cash balances.

Fair Value Adjustment of Liability-Classified Warrants. Fair value adjustment of liability-classified warrants for 2023 and 2022 was $10.9 million and $41.4 million, respectively. Creditor Warrants (warrants entitling holders to purchase common stock at a strike price set at an enterprise value of $621.2 million, or $27.83 per share ($ per share after giving effect to the stock split)) were issued on September 4, 2020, and we have since recorded a quarterly mark-to-market adjustment beginning with the quarter ended December 31, 2020. Prior to the issuance of these Creditor Warrants, we did not have any issued or outstanding liability-classified warrants. Based on a valuation analysis as of December 31, 2023, the estimated fair value of the outstanding Creditor Warrants increased year-over-year by $6.85, or 16.9%, per warrant.

Income Tax Expense. Our effective income tax expense rate was 18.1% and 8.2% for 2023 and 2022, respectively. Our current income tax expense reflects our current foreign tax liabilities and certain deferred tax liabilities that could not be offset with a valuation allowance. We have offset most of our deferred tax assets with a valuation allowance, as required in certain circumstances by GAAP, leading to volatility in our effective income tax rate from period to period. The 2023 rate is higher than 2022 due to increased current foreign taxes resulting from a higher proportion of earnings in foreign jurisdictions, while the related foreign tax credits are being reserved.

Net Income. Net income for 2023 and 2022 was $74.5 million and $80.8 million, respectively. This year-over-year decrease was primarily due to an increase in operating expense combined with the net effect of the non-recurring items discussed above in Operating Income.

Year Ended December 31, 2022 Compared to Year Ended December 31, 2021

Summarized financial information for the years ended December 31, 2022 and 2021, respectively, is shown below in the following table (in thousands):

	Year Ended December 31,		Change	
	2022	2021	$	%
Revenues:				
Vessel revenues				
Domestic	$317,638	$154,737	$162,901	>100.0%
Foreign	88,396	59,943	28,453	47.5
	406,034	214,680	191,354	89.1
Non-vessel revenues	45,192	41,620	3,572	8.6
	451,226	256,300	194,926	76.1
Operating expenses	214,788	142,819	71,969	50.4
Depreciation and amortization	28,940	18,383	10,557	57.4
General and administrative expenses	58,946	40,632	18,314	45.1
Stock-based compensation expense	5,330	3,372	1,958	58.1
	308,004	205,206	102,798	50.1
Gain on sale of assets	21,837	2,679	19,158	>100.0
Operating income	165,059	53,773	111,286	>100.0
Loss on early extinguishment of debt	(44)	—	(44)	—
Foreign currency gain (loss)	(198)	(434)	236	(54.5)
Interest expense	(41,172)	(35,794)	(5,378)	15.0
Interest income	2,832	510	2,322	>100.0
Fair value adjustment of liability-classified warrants	(41,408)	(15,150)	(26,258)	>100.0
Reorganization items, net	—	—	—	—
Other income, net	2,867	1,615	1,252	77.5
Income tax benefit (expense)	(7,174)	(1,533)	(5,641)	>100.0
Net income	$ 80,762	$ 2,987	$ 77,775	>100.0%

For comparative purposes, references in the explanations below to 2022 reflect the year ended December 31, 2022. References to 2021 reflect the year ended December 31, 2021.

Revenues. Revenues for 2022 and 2021 were $451.2 million and $256.3 million, respectively. Our weighted-average active operating fleet for 2022 and 2021 was 37.1 and 31.1 vessels, respectively. For 2022, we had a weighted average of 31.9 vessels stacked compared to a weighted average of 39.7 vessels stacked in the prior year.

Vessel revenues for 2022 and 2021 were $406.0 million and $214.7 million, respectively. The increase in vessel revenues was primarily due to improved market conditions for our vessels. Revenues from our OSV fleet increased $121.0 million, or 91.4%, for 2022 compared to 2021. Average OSV dayrates were $32,305 for 2022 compared to $19,785 for the prior year. Our OSV utilization was 37.7% for 2022 compared to 31.2% for 2021. Our OSVs incurred 332 days of aggregate downtime for regulatory drydockings and were stacked for an aggregate of 11,074 days during 2022 compared to 413 and 13,360 days, respectively, during 2021. Excluding stacked vessel days, our active OSV utilization was 80.7% and 82.8% for the same periods, respectively. Revenues from our MPSV fleet increased $70.4 million, or 85.6%, for 2022 compared to 2021. Average MPSV dayrates were $53,421 for 2022 compared to $40,245 for 2021. Our MPSV utilization was 65.2% for 2022 compared to 46.7% for 2021. Our MPSVs incurred aggregate downtime of 200 days for regulatory drydockings

and were stacked for an aggregate of 569 days during 2022 compared to an aggregate downtime of 206 days for regulatory drydockings and being stacked for an aggregate 1,137 days, respectively, during 2021. Excluding stacked vessel days, our active MPSV utilization was 75.0% and 63.0% during 2022 and 2021, respectively. Domestic vessel revenues for 2022 increased $162.9 million, or 105%, from 2021 primarily due to improved market conditions for our vessels operating in the U.S. GoM. Foreign vessel revenues increased $28.5 million, or 47.5%, due to improved market conditions for vessels operating in Brazil, Trinidad and other Latin American markets during 2022. Foreign vessel revenues for 2022 comprised 21.8% of our total vessel revenues compared to 27.9% for 2021.

Non-vessel revenues for 2022 and 2021 were $45.2 million and $41.6 million, respectively. The year-over-year increase in non-vessel revenues was primarily due to higher revenues earned from vessel management services during 2022 compared to the prior year. Our non-vessel revenues primarily include our O&M contract with the U.S. Navy, revenues from our HOS Port facilities, and other vessel management services.

Operating Expense. Operating expenses for 2022 and 2021 were $214.8 million and $142.8 million, respectively. Operating expense increased year-over-year primarily due to increases in active vessels, mariner headcount, domestic mariner wages and benefits, and maintenance and repair costs for vessels and related equipment.

Depreciation and Amortization. Depreciation and amortization expense for 2022 and 2021 was $28.9 million and $18.4 million, respectively. Depreciation expense increased from the prior year due to newly acquired vessels being placed into service.

General and Administrative Expense. G&A expense for 2022 and 2021 was $58.9 million and $40.6 million, respectively. The year-over-year increase in G&A expense was primarily attributable to an increase in shoreside employee headcount and wages, legal costs associated with on-going litigation and costs related to the recruitment of mariners. The increase is also attributable to an advisory fee related to the acquisition of vessels from certain affiliates of ECO and additional trade name and trademark licensing fees incurred in the current year.

Stock-Based Compensation Expense. Stock-based compensation expense for 2022 and 2021 was $5.3 million and $3.4 million, respectively. The year-over-year increase in stock-based compensation expense was attributable to awards granted under the 2020 Management Incentive Plan in the second quarter of 2022, which were valued at a substantially higher stock price per share.

Gain on Sale of Assets. During 2022, we sold seven 200 class DP-1 OSVs, three 240 class DP-2 OSVs and other non-vessel assets for gross proceeds of $23.7 million, resulting in a net gain of $21.8 million. The net gain represents $20.5 million from vessel sales and $1.3 million from sales of non-vessel assets. The gain on sale of assets for 2021 represents gains of $2.2 million from vessel sales and $0.5 million from sales of non-vessel assets.

Operating Income. Operating income for 2022 and 2021 was $165.1 million and $53.8 million, respectively. Operating income increased year-over-year by $111.0 million, or 207%, during 2022 compared to 2021 for the reasons discussed above, but primarily due to improved market conditions for our vessels. Operating income as a percentage of revenues was 36.6% for 2022 compared to 21.0% for 2021.

Interest Expense. Interest expense was $41.2 million, inclusive of $30.4 million of paid-in-kind interest, for 2022 compared to $35.8 million, inclusive of $29.3 million of paid-in-kind interest, for 2021. Interest expense increased primarily due to (i) increases in the interest rates on the Replacement First Lien Term Loans and Second Lien Term Loans during 2022, (ii) higher outstanding balances on the Replacement First Lien Term Loans and Second Lien Term Loans as a result of the $37.5 million delayed draw term loans that were incurred in November 2022 and capitalized accumulated paid-in-kind interest incurred since the prior year, respectively, and (iii) the interest component of our negotiated settlement of the 2014 Mexico tax audit.

Interest Income. Interest income for 2022 and 2021 was $2.8 million and $0.5 million, respectively, representing a year-over-year increase of $2.3 million. Our average cash balance increased to $167.8 million during 2022 compared to $117.8 million during 2021. The average interest rate earned on our invested cash balances was 1.7% and 0.4% during 2022 and 2021, respectively. The increase in average cash balance was primarily due to improved operating results in 2022, net cash proceeds received in December 2021 from the preemptive rights offering and Replacement First Lien Term Loans, and the delayed draw funding under the Replacement First Lien Term Loans in November 2022.

Fair Value Adjustment of Liability-Classified Warrants. Fair value adjustment of liability-classified warrants for 2022 and 2021 was $41.4 million and $15.2 million, respectively. Based on a valuation analysis as of December 31, 2022, the estimated fair value of the outstanding Creditor Warrants increased year-over-year by $26.01, or 179%, per warrant.

Other Income, Net. Other income, net, for 2022 and 2021 was $2.9 million and $1.6 million, respectively. Other income increased year-over-year primarily due to $1.5 million in fees received from certain sellers' terminations of four vessel purchase agreements.

Income Tax Expense. Our effective tax expense rate was 8.2% and 33.9% for 2022 and 2021, respectively. Our income tax expense in 2022 reflects our foreign tax liabilities as of December 31, 2022. Since September 4, 2020, we had been in a net deferred tax asset position and had offset our deferred tax benefit with a valuation allowance, as required in certain circumstances by GAAP. The 2022 period rate is lower than 2021 due to the relatively higher level of income for 2022 compared to 2021.

Net Income. Net income for 2022 and 2021 was $80.8 million and $3.0 million, respectively. This favorable variance in net income was primarily driven by improved market conditions for our vessels. Net income as a percentage of revenues was 17.9% and 1.2% for 2022 and 2021, respectively.

Non-GAAP Financial Measures

We disclose and discuss EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow as non-GAAP financial measures in this prospectus. We define EBITDA as earnings (net income or loss) before interest, income taxes, depreciation and amortization. Adjusted EBITDA reflects certain adjustments to EBITDA for gains or losses on early extinguishment of debt, terminated debt refinancing costs, stock-based compensation expense and interest income. In addition, Adjusted EBITDA excludes non-cash gains or losses on the fair value adjustment of liability-classified warrants. We define Adjusted Free Cash Flow as Adjusted EBITDA less cash paid for deferred drydocking charges, cash paid for maintenance capital improvements and non-vessel capital expenditures, cash paid for interest and cash paid for (refunds of) income taxes. Our measures of EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow may not be comparable to similarly titled measures presented by other companies. Other companies may calculate EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow differently than we do, which may limit their usefulness as comparative measures.

We view EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow primarily as liquidity measures and, as such, we believe that the GAAP financial measure most directly comparable to those measures is cash flows provided by operating activities. Because EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow are not measures of financial performance calculated in accordance with GAAP, they should not be considered in isolation or as a substitute for operating income, net income or loss, cash flows provided by operating, investing and financing activities, or other income or cash flow statement data prepared in accordance with GAAP. Additionally, Adjusted Free Cash Flow does not represent the total increase or decrease in our cash balance, and it should not be inferred that the entire amount of Adjusted Free Cash Flow is available for dividends, debt or share repurchases or other discretionary expenditures, since we have non-discretionary expenditures that are not deducted from this measure.

EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow are widely used by investors and other users of our consolidated financial statements as supplemental financial measures that, when viewed with our GAAP results and the accompanying reconciliations, we believe provide additional information that is useful to gain an understanding of the factors and trends affecting our ability to service debt, pay income taxes and fund drydocking charges, maintenance capital improvements and non-vessel capital expenditures. We also believe the disclosure of EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow helps investors or lenders meaningfully evaluate and compare our cash flow generating capacity from quarter to quarter and year to year.

EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow are also financial metrics used by management as supplemental internal measures for planning and forecasting overall expectations and for evaluating actual results against such expectations; for short-term cash bonus incentive compensation purposes; to compare to the EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow of other companies, vessels or other assets when evaluating potential acquisitions; to assess our ability to service existing fixed charges and incur additional indebtedness; and to purchase, convert or construct additional vessels. Additionally, we have historically made certain adjustments to EBITDA to internally evaluate our performance based on the computation of ratios used in certain financial covenants of our credit agreements with various lenders, whenever applicable. Currently, our credit agreements have incurrence tests and other financial covenants, including coverage and leverage ratios. These ratios are calculated using certain adjustments to EBITDA defined by our credit agreements, which adjustments are consistent with those reflected in Adjusted EBITDA in this prospectus. In addition, we believe that, based on covenants in prior credit facilities, future debt arrangements may require compliance with certain ratios that will likely include EBITDA or Adjusted EBITDA in the computations. Adjusted EBITDA is also currently utilized in connection with the Company's short-term cash bonus incentive compensation programs.

The following tables reconcile cash flows provided by operating activities to EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow, as we define those terms, for the six months ended June 30, 2024, and 2023 and the years ended December 31, 2023, 2022, and 2021, respectively (in thousands):

	Six Months Ended June 30,		Year Ended December 31,		
(dollars in thousands)	2024	2023	2023	2022	2021
EBITDA Reconciliation to GAAP:					
Net cash flows provided by operating activities	$26,666	$ 62,349	$146,115	$112,967	$ 49,611
Cash paid for deferred drydocking charges	26,106	15,416	29,828	19,114	14,113
Cash paid for interest	14,556	15,502	32,970	8,868	8,467
Cash paid for income taxes	13,035	1,136	9,311	474	2,399
Recovery of (provision for) credit losses	34	(386)	(551)	(257)	(44)
Changes in other operating assets and liabilities	11,805	7,260	(19,166)	38,995	(516)
Stock-based compensation expense	(4,423)	(15,363)	(19,097)	(5,330)	(3,372)
Amortization of deferred contract-specific costs of sales	(431)	(489)	(1,028)	—	—
Fair value adjustment of liability-classified warrants	696	(4,533)	(10,917)	(41,408)	(15,150)
Loss on early extinguishment of debt, net	—	—	(1,236)	(44)	—
Gain on sale and disposal of assets	31	2,566	2,702	21,837	2,679
EBITDA	$88,075	$ 83,458	$168,931	$155,216	$ 58,187
Adjusted EBITDA Reconciliation to GAAP:					
Net cash flows provided by operating activities	$26,666	$ 62,349	$146,115	$112,967	$ 49,611
Cash paid for deferred drydocking charges	26,106	15,416	29,828	19,114	14,113
Cash paid for interest	14,556	15,502	32,970	8,868	8,467
Cash paid for income taxes	13,035	1,136	9,311	474	2,399
Recovery of (provision for) credit losses	34	(386)	(551)	(257)	(44)
Changes in other operating assets and liabilities	11,805	7,260	(19,166)	38,995	(516)

(dollars in thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021
Amortization of deferred contract-specific costs of sales	(431)	(489)	(1,028)	—	—
Interest income	3,007	4,830	9,755	2,832	510
Gain on sale and disposal of assets	31	2,566	2,702	21,837	2,679
Terminated debt refinancing costs	—	3,633	3,693	—	—
Adjusted EBITDA	$94,809	$111,817	$213,629	$204,830	$77,219
Adjusted Free Cash Flow Reconciliation to GAAP:					
Net cash flows provided by operating activities	$26,666	$ 62,349	$146,115	$112,967	$49,611
Cash paid for maintenance capital improvements	(9,969)	(3,782)	(7,745)	(3,762)	(3,826)
Cash paid for non-vessel capital expenditures	(315)	(415)	(1,087)	(1,328)	(688)
Recovery of (provision for) credit losses	34	(386)	(551)	(257)	(44)
Changes in other operating assets and liabilities	11,805	7,260	(19,166)	38,995	(516)
Amortization of deferred contract-specific costs of sales	(431)	(489)	(1,028)	—	—
Interest income	3,007	4,830	9,755	2,832	510
Gain on sale and disposal of assets	31	2,566	2,702	21,837	2,679
Terminated debt refinancing costs	—	3,633	3,693	—	—
Adjusted Free Cash Flow	$30,828	$ 75,566	$132,688	$171,284	$47,726

The following table provides the detailed components of EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow as we define those terms, for the six months ended June 30, 2024 and 2023, and the years ended December 31, 2023, 2022, and 2021, respectively (in thousands):

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021
Components of EBITDA:					
Net income	$ 44,226	$ 36,835	$ 74,538	$ 80,762	$ 2,987
Interest, net					
Interest expense	13,437	22,972	39,802	41,172	35,794
Interest income	(3,007)	(4,830)	(9,755)	(2,832)	(510)
Total interest, net	10,430	18,142	30,047	38,340	35,284
Income tax expense	3,163	6,362	16,495	7,174	1,533
Depreciation	18,093	11,753	26,355	18,601	15,672
Amortization	12,163	10,366	21,496	10,339	2,711
EBITDA	$ 88,075	$ 83,458	$168,931	$155,216	$ 58,187
Loss on early extinguishment of debt, net	$ —	$ —	$ 1,236	$ 44	$ —
Stock-based compensation expense	4,423	15,363	19,097	5,330	3,372
Interest income	3,007	4,830	9,755	2,832	510
Fair value of liability-classified warrants	(696)	4,533	10,917	41,408	15,150
Terminated debt refinancing costs	—	3,633	3,693	—	—
Adjusted EBITDA	$ 94,809	$111,817	$213,629	$204,830	$ 77,219
Cash paid for deferred drydocking charges[1]	$(26,106)	$(15,416)	$ (29,828)	$ (19,114)	$ (14,113)
Cash paid for maintenance capital improvements[1]	(9,969)	(3,782)	(7,745)	(3,762)	(3,826)
Cash paid for non-vessel capital expenditures[1]	(315)	(415)	(1,087)	(1,328)	(688)
Cash paid for interest	(14,556)	(15,502)	(32,970)	(8,868)	(8,467)
Cash paid for income taxes	(13,035)	(1,136)	(9,311)	(474)	(2,399)
Adjusted Free Cash Flow	$ 30,828	$ 75,566	$132,688	$171,284	$ 47,726

(1) For additional information concerning these items, see "—Liquidity and Capital Resources—Capital Expenditures and Related Commitments."

Set forth below are the material limitations associated with using EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow as non-GAAP financial measures compared to cash flows provided by operating activities:

- EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow do not reflect the future capital expenditure requirements that may be necessary to replace our existing vessels upon expiration of their useful lives;
- EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow do not reflect the interest, future principal payments and other financing-related charges necessary to service the debt that we have incurred in acquiring and constructing our vessels;
- EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow do not reflect the deferred income taxes that we will eventually have to pay once we are no longer in an overall NOL carryforward position, as applicable; and
- EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow do not reflect changes in our net working capital position.

Management compensates for the above-described limitations in using EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow as non-GAAP financial measures by only using EBITDA, Adjusted EBITDA and Adjusted Free Cash Flow to supplement our GAAP results.

Liquidity and Capital Resources

Our capital requirements have historically been financed with cash flows from operations, proceeds from issuances of our debt and common equity securities, borrowings under our revolving and term loan agreements and cash received from the sale of assets. We require capital to fund on-going operations, remaining commitments under on-going vessel newbuild and conversion projects, vessel recertifications, discretionary capital expenditures and debt service and may require capital to fund potential future vessel construction, retrofit or conversion projects, acquisitions, dividends, equity repurchases or the retirement of debt. We believe that existing cash and cash equivalents and anticipated positive cash flows from operations will be sufficient to support working capital, maintenance, commercial and growth capital expenditures and other cash requirements for at least the next 12 months and, based on our current expectations, for the foreseeable future thereafter.

In August 2023, we elected to fully repay the $68.7 million then-outstanding principal balance of the Replacement First Lien Term Loans. As of June 30, 2024, we had $349.0 million of outstanding principal amount of Second Lien Term Loans that mature in March 2026, inclusive of accumulated paid-in-kind interest through June 30, 2024. Effective September 4, 2023, the Second Lien Term Loans contractually converted to full cash-pay obligations with an annual interest rate of 8.25% based on our prevailing Total Leverage Ratio, which was below 3.00 to 1.00.

As of August 14, 2024, we were in compliance with all applicable financial covenants under the First Lien Revolving Credit Facility. There were no revolving loan amounts outstanding under the First Lien Revolving Credit Facility as of such date and we expect such facility to remain undrawn for the foreseeable future. During the second quarter of 2024 and as of August 14, 2024, we were in compliance with all applicable financial covenants under our Second Lien Credit Agreement. We may voluntarily prepay, in whole or in part, any amount of the Second Lien Term Loans without penalty prior to maturity. As of June 30, 2024 and December 31, 2023, we had total cash and cash equivalents of $91.1 million and $120.1 million, respectively, and restricted cash of $0.8 million and $0.8 million, respectively.

Cash Flows for the Years Ended December 31, 2023, 2022, and 2021

The following summarizes our cash flows for the years ended December 31, 2023, 2022 and 2021.

Operating Activities. We rely primarily on cash flows from operations to provide working capital for current and future operations, to fund payroll and incentive compensation for our vessel crews and shoreside employees, to supply, repair and maintain our vessels, to service our debt obligations, to pay taxes and to insure our assets. Net cash provided by operating activities typically fluctuates according to the level of market activity and demand for our vessels for each period. Net cash provided by operating activities was $146.1 million, $113.0 million and $49.6 million for the years ended December 31, 2023, 2022 and 2021, respectively. Operating cash flows for the years ended December 31, 2023, 2022 and 2021 were favorably affected by improved market conditions for our vessels. The $33.1 million growth in net cash provided by operating activities in 2023 was primarily the result of a substantial increase in cash receipts from customers driven by a 30.2% increase in vessel revenues due to higher average dayrates and active fleet count for our OSVs and MPSVs, including the effects of recent vessel acquisitions.

Investing Activities. Net cash used in investing activities was $168.3 million, $109.2 million and $4.1 million for 2023, 2022 and 2021, respectively. Net cash used during 2023 and 2022 was primarily attributable to vessel acquisitions, partially offset by proceeds from vessel sales. Net cash used in investing activities in 2021 primarily consisted of capital improvements for active vessels, partially offset by proceeds from vessel sales.

Financing Activities. Net cash provided by (used in) financing activities was ($76.0) million, $32.9 million and $37.6 million for 2023, 2022 and 2021. Cash used in financing activities for 2023 was primarily attributable to the payoff of the remaining principal balance of the Replacement First Lien Term Loans in the third quarter of 2023. Net cash provided by financing activities for the year ended December 31, 2022 primarily resulted from the proceeds received from the delayed draw term loans that were funded under the Replacement First Lien Term Loans, partially offset by a partial repayment of the Replacement First Lien Term Loans. Net cash provided by financing activities for the year ended December 31, 2021 primarily resulted from proceeds received from the Replacement First Lien Term Loans and preemptive rights offering of equity, partially offset by the repayment of the exit first-lien term loans.

Cash Flows for the Six Months Ended June 30, 2024 and 2023

The following summarizes our cash flows for the six months ended June 30, 2024 and 2023.

Operating Activities. Net cash provided by operating activities was $26.7 million and $62.3 million for the six months ended June 30, 2024 and 2023, respectively. Operating cash flows for the first six months of 2024 were unfavorably affected by an increase in operating expense from newly acquired vessels and deferred drydocking charges from vessel recertifications.

Investing Activities. Net cash used in investing activities was $49.5 million and $44.0 million for the six months ended June 30, 2024 and 2023, respectively. Cash used during the first six months of 2024 was primarily attributable to the purchase of the final vessel delivered from ECO Acquisitions #2, costs related to the construction of the two MPSV newbuilds and maintenance capital improvements for active vessels.

Financing Activities. Net cash used in financing activities was $3.9 million and $7.0 million for the six months ended June 30, 2024 and 2023, respectively. Cash used in financing activities was primarily attributable to tax payments made by the Company for employee taxes related to shares withheld from vested and settled RSU awards.

Contractual Obligations

The following table and notes set forth our aggregate contractual obligations as of June 30, 2024 (in thousands):

	Total	Less than 1 Year	1-3 Years	3-5 Years	Thereafter
Contractual Obligations					
MPSV newbuild program[1]	$ 48,549	$ 48,549	$ —	$ —	$ —
C/SOV + Flotel conversion[2]	31,418	31,418	—	—	—
Second Lien Term Loans[3]	349,001	—	349,001	—	—
Interest payments[4]	51,267	29,193	22,074	—	—
Non-cancellable leases	38,275	7,775	7,940	6,865	15,695
Total	$518,510	$116,935	$379,015	$ 6,865	$ 15,695

(1) Our MPSV newbuild program contractual obligations exclude the cost of expected cranes and ancillary equipment to be installed upon completion of the construction of the vessels by the shipyard, as we had not entered into any contractual commitments related to such costs as of June 30, 2024. The total project costs for the completion of the construction of the two MPSVs is currently expected to total $145.0 million upon completion, of which $6.1 million had been incurred as of June 30, 2024. Amounts exclude capitalized interest.

(2) Our C/SOV + Flotel conversion contractual obligations include contractual milestone payments associated with the shipyard and certain purchases of owner-furnished equipment that were contracted as of June 30, 2024. The total project costs for the OSV-to-MPSV conversion is currently expected to total $77.7 million upon completion, of which $33.2 million had been incurred as of June 30, 2024. Amounts exclude capitalized interest.

(3) Our Second Lien Term Loans mature on March 31, 2026 and include $76.4 million of accumulated paid-in-kind interest.

(4) Effective September 4, 2023, the interest rate on the Second Lien Term Loans is variable based on our Total Leverage Ratio at each quarter-end. The amount reflected in this table is consistent with the current annual 8.25% fixed interest rate applicable to our Total Leverage Ratio as of June 30, 2024. Please see Note 8 to our consolidated financial statements for further discussion of the interest rate applicable to the Second Lien Term Loans.

Contracted Backlog

Our total contracted backlog was $666.8 million as of July 31, 2024, which we calculate as the dayrates of contracted vessel days multiplied by the contracted days for such vessels. The contractual revenue we ultimately receive may be lower than the contracted backlog due to a number of factors, including vessel downtime or suspension of operations. The actual dayrate may be lower than the contractual operating dayrate assumed in the contracted backlog described above because a down-time (such as waiting on weather) rate, repair rate, standby rate or force majeure rate may apply under certain circumstances. In certain contracts, the dayrate may be reduced to zero if, for example, repairs extend beyond a stated period of time. Our total contracted backlog includes only firm commitments and certain contracted option periods, which are represented by signed contracts or, in some cases, other definitive agreements awaiting contract execution.

Debt Agreements

As of June 30, 2024, the Company had the following outstanding debt (in thousands, except effective interest rate):

	Total Debt[1]	Effective Interest Rate	Cash Interest Payments[2]	Payment Dates
Second Lien Term Loans	$ 349,001	8.25%	$ 7,278	March 31, June 30, September 30, December 31
	$ 349,001			

(1) The outstanding principal balance on the Second Lien Term Loans includes accumulated paid-in-kind interest as of June 30, 2024.

(2) Effective September 4, 2023, the interest rate on the Second Lien Term Loans is variable based on the Company's Total Leverage Ratio at each quarter-end. The amount reflected in this table is consistent with the current annual 8.25% fixed interest rate applicable to the Company's Total Leverage Ratio as of June 30, 2024. Please see Note 10 to our Annual Financial Statements and Note 8 to our Quarterly Financial Statements for further discussion of the interest rate applicable to the Second Lien Term Loans.

First Lien Revolving Credit Facility

On August 13, 2024, we entered into a First Lien Revolving Credit Facility with DNB Bank ASA, New York Branch, as administrative agent, Wilmington Trust, National Association, as collateral agent, and the lenders party thereto. All capitalized terms in the description below not defined herein have the meaning assigned to them in such agreement. The current aggregate commitments for the Revolving Loans under the First Lien Revolving Credit Facility total $75 million, all of which remain undrawn. The First Lien Revolving Credit Facility also has a customary uncommitted incremental facility in an amount up to $50 million (or such greater amount as consented to by all lenders). Our ability to borrow under the First Lien Revolving Credit Facility is subject to customary conditions precedent, including no default or event of default, representations and warranties being true and correct in all material respects, and pro forma compliance with the financial covenants therein.

The First Lien Revolving Credit Facility will mature on the earlier of (i) the fifth anniversary of the Credit Agreement Closing Date or (ii) the date the Revolving Loans are declared due and payable following the occurrence and during the continuation of an event of default. Borrowings under the First Lien Revolving Credit Facility will be comprised of Base Rate Loans or SOFR Rate Loans, at the option of the Borrower, and accrue interest as follows: (A) for Revolving Loans that are Base Rate Loans, a rate ranging from 1.75% to 2.75% (depending on the total net leverage ratio in effect at such time) per annum, plus the greatest of, subject to a 0.00% floor: (a) the Prime Rate in effect on such day, (b) the Federal Funds Rate in effect on such day plus 0.50%, and (c) the Adjusted Term SOFR rate for a one month interest period on such day after giving effect to a floor of 0.00% per annum, plus 1.00% and (B) for Revolving Loans that are SOFR Rate Loans, a rate ranging from 2.75% to 3.75% (depending on the total net leverage ratio in effect at such time) per annum plus the Term SOFR rate, subject to a 0.00% floor, plus a credit spread adjustment of 0.10% per annum.

The First Lien Revolving Credit Facility has customary affirmative and negative covenants, including restrictions on our ability to incur additional indebtedness, incur liens, make restricted payments, make optional prepayments on junior financings, engage in transactions with affiliates and make asset sales, in each case, subject to customary exceptions and baskets. The First Lien Revolving Credit Facility is subject to financial covenants that require us to have (i) a maximum revolving credit facility net leverage ratio (measured by total loans outstanding under the First Lien Revolving Credit Facility, net of unrestricted cash and cash equivalents of up to $25.0 million) of no more than 1.00 to 1.00, (ii) minimum liquidity (measured by unrestricted cash and cash equivalents, together with undrawn commitments under the First Lien Revolving Credit Facility) of $25.0 million, (iii) a collateral

coverage ratio (measured by total first and second lien debt outstanding) of no less than 1.50 to 1.00 and (iv) a revolving credit facility collateral coverage ratio (measured by total debt outstanding under the First Lien Revolving Credit Facility, net of unrestricted cash and cash equivalents of up to $25.0 million) of no less than 3.00 to 1.00, in each case, tested on the Credit Agreement Closing Date, and thereafter at the end of each fiscal quarter, beginning with our first full fiscal quarter ending after the Credit Agreement Closing Date. However, failure to meet such financial covenants will not result in a default or event of default at any time when no Revolving Loans are outstanding and will instead prohibit us from borrowing any Revolving Loans under the First Lien Revolving Credit Facility until certain conditions precedent to borrowing are satisfied. Additionally, to the extent Revolving Loans are outstanding and the collateral coverage ratio or the revolving credit facility collateral coverage ratio financial covenants under the First Lien Revolving Credit Facility are not met as of the end of any fiscal quarter, we will be required to make a mandatory prepayment of the Revolving Loans in an amount such that compliance with such financial covenants would be met on a pro forma basis following such prepayment, and so long as such mandatory prepayment is made, no default or event of default will result from the breach of such financial covenants.

Second Lien Term Loans

On September 4, 2020, we entered into that certain Second Lien Credit Agreement. The initial aggregate principal amount of the initial term loans under the Second Lien Credit Agreement were $287,577,193.66.

The Second Lien Term Loans mature in March 2026 and the borrowings bear interest at a cash interest only rate or, until September 4, 2023, a cash interest plus paid-in-kind ("PIK") rate, at the Company's option, as follows:

- From September 4, 2020 and until September 4, 2022, at (i) a cash interest only rate of 9.25% per annum or (ii) a cash interest plus PIK rate, comprised of 1.00% per annum cash interest plus 9.50% per annum PIK interest;
- From September 4, 2022 and until September 4, 2023, at (i) a cash interest only rate of 10.25% per annum or (ii) a cash interest plus PIK rate, comprised of 2.50% per annum cash interest plus 9.00% per annum PIK interest; and
- From and after September 4, 2023, (i) if the total leverage ratio is greater than or equal to 3:00 to 1:00, then at a cash interest only rate of 10.25% per annum and (ii) if the total leverage ratio is less than 3:00 to 1:00, then at a cash interest only rate of 8.25% per annum.

In the second quarter of 2023, we elected to stop accruing paid-in-kind interest and began cash paying the interest on the Second Lien Term Loans. Effective September 4, 2023, the Second Lien Term Loans contractually converted to full cash-pay obligations with an annual interest rate of 8.25% based on our prevailing Total Leverage Ratio, which was below 3.00 to 1.00.

As of June 30, 2024, we had $349.0 million in outstanding principal amount of Second Lien Term Loans (including accumulated PIK interest) under the Second Lien Credit Agreement. Total interest expense relating to the Second Lien Term Loans, including PIK interest, amortization and write off of debt issuance costs and unutilized commitment fees, net of capitalized interest, for the six months ended June 30, 2024 and the years ended December 31, 2023 and 2022 was $12.9 million, $26.6 million and $35.4 million, respectively.

Capital Expenditures and Related Commitments

The following table summarizes the costs incurred for the purposes set forth below for the six months ended June 30, 2024 and 2023, and for the years ended December 31, 2023, 2022 and 2021 (in thousands):

	Six Months Ended June 30,		Year Ended December 31,		
	2024	2023	2023	2022	2021
Capital Expenditures:					
Maintenance Capital Expenditures					
Deferred drydocking charges	$26,106	$15,416	$ 29,828	$ 19,114	$ 14,113
Maintenance capital improvements	9,969	3,782	7,745	3,758	3,826
	36,075	19,198	37,573	22,872	17,939
Growth Capital Expenditures[1][2]					
MPSV Newbuild Construction	6,180	—	—	—	—
ECO Acquisitions #1	412	14,450	27,869	—	—
ECO Acquisitions #2	19,721	9,702	91,580	60,848	—
MARAD acquisition	—	8,102	9,098	55,199	—
	26,313	32,254	128,547	116,047	—
Commercial Capital Expenditures[2]					
C/SOV + Flotel Conversion	11,032	1,922	23,737	577	—
Other Commercial Capex	1,891	8,355	10,127	10,372	2,755
	12,923	10,277	33,864	10,949	2,755
Non-vessel Capital Expenditures	315	415	1,087	1,328	688
Total	$75,626	$62,144	$ 201,071	$ 151,196	$ 21,382

(1) Includes the purchase price of constructed or acquired vessels, plus the costs incurred to place such vessels into active service, as necessary.
(2) Amounts include associated capitalized interest, as applicable.

Growth Capital Expenditures

Growth capital expenditures are expenditures undertaken by the Company to expand our fleet of vessels through acquisition or newbuild construction. Growth capital expenditures typically include the purchase price of acquired vessels, as well as the costs incurred to ready such vessels for active service, and the construction costs of newbuild vessels, inclusive of capitalized interest.

MPSV Newbuild Construction

In October 2023, we entered into a final settlement of a dispute with the Surety and Gulf Island related to the construction of two MPSV newbuilds. Pursuant to the settlement agreement, Gulf Island released all claims asserted against us and we released our claims against Gulf Island and the Surety. Further, the Surety agreed to take over and complete the construction of the two U.S.-flagged, Jones Act-qualified, HOS 400 class MPSVs at a shipyard acceptable to us. In December 2023, Eastern was mutually selected by the parties and was contracted by the Surety to complete construction of the two MPSVs. We are obligated to pay only the remaining portion of the original shipyard contract price for the two MPSVs, which amounted to $53.8 million in the aggregate on the settlement date. The Surety is required to cure all defaults of Gulf Island and pay all completion costs in excess of the $53.8 million remaining original contract price, excluding any approved change orders arising after the settlement date. There is no cap on the Surety's completion cost. As of June 30, 2024, we had paid $5.3 million to Eastern related to the completion of these two MPSVs.

Pursuant to the settlement, the Surety is contractually required to deliver both MPSVs in 2025. We were provided an updated schedule by the Surety and Eastern indicating that they currently expect a six-month shipyard delay for the delivery of the first of the two MPSVs. An updated delivery schedule has not yet been provided for the second vessel. Following physical delivery by the shipyard, we expect each vessel to undergo crane and other system installations, which we expect will make the first vessel available for commercial service in the first half of 2026, and the second vessel thereafter. In addition to the remaining $48.5 million of the original contract price as of June 30, 2024, we expect to incur an incremental $91.2 million in the aggregate for outfitting, overhead and the post-delivery discretionary enhancements, of which $63.6 million solely relates to the purchase and installation of cranes on both vessels. As of June 30, 2024, we had incurred $0.8 million of such incremental amounts, excluding capitalized interest. Once placed in service, we expect that our book carrying value for each vessel will be approximately $80.0 million, which is significantly below the expected market value of Jones Act-qualified vessels of this age, type, size and specifications.

ECO Acquisitions #1

On January 10, 2022, the Company entered into definitive vessel purchase agreements with certain affiliates of ECO to acquire up to ten high-spec, 280 class DP-2 OSVs for an aggregate price of $130.0 million. In November 2022, ECO exercised an option to terminate the vessel purchase agreements relating to the last four vessels. ECO refunded initial deposits of $1.5 million in the aggregate and paid an additional amount equal to such deposits as a termination fee. After accounting for such terminations and certain purchase price adjustments, the aggregate purchase price for the ECO Acquisitions #1 was $82.4 million. Pursuant to the purchase agreements, final payment and the transfer of ownership of each of the vessels occurred on the date of delivery and acceptance for such vessel following the completion of reactivation and regulatory drydockings by ECO. The Company took delivery of the six vessels between May 2022 and August 2023.

As of June 30, 2024, the Company had paid $82.2 million for the original purchase price and $1.7 million in purchase price adjustments associated with discretionary enhancements of the ECO Acquisitions #1 vessels, prior to the effect of the $1.5 million termination fee paid by ECO. In addition, the Company had incurred $3.9 million of costs associated with additional outfitting of the six vessels through the second quarter of 2024. The Company expects to incur an additional $0.1 million related to post-closing modifications of the sixth vessel during the remainder of 2024.

ECO Acquisitions #2

On December 22, 2022, the Company executed a controlling purchase agreement with Nautical. Pursuant to the controlling purchase agreement, the Company subsequently entered into separate, individual vessel purchase agreements to acquire six high-spec OSVs from Nautical for $17.0 million per vessel. The Nautical vessels are U.S.-flagged, Jones Act-qualified, 280 class DP-2 OSVs with cargo-carrying capacities of circa 4,750 DWT. Nautical completed regulatory drydocking and reactivation activities for each vessel prior to closing. Payment of 10% of the purchase price for each vessel was made upon arrival of such vessel to the shipyard and the remaining 90% was paid at the closing and delivery of each vessel. We took delivery of the first five vessels during 2023.

In January 2024, the Company took delivery of the sixth and final vessel under ECO Acquisitions #2 and paid $15.3 million for the remaining 90% of the original purchase price and $0.1 million for purchase price adjustments related to discretionary enhancements completed in the shipyard by Nautical. As of June 30, 2024, the Company had paid an aggregate of $102.0 million for the original purchase price, including deposits, and $10.6 million in purchase price adjustments associated with discretionary enhancements, additional outfitting, and post-closing modifications for the ECO Acquisitions #2 vessels. The Company expects to incur an incremental $0.1 million related to additional outfitting, discretionary enhancements and post-closing modifications for certain of these vessels during the remainder of 2024.

MARAD Acquisition

On February 4, 2022, the Company completed the acquisition of three high-spec new generation OSVs from the U.S. Department of Transportation's Maritime Administration, or "MARAD", for an aggregate price of $37.2 million. All three vessels are U.S.-flagged, Jones Act-qualified, 280 class DP-2 OSVs with cargo-carrying capacities of circa 4,500 DWT. Following the physical delivery of the vessels from MARAD, the Company incurred approximately $27.3 million for the reactivation and regulatory drydockings of all three vessels. In September 2022, the Company placed two of these vessels into service for immediate time charters in the U.S. GoM. The third OSV is currently undergoing conversion into a MPSV, as further discussed below under "Commercial Capital Expenditures—C/SOV + Flotel Conversion."

Maintenance Capital Expenditures

Maintenance capital expenditures consist of deferred drydocking charges, which are capitalized to Deferred Charges on the consolidated balance sheet, and maintenance capital improvements, which are capitalized to Property, Plant and Equipment on the consolidated balance sheet.

Our vessels are required by regulation to be recertified after certain periods of time. These recertification costs are incurred while the vessel is in drydock where other routine repairs and maintenance are performed and, at times, major replacements and improvements are performed. We expense routine repairs and maintenance as they are incurred. We elect to defer and amortize recertification costs, or deferred drydocking charges, over the length of time that the recertification is expected to last, which is generally 24 to 36 months on average. Deferred drydocking charges vary year-to-year depending on the number of vessels with expiring certifications in a given year. We completed 18, 16 and 14 recertification drydockings in 2023, 2022 and 2021, respectively, and have completed 12 recertification drydockings through the six months ended June 30, 2024. We expect to complete 12 additional drydockings by December 31, 2024.

Maintenance capital improvements include major replacements of or improvements to vessel systems, structures and equipment to enhance operability or extend the vessel's useful life. The costs of such improvements are typically capitalized and depreciated over the vessel's remaining useful life. Variability in maintenance capital improvements year-to-year is primarily driven by the number of required recertification drydockings in a given year as the Company utilizes the downtime during the planned shipyard event as an opportunity to complete the discretionary vessel improvements.

Commercial Capital Expenditures

Commercial capital expenditures represent vessel-related expenditures incurred to retrofit, convert or modify a vessel's systems, structures or equipment to enhance functional capabilities and improve marketability or to meet certain commercial requirements. Examples of commercial capital expenditures include the addition of cranes, ROVs, helidecks, living quarters, and other specialized vessel equipment. Recovery of the related costs are typically included in and offset, in whole or in part, by higher dayrates charged to customers in a lump sum payment or over time. Commercial capital expenditures for improvements that are intended to be permanent to the vessel are typically capitalized and depreciated over the vessel's remaining useful life. Modifications or improvements of a temporary nature that are completed for a specific commercial contract are deferred as a direct contract cost and amortized over the term of such contract.

C/SOV + Flotel Conversion

In July 2023, the Company announced that it had contracted Eastern to convert one of its U.S.-flagged, Jones Act-qualified, HOSMAX 280 class DP-2 OSVs acquired from MARAD into a MPSV for dual-service as either a C/SOV or flotel to meet the growing demand of the U.S. offshore wind and oilfield markets. The Company has incurred $33.2 million, excluding capitalized interest, through June 30, 2024 and expects to spend an additional $44.5 million for such vessel conversion, including owner-furnished equipment, outfitting, engineering and overhead costs. We currently expect the conversion to be completed by mid-year 2025.

Non-Vessel Capital Expenditures

Non-vessel capital expenditures primarily relate to fixed asset additions or improvements related to our port facility, office locations, information technology, non-vessel property, plant and equipment or other shoreside support initiatives.

Critical Accounting Estimates

Our Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States. In many cases, the accounting treatment of a particular transaction is specifically dictated by GAAP. In other circumstances, we are required to make estimates, judgments and assumptions that we believe are reasonable based upon available information. We base our estimates and judgments on historical experience and various other factors that we believe are reasonable based upon the information available. Actual results may differ from these estimates under different assumptions and conditions. We believe the following significant accounting policies, discussed further in the notes to our consolidated Financial Statements, involve estimates that are inherently more subjective.

Revenue Recognition. The services that are provided by the Company represent a single performance obligation under its contracts that are satisfied at a point in time or over time. Revenues are earned primarily by (1) chartering the Company's vessels, including the operation of such vessels, (2) providing vessel management services to third party vessel owners, and (3) providing shore-based port facility services, including rental of land. Revenues associated with performance obligations satisfied over time are recognized on a daily basis throughout the contract period.

Typically, our application of ASC 606, *Revenue from Contracts with Customers* does not require significant judgment as the vast majority of our contracts provide a specific daily rate as the transaction price for each day of service provided for our customers' benefit. Occasionally, we are required to apply judgment in the determination and allocation of the transaction price over the performance period of our vessel charters in circumstances when the contract contains multiple daily rates or includes a lump-sum payment from the customer for certain activities such as vessel mobilizations, demobilizations or modifications. Should our judgments and estimates regarding the transaction price, representing the amount of consideration to which we expect to be entitled for services transferred to the customer, and the performance period, representing the period over which our performance obligation will be satisfied, change during the term of a contract, it could have a material effect on our results of operations for the applicable periods. The Company has not incurred a material adjustment to revenues as a result of changes in its estimates and assumptions associated with customer contracts during the six months ended June 30, 2024 or during the years ended December 31, 2023, 2022 or 2021. Please see further discussion regarding revenues generated from contracts with customers in Note 4 to our Annual Financial Statements and our Quarterly Financial Statements, respectively.

Allowance for Doubtful Accounts. Our customers are primarily major and independent, domestic and international, oil and gas and oilfield service companies and national oil companies. Our customers are granted credit on a short-term basis and related credit risks are considered minimal. We usually do not require collateral. We provide an estimate for uncollectible accounts based primarily on management's judgment. Management uses the relative age of receivable balances, historical losses, current economic conditions and individual evaluations of each customer to make adjustments to the allowance for doubtful accounts. Our historical losses have not been significant. However, because amounts due from individual customers can be significant, future adjustments to the allowance can be material if one or more individual customer's balances are deemed uncollectible.

Liability-Classified Warrants. Common stock warrants are accounted for as either equity instruments or liabilities depending on the specific terms of the applicable warrant agreement. The Company's outstanding Creditor Warrants are currently classified as liabilities pursuant to ASC 815, *Derivatives and Hedging*. Warrants that are classified as liabilities are recorded at their estimated fair value on a recurring basis at each balance sheet date. To estimate the fair value of the Creditor Warrants, the Company, assisted by third-party valuation advisors,

uses a Black-Scholes model, which utilizes the following input assumptions at the applicable valuation date: (i) the current estimated fair value of the underlying common stock based on a controlling interest equity valuation, (ii) the exercise price, (iii) the contractual expiry term, (iv) an estimated equity volatility based on the historical asset and equity volatilities of comparable publicly traded companies, (v) a term-matched risk-free rate based on the U.S. Treasury separate trading of registered interest and principal securities (STRIPS) yield, and (vi) an expected dividend yield. The Company's third-party valuation advisors estimate the fair value of the underlying common stock using the income approach and the market approach with each equally weighted. The income approach involves the use of various judgmental assumptions including the use of prospective financial information, the weighted average cost of capital and an exit multiple. The fair value of the Creditor Warrants falls within Level 3 of the hierarchy as there is currently no active trading market and certain inputs of the Black-Scholes model are not observable or corroborated by available market data. Based on the lack of trading history of our privately-held equity, the Company currently considers the estimated fair value of its common stock to be the most critical assumption in the determination of the fair value of the Creditor Warrants. As of June 30, 2024 and December 31, 2023, every one-dollar change in the estimated fair value per share of the underlying common stock would have an approximate $1.5 million impact on the estimated fair value of the Creditor Warrants.

Changes in the estimated fair value of our liability-classified warrants are recognized as a non-cash gain or loss on the consolidated statements of operations. All outstanding warrants are reassessed each reporting period to determine whether their classification continues to be appropriate. Please see further discussion of the inputs and assumptions related to the fair value estimates of our liability-classified warrants in Note 11 to our Annual Financial Statements and Note 9 to our Quarterly Financial Statements.

Stock-Based Compensation Expense. Stock-based compensation awards are accounted for in accordance with ASC 718, *Compensation – Stock Compensation,* which requires all share-based payments to the Company's employees and directors to be recognized in the consolidated financial statements based on their fair values on the grant date. The fair value of the underlying common stock is based upon a valuation of the Company's equity developed with the assistance of third-party valuation experts using a combination of income and market approaches as of the appropriate measurement date. The Company recognizes compensation expense on a straight-line basis over the expected vesting period of stock-based awards that are ultimately expected to vest based on their estimated fair value on the grant date. Forfeitures are recognized during the period in which they actually occur. Please see further discussion regarding our stock-based compensation in Note 13 to our Annual Financial Statements and Note 10 to our Quarterly Financial Statements.

Income Taxes. We follow accounting standards for income taxes that require the use of the liability method of computing deferred income taxes. Under this method, deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of our assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The assessment of the realization of deferred tax assets, particularly those related to NOL carryforwards and foreign tax credit, or FTC, carryforwards, is based on the weight of all available evidence, both positive and negative, including future reversals of deferred tax liabilities. Due to a cumulative three-year book loss, ASC 740 precluded us from using projected operating results in determining the realization of deferred tax assets. We are using the existing taxable temporary differences that will reverse and create taxable income in the future to determine the realizability of these NOL and FTC carryforwards. We have valuation allowances of $254.8 million and $246.4 million recorded against our deferred tax assets as of December 31, 2023 and 2022, respectively. Such valuation allowances were established because we determined that it was more likely than not such NOL and FTC carryforwards may not be fully utilized prior to their expiration. In addition, each reporting period, we assess and adjust for any significant changes to our liability for unrecognized income tax benefits. We account for any interest and penalties relating to uncertain tax positions in interest expense and G&A expense, respectively. We have made an accounting policy election to account for global intangible low-taxed income, or GILTI, in the year the tax is incurred. Please see further discussion regarding income taxes in Note 14 to our Annual Financial Statements and Note 11 to our Quarterly Financial Statements.

Legal Contingencies. We are involved in a variety of claims, lawsuits, investigations and proceedings, as described in Note 16 to our Annual Financial Statements. We determine whether an estimated loss from a contingency should be accrued by assessing whether a loss is deemed probable and can be reasonably estimated. We assess our potential liability by analyzing our litigation and regulatory matters using available information. We develop our views on estimated losses in consultation with outside counsel handling our defense in these matters, which involves an analysis of potential results, assuming a combination of litigation and settlement strategies. Should developments in any of these matters cause a change in our determination such that we expect an unfavorable outcome and result in the need to recognize a material accrual, or should any of these matters result in a final adverse judgment or be settled for a significant amount, they could have a material adverse effect on our results of operations in the period or periods in which such change in determination, judgment or settlement occurs.

Recertification Costs. Our vessels are required by regulation to be recertified after certain periods of time. These recertification costs are incurred while the vessel is in drydock where other routine repairs and maintenance are performed and, at times, major replacements and improvements are performed. We expense routine repairs and maintenance as they are incurred. Recertification costs can be accounted for under GAAP in one of two ways: (1) defer and amortize or (2) expense as incurred. We defer and amortize recertification costs over the length of time that the recertification is expected to last, which is generally 24 to 36 months on average. Major replacements and improvements, which extend the vessel's useful life or increase its functional operating capability, are capitalized and depreciated over the vessel's remaining useful life. Inherent in this process are judgments we make regarding whether the specific cost incurred is capitalizable and the period that the incurred cost will benefit. In 2023, 2022 and 2021, we incurred deferred drydocking costs totaling $29.8 million, $19.1 million and $14.1 million, respectively. For the six months ended June 30, 2024, we incurred $26.1 million in deferred drydocking costs. A change in policy from defer and amortize to expense as incurred could materially impact our results of operations in future periods.

Quantitative and Qualitative Disclosures About Market Risk

Market risk refers to the potential losses arising from changes in interest rates, foreign currency fluctuations and exchange rates, equity prices and commodity prices including the correlation among these factors and their volatility. We are primarily exposed to interest rate risk and foreign currency fluctuations and exchange risk.

Interest Rate Risk

Our Second Lien Term Loans currently bear interest at a fixed annual interest rate of 8.25% based on the Company's Total Leverage Ratio pursuant to the Second Lien Credit Agreement, which annual interest rate will become 10.25% if the Company's Total Leverage Ratio becomes greater than or equal to 3:00 to 1:00. Borrowings under the First Lien Revolving Credit Facility will be comprised of Base Rate Loans or SOFR Rate Loans (each as defined in the First Lien Credit Agreement), at the option of the Company, and accrue interest as follows: (A) for Revolving Loans that are Base Rate Loans, a rate ranging from 1.75% to 2.75% (depending on the total net leverage ratio in effect at such time) per annum, plus the greatest of, subject to a 0.00% floor: (a) the Prime Rate (as defined in the First Lien Credit Agreement) in effect on such day, (b) the Federal Funds Rate (as defined in the First Lien Credit Agreement) in effect on such day plus 0.50%, and (c) the Adjusted Term SOFR (as defined in the First Lien Credit Agreement) rate for a one month interest period on such day after giving effect to a floor of 0.00% per annum, plus 1.00% and (B) for Revolving Loans that are SOFR Rate Loans, a rate ranging from 2.75% to 3.75% (depending on the total net leverage ratio in effect at such time) per annum plus the Term SOFR (as defined in the First Lien Credit Agreement) rate, subject to a 0.00% floor, plus a credit spread adjustment of 0.10% per annum. Accordingly, changes in market interest rates may have a material impact on our results of operations and cash flows. See "—Liquidity and Capital Resources—Debt Agreements" above.

Foreign Exchange Risk

Our financial instruments that can be affected by foreign currency exchange rate fluctuations consist primarily of cash and cash equivalents, trade receivables, trade payables and intercompany debt denominated in currencies other than the U.S. dollar or the functional currency of certain of the Company's consolidated subsidiaries. We may in the future enter into spot and forward derivative financial instruments as a hedge against foreign currency denominated assets and liabilities, currency commitments, or to lock in desired interest rates. Spot derivative financial instruments are short-term in nature and settle within two business days. The fair value of spot derivatives approximates the carrying value due to the short-term nature of these instruments, and as a result, no gains or losses are recognized. The accounting for gains or losses on forward contracts is dependent on the nature of the risk being hedged and the effectiveness of the hedge. We had no spot or forward derivative financial instruments as of June 30, 2024 or December 31, 2023.

Other

Due to our international operations, we are exposed to foreign currency exchange rate fluctuations and exchange rate risks on all charter hire contracts denominated in foreign currencies. For some of our international contracts, a portion of the revenue and local expenses may be incurred in local currencies with the result that we are at risk of changes in the exchange rates between the U.S. dollar and foreign currencies. We generally do not hedge against any foreign currency rate fluctuations associated with foreign currency contracts that arise in the normal course of business, which exposes us to the risk of exchange rate losses. To minimize the financial impact of these items we attempt to contract a significant majority of our services in U.S. dollars. In addition, we attempt to minimize the financial impact of these risks by matching the currency of our operating costs with the currency of the revenue streams when considered appropriate. We continually monitor the currency exchange risks associated with all contracts not denominated in U.S. dollars.

BUSINESS

Company Overview

Hornbeck is a leading provider of marine transportation services to customers in the offshore oilfield market and diversified non-oilfield markets, including military support services, renewable energy development and other non-oilfield service offerings. Since our founding more than 27 years ago, we have focused on providing innovative, technologically advanced marine solutions to meet the evolving needs of our customers across our core geographic regions covering the United States and Latin America. Our team brings substantial industry expertise built through decades of experience and has leveraged that knowledge to amass what we believe is one of the largest, highest specification fleets of OSVs and MPSVs in the industry. Approximately 75% of our total fleet consists of high-spec or ultra high-spec vessels, and we believe we have the number one ultra high-spec market position in the U.S., and the third largest fleet of high-spec and ultra high-spec OSVs in the world, measured by DWT capacity. We own a fleet of 75 multi-class OSVs and MPSVs, 58 of which are U.S. Jones Act-qualified vessels. Our Jones Act-qualified high-spec and ultra high-spec OSVs account for approximately 26% of the total industry supply of such vessels. We opportunistically expand our fleet within existing and/or into new, high-growth, cabotage-protected markets from time to time to enhance our fleet offerings to customers. Our mission is to be recognized as the energy industry's marine transportation and service Company of Choice® for our customers, employees and investors through innovative, high-quality, value-added business solutions delivered with enthusiasm, integrity and professionalism with the utmost regard for the safety of individuals and the protection of the environment.

Our fleet of 60 OSVs primarily provides transportation of equipment, materials and supplies to offshore drilling rigs, production platforms, subsea construction projects and other non-oilfield applications. Increasingly, given their versatility, our OSVs are being deployed in a variety of non-oilfield applications including military support services, renewable energy development for offshore wind, humanitarian aid and disaster relief, aerospace and telecommunications. Our OSVs differ from other marine service vessels in that they provide increased cargo-carrying flexibility and capacity that can transport large quantities of deck cargoes as well as various liquid and dry bulk cargoes in below-deck tanks providing flexibility for a variety of jobs. Moreover, our OSVs are outfitted with advanced technologies, including DP capabilities, which allows each vessel to safely interface with another offshore vessel, exploration and production facility or an offshore asset by maintaining an absolute or relative station-keeping position when performing its work at sea.

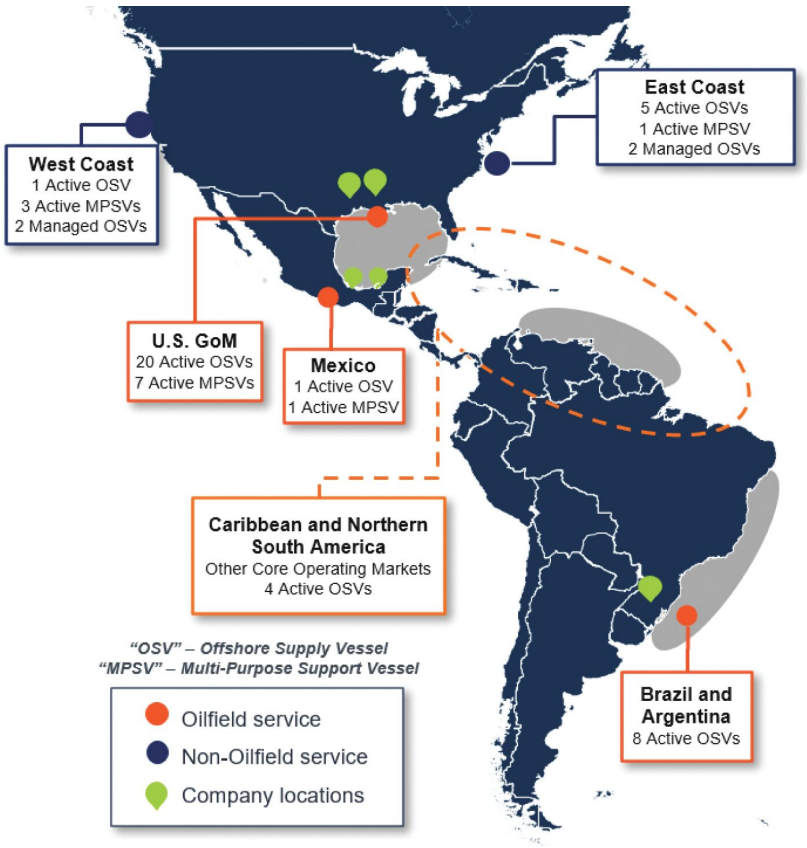
Our fleet of 15 MPSVs provides commissioning and decommissioning support services, asset construction capabilities, recurring inspection, repair and maintenance services and flotel accommodations. Such vessels primarily serve the oil and gas market, with capabilities including the installation of subsea and top-side oilfield infrastructure necessary in the modern deepwater and ultra-deepwater oilfields. Further, these vessels are capable of supporting a variety of other non-oilfield offshore infrastructure projects, including the development of offshore windfarms, by providing the equipment and capabilities to support the installation and maintenance of wind turbines and platforms. Because of our ability to serve a diverse set of end markets, MPSV operations are typically less directly linked with the number of active drilling rigs in operation and therefore can be less cyclical. Our high- and ultra high-spec OSVs can be contracted alongside our MPSVs on major projects, providing operating efficiencies and pull-through revenue. Most of our MPSVs have one or more deepwater or ultra-deepwater cranes fitted on the deck, deploy one or more ROVs to support subsea work, and have an installed helideck to facilitate the on-/off-boarding of specialist service providers and personnel. MPSVs can also be outfitted as flotels to provide accommodations, offices, catering, laundry, medical, and recreational facilities to large numbers of offshore workers for the duration of a project. When configured as flotels, our MPSVs have capacities to house up to 245 workers for major installation, maintenance and overhaul projects. Included in our total MPSV fleet count are the two HOS 400 class MPSVs that are currently under construction and one of our U.S.-flagged, HOSMAX 280 class OSVs that is currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel. Based on overall length and total lifting capacity, the two HOS 400 class MPSVs are expected to be the largest Jones Act-qualified MPSVs in the market and will have additional capabilities due to their size and sophistication. In addition to the services performed by our existing fleet of MPSVs, the two newbuild vessels will be equipped with systems that we expect will make them suitable for complex services, including light well intervention, that require larger or more versatile vessels than the fleet of MPSVs currently available in the U.S. market. Once converted our C/SOV + Flotel MPSV will be capable of providing services to the U.S. offshore wind market both during the commissioning phase of an offshore wind farm and during its operational

life. We expect the converted MPSV to be placed into active service as either a C/SOV or flotel in 2025, while the two newbuild MPSVs are now expected to be placed into active service in 2026 or possibly thereafter.

Our ability to reconfigure or modify vessels in our fleet to meet evolving industry demands and the needs of our customers differentiates our success across maritime markets. This enables us to reconfigure stacked OSVs to service oilfield and non-oilfield service customers. As offshore activities expand in scope and become increasingly more complex, the demand for high specification, fit-for-purpose equipment and service capabilities has accelerated, creating disproportionate competitive advantages for companies able to adapt vessels and service offerings quickly to respond to changing customer needs.

With an average of over 37 years of experience in the marine transportation and service industry and having worked together at Hornbeck for over 20 years, our senior management team has the depth of experience necessary to successfully compete in the offshore vessel business. We have confidence that both our team and our strategy have been organized in a manner that best positions our Company to effectively execute in this dynamic and demanding operating environment.

Hornbeck owns and operates what we believe is one of the highest specification, most technologically advanced fleets of OSVs and MPSVs in the industry. Our fleet of 75 vessels primarily operates across our core geographic markets of the United States and Latin America. We predominantly serve our oilfield customers in the GoM, the Caribbean, Northern South America and Brazil, while our vessels primarily serve our non-oilfield customers from the East and West Coasts of the United States and in the U.S. GoM. We operate our Mexican-flagged vessels across the Caribbean and Northern South America when not operated in Mexico, as well as in other international markets, utilizing a highly-skilled workforce of Mexican mariners and shore-side support team that have been trained in our safety systems and culture. A map illustrating our active vessel locations as of July 31, 2024 is below:



Our Competitive Strengths

Leading presence in the United States and Latin America

Hornbeck was established in 1997 and has one of the most capable and high-spec fleets of vessels in the industry. Based on publicly-available information compiled by the Company and data provided by Spinergie, we believe that our fleet of 41 high-spec and ultra high-spec OSVs, totaling 217,140 in DWT capacity, represents 6.6% of the 3,290,183 total DWT of such vessels in the world, making Hornbeck the third largest fleet out of 163 companies that own and operate high-spec or ultra high-spec OSVs worldwide. Furthermore, we believe that our fleet of 15 U.S.-flagged ultra high-spec OSVs, totaling 91,123 in DWT capacity, represents the largest fleet of such vessels operating in the United States measured by DWT capacity. Additionally, we are one of the top operators of OSVs, based on DWT, in each of our two core geographic markets, which include 2,459,593 DWT and constitute 41.7% of the total supply of 5,847,658 DWT to such markets. Our 46 U.S.-flagged OSVs, totaling 206,767 in DWT capacity, comprise the second largest fleet of technologically advanced, OSVs qualified for work in the U.S. GoM under the Jones Act. As of July 31, 2024, our active fleet of OSVs and MPSVs consisted of (i) 20 U.S.-flagged OSVs and seven MPSVs in the U.S. GoM, (ii) five OSVs and one MPSV throughout the U.S. Atlantic, (iii) one OSV and three MPSVs in the U.S. Pacific, (iv) seven OSVs offshore Brazil, (v) one OSV offshore Argentina, (vi) four OSVs in the Caribbean and Northern South America and (vii) one OSV and one MPSV offshore Mexico. We believe that having scale in our core markets with the flexibility to transfer vessels among regions benefits our customers and provides us with operating efficiencies.

Large and diverse fleet of technologically advanced high-spec and ultra high-spec vessels

Over the past 27 years, we have assembled a multi-class fleet of 60 OSVs and 15 MPSVs. Since 2014, we have focused on expanding our line of high-spec and ultra high-spec vessels, increasing our fleet of such vessels from 41% of our fleet in 2014 to 75% of our fleet in 2024. High-spec and ultra high-spec vessels incorporate sophisticated technologies that are designed specifically to operate safely in complex and challenging environments and are equipped with specialty equipment and other features to respond to the needs of our customers through the project development and operation lifecycle of an offshore oilfield. These technologies include DP, roll reduction systems and controllable pitch thrusters, which allow our vessels to maintain a fixed position with minimal variance. Our cargo-handling systems permit high-volume transfer rates of liquid mud and dry bulk materials. In addition, we are able to outfit our vessels with specialty equipment and certain features as needed for specific projects. The greater fuel efficiency, larger cargo-carrying capacity, advanced mud-handling systems and other technical features of our high-spec and ultra high-spec vessels enhance offshore project efficiency and create a compelling value proposition for our customers. As a result of our fleet mix, in-house engineering capabilities, operations history and market strategies, we believe that we earn higher average dayrates compared to our competitors. According to industry data from Fearnley Offshore Supply, our average dayrates were 87%, 41%, and 16% higher than the global average term rates of comparably sized vessels owned by other operators in 2022, 2023, and the six months ended June 30, 2024, respectively.

Strong market position due to qualification under the Jones Act and favorable sector tailwinds

As a leader in marine transportation services to the offshore oilfield industry, we believe Hornbeck is well-positioned to capitalize on favorable industry conditions for significant growth opportunities, particularly in offshore wind development and support services to the U.S. military on the East and West Coasts of the United States. The United States has strict cabotage laws that provide insulation from most sources of foreign competition for our U.S. fleet for coastwise services. In addition, the U.S. high-spec and ultra high-spec vessel supply is highly restricted with long lead times for new construction. High newbuild costs result in unfavorable return economics for newbuilds, which is exacerbated by limited pools of available capital to make investments into new fleet construction. We believe our reputation for high-quality, safe and reliable operations, complex problem solving, operational flexibility, and world-class vessels allows Hornbeck to compete effectively for and retain qualified mariners, which positions Hornbeck for long-term sustainable growth in a tight labor market. In addition, our robust offering of services, ranging from initial construction to decommissioning, has allowed us to compete effectively and remain a trusted service provider for active offshore companies, as well as the U.S. military.

Successful track record of strategic vessel acquisitions

We have built our fleet through a combination of newbuilds and strategic acquisitions from other operators. Our management team's extensive naval architecture, marine engineering and shipyard experience has enabled us to quickly integrate newly acquired vessels into our fleet and retrofit them to meet our quality standards and customer needs cost-effectively. From time to time, we consider opportunistic acquisitions of single vessels, vessel fleets, and businesses that strategically complement our existing operations to enable us to grow our business and better serve our customers. Since 2017, we have successfully completed the acquisition of 19 OSVs, 18 of which are currently operating as part of our high-spec and ultra high-spec fleet and one of which is currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel.

Diversified service offerings and customer markets provide stability to cash flows

We have well-established relationships with leading oilfield and non-oilfield companies and the U.S. government and believe such relationships are in part maintained because of our diversified service offerings in the oilfield and non-oilfield customer markets. Our diversified service offerings allow us to pivot based on our customers' needs and gives our customers confidence to commit to longer-term contracts for our services, which provides us with cash flow stability. Additionally, these large, integrated customers are financially stable and can better withstand economic or market downturns in a volatile market, and we believe maintaining relationships with these customers will ultimately result in better visibility to vessel utilization and greater liquidity for us in the future.

Experienced management team with proven track record

Our founder-led executive management team has an average of over 37 years of domestic and international marine transportation industry-related experience and has worked together at the Company for over 20 years. Our team is comprised of individuals with extensive, global experience with backgrounds across many diverse fields including engineering, project management, military service, finance, accounting, legal, risk management and corporate leadership. We believe that our team has successfully demonstrated its ability to grow our fleet through new construction and strategic acquisitions and to secure profitable contracts for our vessels in both favorable and unfavorable market conditions in domestic and foreign markets.

Attractive growth opportunities

Our fleet of technologically advanced high-spec and ultra high-spec vessels is increasingly being deployed to serve the accelerating needs of the U.S. Military, renewable energy, and aerospace industries. Many of these high-growth markets require U.S.-flagged Jones Act-qualified vessels, which can be custom tailored to address a broad spectrum of services. For these applications, our vessels are typically contracted for greater than three years, providing a counter-balance to cyclicality experienced in our oilfield end-markets.

Our Strategy

Leverage our geographic presence in the United States and Latin America and grow industry leading service capabilities

We have strategically chosen to focus our efforts in two core geographic markets, the United States and Latin America. While the U.S. GoM will continue to be a priority for us, in recent years we expanded our presence in each of the Mexico GoM, the East and West Coasts of the United States, the Caribbean, Northern South America and Brazil, as we anticipate long-term growth in those markets. Given the relative proximity of these markets, we are able to readily move our vessels among them and retain flexibility to relocate those vessels back to the U.S. GoM or into adjacent locations across our operating regions. We believe this allows us to conduct a more thorough on-going alternative analysis for vessel deployments among such markets and, thus, better manage our portfolio of contracts to enhance dayrates and utilization over time as contracting opportunities arise. Our Jones Act-qualified high-spec and ultra high-spec OSVs account for approximately 26% of the total

industry supply of such vessels. Our vessels have been adapted to operate in a range of oilfield specialty configurations, including flotel services, extended-reach well testing, seismic, deepwater and ultra-deepwater well stimulation, other enhanced oil recovery activities, high pressure pumping, deep-well mooring, ROV support, subsea construction, installation, IRM work and decommissioning services. We are also growing our diverse non-oilfield specialty services, such as military applications, offshore wind farms, oceanographic research, telecommunications, and aerospace projects.

Pursue differentiated customer offerings to optimize utilization and free cash flow generation

We seek to balance and diversify our service offerings to customers, to optimize our vessel utilization and stabilize our free cash flow generation. For example, in addition to our long-term charters in oilfield services and with military and renewable energy customers that contribute to contracted backlog and provide utilization stability, we also seek out short-term charters such as spot oilfield services that typically have higher dayrates. This contracting strategy balances our financial profile between longer-term charters and the flexibility to capture current market dayrates for a portion of our fleet. Our current contracting approach allows us to consistently perform well against our OSV peers when comparing average OSV dayrates and gross margins. The flexibility of our vessel capabilities is designed to optimize our utilization and allows us to pivot in response to market conditions and customer needs, which can lead to more stable free cash flow generation.

Apply existing, and develop new, technologies to meet our customers' vessel needs and expand our fleet offerings

Our in-house engineering team has been instrumental in applying existing, and developing new, technologies that meet our customers' vessel needs and provide us with the opportunity to enter new customer markets. For instance, our OSVs and MPSVs are designed to meet the higher capacity and performance needs of our oilfield clients' increasingly complex drilling and production programs and the diverse needs of our U.S. military, renewable energy and humanitarian aid and disaster relief customers. Further, we are able to reconfigure or retrofit existing assets with existing or new technology to participate in new customer markets such as offshore wind, aerospace and telecommunications. Specifically, we are currently deploying capital to upgrade certain of our vessels to dual service capabilities to better service the oilfield services market as well as the emerging offshore wind market. We remain committed to applying existing and developing new technologies to maintain a technologically advanced fleet that will enable us to continue to provide a high level of customer service and meet the developing needs of our customers.

Focus on selective acquisitions that are strategically and financially accretive

We seek to opportunistically grow our fleet through strategic and financially accretive acquisitions. Our screening criteria focuses on expanding the depth and breadth of our fleet mix as well as diversifying service offerings in our core markets. From time to time, we consider opportunistic acquisitions of single vessels, vessel fleets, and businesses that strategically complement our existing operations to enable us to grow our business and better serve our customers. For example, we recently completed the acquisition of 12 high-spec OSVs, which we refer to as the ECO Acquisitions.

Maintain a conservative balance sheet, disciplined growth, and robust free cash flow generation through cycles

We adhere to financial principles designed to maintain a conservative balance sheet, disciplined growth, and robust free cash flow generation. Our balance sheet strategy targets less than 1.0x leverage with ample excess liquidity available to withstand industry cycles or take advantage of disciplined growth opportunities.

Our growth strategy involves a disciplined screening of opportunities for differentiated assets that create competitive advantages and is focused on returns and payback periods. Our cash flow generation abilities are centered around maintaining flexible costs and lean organizational structures that seek efficiencies through continuous operational improvement and working capital management.

Continued commitment to sustainability and safety

Safety is of great importance to us and offshore operators due to the environmental and regulatory sensitivity associated with offshore drilling and production activity and wind development. We believe certain of our efforts, such as adopting shipboard energy efficiency management plans, installing emission monitoring systems and pursuing other operational efficiencies, have been successful, allowing us to meet our customers' needs while supporting our efforts to reduce our emissions of GHG. Additionally, since 2020, our focus on safely addressing operational risk has contributed to maintaining an industry-low TRIR. Our most recent 5-year average TRIR was 0.10, outperforming peer averages from the IMCA and ISOA. Further, in addition to industry standard certifications, as part of our commitment to safety and quality, we have voluntarily pursued and received certifications and classifications that we believe are not generally held by other companies in our industry. We believe that customers recognize our relentless commitment to safety, which contributes to our positive reputation and competitive advantage.

We recently placed into service a high-tech DP simulator that provides an interactive and immersive training experience for current and future mariners who serve in DPO roles on our vessels. Configured to incorporate the controls and models of the three brands of DP systems that we use on our vessels, as well as to simulate four different specific vessel types and classes within our fleet, this highly customized design affords DPOs the opportunity to train on the same or substantially similar DP systems installed on our vessels. The simulator provides us with a sophisticated training platform from which to train our mariners. Our mariners are engaged in a virtual ship-like environment that can subject them to realistic failure situations in a controlled atmosphere, thus facilitating a dynamic learning process. Our DP simulator is designed to make training more efficient, cost effective and risk free, and ultimately provide an optimum outcome for trainees and the Company. The simulator is located at our headquarters in Covington, Louisiana.

We also provide our chief shipmates and other engine-room personnel training on a land-based version of our onboard oily water separator unit, which enhances crew knowledge of a critical environmental safeguard and, we believe, fosters our culture of environmental stewardship and risk mitigation.

Description of Our Business and Fleet

The Company owns and operates OSVs, MPSVs, and a port facility in Port Fourchon, Louisiana. Its fleet of vessels provides logistics support and specialty services to the offshore oil and gas exploration and production industry, primarily in the GoM, the Caribbean, Northern South America and Brazil, as well as non-oilfield specialty services for the U.S. military and other non-oilfield service customers primarily from the East and West Coasts of the United States and in the U.S. GoM. Measured by DWT capacity, we believe the Company has the number one ultra high-spec market position in the U.S., and the third largest fleet of high-spec and ultra high-spec OSVs in the world. Hornbeck has the second largest fleet of high-spec and ultra high-spec Jones Act-qualified OSVs. Hornbeck is the largest U.S. owner of MPSVs, which fleet is comprised of both Jones Act-qualified vessels for U.S. operations, as well as foreign flag vessels for foreign operations. We believe that our reputation for safety and superior vessels, combined with our size and scale in certain core markets, enhances our ability to compete for work awarded by major oil companies, independent oil companies, national oil companies and the U.S. government, who are among our primary customers. These customers demand a high level of safety and technological advancements to meet the industry's stringent regulatory standards and operating policies.

OSVs and MPSVs operate worldwide but are generally concentrated in relatively few offshore regions with high levels of exploration and development activity, such as the GoM, the North Sea, Southeast Asia, West Africa, Latin America and the Middle East. While there is some vessel migration between regions, key factors such as mobilization costs, vessel suitability and government statutes prohibiting non-indigenous-flagged vessels from operating in certain waters, or cabotage laws such as the Jones Act, can limit the migration of OSVs into certain markets. Because MPSVs are generally utilized for non-cargo transportation operations, they are not typically subject to cabotage laws.

We have been successful in deploying our vessels across the United States and Latin America, where proximity and scale allow us to compete effectively with vessels from other international markets that have significantly higher mobilization costs. In addition, because of our significant presence in the United States and Mexico, we have access to shoreside resources and regional crews that we believe give us market advantages compared to international competitors.

OSVs

OSVs are highly versatile offshore vessels that are utilized in a variety of marine operations. In addition to oilfield operations, for which OSVs were initially developed, their flexibility and utility are now recognized and employed in an array of non-oilfield service applications, which includes military, alternative energy development (including offshore wind), telecommunications, aerospace and humanitarian aid and disaster relief. OSVs differ from other vessels primarily due to their cargo-carrying flexibility and capacity. In addition to transporting large quantities of deck cargo, OSVs also have below-deck tanks and pumping systems that enable them to transport and transfer large volumes of liquid cargoes, such as cement, liquid mud, water and fuel, as well as dry bulk cargoes, including barite, cement and bentonite. OSVs have accommodations for personnel in addition to the marine crew and can therefore be used as an operating platform for a variety of offshore missions requiring specialized personnel, equipment and processing plants. High-spec and ultra high-spec OSVs are capable of interfacing with other offshore vessels and facilities through the use of DP. Driven primarily by safety concerns that prohibit vessels from physically mooring to offshore installations, DP systems have been refined over time, with the highest DP rating currently being DP-3. The number following the DP notation generally indicates the degree of redundancy built into the vessel's systems and the range of usefulness of the vessel in various weather conditions and sea states during offshore operations. Today, most offshore customers prefer a DP-2 notation. The combination of DP technology and cargo transport and transfer capability allows OSVs to interface with other offshore facilities and vessels in a safe and efficient manner.

HOSMAX OSV and MPSV flotel servicing an offshore production facility in the U.S. GoM

MPSVs

MPSVs are primarily distinguished from OSVs in that they are more specialized and often significantly larger vessels that are not typically employed to transport and transfer cargo, but rather to engage in a variety of offshore and subsea construction as well as other highly specialized operations. The typical MPSV configured for subsea services is outfitted with one or more deepwater or ultra-deepwater cranes employing "active heave compensation" technology, one or more ROVs and a helideck. Our MPSVs can also be configured (in accordance with applicable regulations) to support installation, commissioning, maintenance, repairs, improvements, and decommissioning of offshore oilfield facilities and windfarms, humanitarian aid and disaster relief and military missions, by providing accommodations for over one hundred people, in addition to crew and service personnel. MPSVs can also be outfitted as flotels to provide accommodations to large numbers of offshore construction and technical personnel involved in large-scale offshore projects, such as the commissioning of a floating offshore production facility or the construction of offshore wind facilities. When in a flotel mode, the MPSV provides living quarters for third-party personnel, catering, laundry, medical services, recreational facilities and offices and has a helicopter heliport for the embarkation and disembarkation of offshore personnel. In addition, flotels are equipped with articulated gangways between the flotel and other offshore structures that allow personnel to "walk to work." Generally, MPSVs command higher dayrates than OSVs due to their significantly larger relative size and versatility, as well as higher construction and operating costs.

Two HOS MPSVs Deployed in GoM

Our Vessels

As of July 31, 2024, we owned a fleet of 75 vessels, including two partially constructed Jones Act-qualified MPSV newbuilds to be completed pursuant to our settlement with the Surety, as discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Resumption of MPSV Newbuild Construction," and one OSV currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel but excluding four vessels formerly owned by us that are now under an O&M contract with the U.S. Navy. A sustained downturn in oil and gas activities from 2015 to late 2020, combined with a global over-supply of vessels, resulted in widespread stacking of OSVs. During this period, we elected to cold-stack our smaller, older and less technologically capable vessels and to continue operating our high-spec and

ultra high-spec vessels. Since 2020, we have divested 14 of these older and smaller vessels. During that same timeframe, we have acquired a total of 19 high-spec and ultra high-spec vessels. We expect that we will continue to seek charter opportunities to re-purpose our remaining 19 non-high spec vessels, 18 of which are currently stacked. Alternatively, we may also sell some of these vessels opportunistically. The net effect of these efforts to "right-size" our overall fleet complement has been a shift in the percentage of high-spec and ultra high-spec vessels from 41% to 75% since 2014.

OSV Fleet

The following table illustrates our fleet of OSVs and the nations in which they are flagged as of July 31, 2024:

	Vessel Class	U.S.	Mexico	Vanuatu	Brazil	Avg DWT	Total in Class
Ultra High-Spec	HOSFLEX 370	2	—	—	—	7,886	2
	HOSMAX 320	9	1	—	—	6,052	10
	HOSMAX 310	3	—	—	1	5,990	4
	HOSMAX 300	2	4	—	—	5,489	6
High-Spec	HOSMAX 280	12	1	1	—	4,666	14
	HOS 270	—	2	—	—	3,803	2
	HOS 265	3	—	—	—	3,677	3
Other[1]	HOS 250	3	—	—	—	2,713	3
	HOS 240	12	2	—	—	2,712	14
	HOS 200	—	2	—	—	1,729	2
	Total Owned OSVs	**46**	**12**	**1**	**1**	—	**60[2]**
Operated	USN T-AGSE	4	—	—	—	DP-2	4[3]
	Total Operated OSVs	**50**	**12**	**1**	**1**	**—**	**64**

(1) Includes mid-spec vessels and low-spec vessels.
(2) Includes 21 stacked vessels, comprised of two HOS 200s, 13 HOS 240s, three HOS 250s, two HOS 265s, and one HOSFLEX 370.
(3) Includes four OSVs formerly owned by us and that we now operate and maintain for the U.S. Navy.

MPSV Fleet

The following table illustrates our fleet of MPSVs and the nations in which they are flagged as of July 31, 2024:

Vessel Class	U.S.	Mexico	Vanuatu	DP Class	Total in Class
HOS C/SOV+FLOTEL(1)	1	—	—	DP-2	1
HOS FLOTEL	1	—	—	DP-2	1
HOS 430	—	1	1	DP-3	2
HOS 400(2)	2	—	—	DP-2	2
HOS 310/310ES	4	—	—	DP-2	4
HOS 265	—	1	—	DP-2	1
HOS 250	2	—	—	DP-2	2
HOS 240	2	—	—	DP-2	2
Total MPSVs	**12**	**2**	**1**		**15**

(1) Includes one HOSMAX 280 OSV currently being converted into a MPSV for dual-service as either a C/SOV or flotel.

(2) Includes two partially constructed Jones Act-qualified MPSV newbuilds to be completed pursuant to our settlement with the Surety, as discussed further in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Resumption of MPSV Newbuild Construction".

There are a number of third-party services that consistently monitor and assess the value of vessels across the global OSV and MPSV fleets. These firms independently evaluate each vessel based on age, build specification, capabilities and recent comparable vessel sales, among other criteria, to derive a market-based estimate of current vessel value including fair market value, newbuild, or replacement, value, and liquidation value. According to one third-party provider, VesselsValue™, our total fleet of 60 OSVs and 15 MPSVs had a fair market value of approximately $2.7 billion and a newbuild, or replacement, value of approximately $5.7 billion as of July 31, 2024, reinforcing the quality and differentiated capabilities of our vessels in today's market.

Newbuild MPSVs

On October 9, 2023, we entered into a final settlement agreement with the Surety for two MPSVs previously under construction at Gulf Island. Pursuant to the agreement, the Surety agreed to take over and complete the construction of the two U.S.-flagged, Jones Act-qualified, HOS 400 class MPSVs at a shipyard acceptable to us. In December 2023, Eastern was contracted by the Surety to complete the construction of the two MPSVs. Pursuant to the settlement, the Surety is contractually required to deliver both MPSVs in 2025. We are obligated to pay only the remaining portion of the original shipyard contract price for the two MPSVs, which amounted to $53.8 million in the aggregate on the settlement date. The Surety is required to cure all defaults of Gulf Island and pay all completion costs in excess of the $53.8 million remaining original contract price, excluding any approved change orders subsequent to the settlement date. As of June 30, 2024, we had paid $5.3 million to Eastern related to the completion of these two MPSVs.

Pursuant to the settlement, the Surety is contractually required to deliver both MPSVs in 2025. However, in June 2024, we were provided an updated schedule by the Surety and Eastern indicating that they currently expect a six-month shipyard delay for the delivery of the first of the two MPSVs. An updated delivery schedule has not yet been provided for the second vessel. Following physical delivery by the shipyard, we expect each vessel to undergo crane and other system installations, which we expect will make the first vessel available for commercial service in the first half of 2026, and the second vessel thereafter. In addition to the remaining $48.5 million of the original contract price as of June 30, 2024, we expect to incur an incremental $91.2 million in the aggregate for outfitting, overhead and the post-delivery discretionary enhancements, of which $63.6 million solely relates to the purchase and installation of cranes on both vessels. As of June 30, 2024, the Company had incurred $0.8 million of such incremental amounts, excluding capitalized interest. Once placed in service, we expect that our book carrying value

for each vessel will be approximately $80.0 million, which is significantly below the expected market value of Jones Act-qualified vessels of this age, type, size and specifications.

We believe our two newbuild MPSVs will represent the newest, most technologically advanced MPSVs in the industry; in fact, our vessels will represent the only Jones Act-qualified newbuild vessels that have been delivered since 2016. We believe that the differentiated capabilities of these vessels will allow us to satisfy our customers' more demanding projects and enable us to secure vessel dayrates at the higher end of the spectrum, further enhancing our financial margins and profitability. Upon delivery, we anticipate that both vessels will have the ability to assist in subsea construction, light well intervention, and offshore wind installation projects with the ability to also support our military end-market opportunities.

Rendering of 400' MPSV currently under construction

Shore-Based Facility

We own long-term lease rights to a port facility located in Port Fourchon, Louisiana, referred to as "HOS Port." Port Fourchon's proximity to the deepwater and ultra-deepwater U.S. GoM provides a strategic logistical advantage for servicing drilling rigs, production facilities and other offshore installations and work sites. We also are able to stage equipment and cargos in support of such services and can also perform some of our own maintenance, outfitting and other in-the-water shipyard repair activities. Developed as a multi-use facility, Port Fourchon has historically been a land base for offshore oil support services and the Louisiana Offshore Oil Port, or LOOP. According to the Greater Lafourche Port Commission website as of July 31, 2024, Port Fourchon currently services over 95% of the Gulf of Mexico's deepwater and ultra-deepwater energy production.

HOS Port Facility in Port Fourchon Louisiana

The HOS Port facility has approximately 10 and 11 years remaining through renewal options on the current leases for the two adjacent parcels, respectively. The combined acreage of HOS Port is approximately 60 acres with total waterfront bulkhead of nearly 3,000 linear feet. HOS Port not only supports our existing fleet and customers' deepwater and ultra-deepwater logistics requirements, but it underscores our long-term commitment to and our long-term outlook for the deepwater and ultra-deepwater GoM.

Customer Markets and Applications

The OSV and MPSV market has expanded rapidly since the 1970s, driven initially by growing offshore oil and gas production and more recently supported by diversified non-oilfield customer markets including military support services, renewable energy development and other non-oilfield service offerings. In response to changing market conditions and customer demand, we regularly transfer vessels between our core geographic areas and adapt equipment and features of our vessels to best meet potential revenue opportunities. Each customer market has specialized service needs and vessel requirements. For the six months ended June 30, 2024, approximately 49% of our revenues were attributed to oil and gas drilling support activities. The remaining approximately 51% of our revenues were generated away from the drill bit, comprised of approximately 25% coming from oilfield specialty activities, including offshore IRM, construction and equipment installation, as well as decommissioning and plugging and abandonment work; approximately 19% coming from military support services and HADR; and approximately 7% coming from other non-oilfield support services, including offshore wind development, construction and support services. As we continue to diversify our customer markets, we expect the non-oilfield markets to contribute a greater portion of revenues in the future.

Oilfield Services

We predominantly serve our oilfield customers in the GoM, the Caribbean, Northern South America and Brazil. Our vessels provide support to offshore oil and gas exploration and production companies in two key

areas: (i) oilfield drilling support and (ii) oilfield specialty services. Drilling support provides services that are specifically related to offshore drilling and production activities. This includes the transportation of drilling equipment, such as wellheads and drill pipe, as well as drilling fluids and other bulk products used in the development of new exploration wells and their subsequent production activities. Oilfield specialty services support ongoing or recurring oilfield activities, such as equipment installation services, IRM, flowback, well testing, pipeline flushing, decommissioning, and worker accommodations and transportation. In combination, we offer our oilfield customers a comprehensive range of vessel types and service offerings that cover the entire value chain of offshore hydrocarbon development. Additionally, we operate a port facility located in Port Fourchon, Louisiana, where we are able to stage equipment and cargos in support of such services and can also perform some of our own maintenance, outfitting and other in-the-water shipyard repair activities.

The offshore oil and gas industry operates globally. During the last three decades, the industry has undergone significant technological change driven by the ability to explore and produce hydrocarbons in deepwater and ultra-deepwater regions utilizing floating drilling and production units. In addition to the ability to operate in very deep water, technological advances have also made it possible for hydrocarbon resources to be detected, drilled for and produced at extreme well depths, with some reaching depths of 40,000 feet. These extremely deepwater, deep-well regions are highly prolific, with some achieving production rates exceeding 100,000 barrels per day from deposits that could remain productive for decades. Developing and operating wells in these conditions requires highly specialized knowledge and equipment. In addition to contending with extreme deepwater and deep well depths, these projects present challenges involving high temperatures and pressures within reservoirs and the associated difficulties of safely bringing those resources to the surface, processing them and then transporting them to shoreside locations. Most of the known deepwater and ultra-deepwater deposits are located offshore West Africa, the eastern coast of South America—dominated by Brazil and more recently, Guyana—and the GoM. Certain of our primary markets for oilfield services are the cabotage-protected U.S. GoM, Mexico and Brazil. Today, deepwater and ultra-deepwater production accounts for approximately 90% of all offshore production in the U.S. GoM. According to the 2024 EIA Outlook, the GoM production is expected to account for approximately 14% of total forecast U.S. crude oil production in each of 2024 and 2025. While the GoM is one sea, its hydrocarbon resources are geopolitically divided between the United States and Mexico. Deepwater and ultra-deepwater drilling and production has been active for nearly three decades in the U.S. GoM. The Mexican deepwater and ultra-deepwater GoM, however, is in its early days of development, driven mostly by constitutional and regulatory changes in Mexico that only recently opened these regions to development by international companies that have the required technological and financial capability to develop these complex projects. Because some of the geologic formations are shared, Mexican deepwater and ultra-deepwater reservoirs and lease blocks are expected to prove to be as highly productive as neighboring U.S. formations.

The distance of deepwater and ultra-deepwater projects from shore, together with their water and well depths, require large amounts of bulk drilling materials and related supplies. To address the challenges of deepwater and ultra-deepwater projects for our customers, our in-house team of naval architects and marine engineers have designed, constructed and acquired various classes of proprietary vessels that maximize liquid mud and dry bulk capacities and feature larger open deck space. Moreover, larger vessels reduce the transport-related carbon intensity compared to smaller vessels since they can carry on a single voyage significantly greater amounts of materials than smaller vessels with roughly the same fuel efficiency while in transit. Our fleet of ultra high-spec OSVs equips us to more efficiently and more safely service our customers' offshore operations by reducing the number of vessels required to execute an offshore project. With 6,100 DWT, our HOSMAX 310 and 320 vessels are the largest ultra-deepwater OSVs available in the world, with the exception of our two even larger vessels. With 8,000 DWT, our HOS Flex 370 vessels are the two largest OSVs in the world and are well-qualified to also operate as oil and chemical tankers.

Deepwater and ultra-deepwater successes have driven further innovation around the infrastructure required to produce and transport ashore the abundant resources that have been discovered. The challenges of working in deepwater and ultra-deepwater have pushed the development of technologies to place infrastructure directly onto the seafloor, as opposed to a platform that is fixed to the seafloor, which is characteristic of shallow water regions. The process of building out this subsea oilfield requires vessels to transport infrastructure to location, install infrastructure to subsea points and inspect, repair and maintain them throughout the multi-decade life of a field. When hydrocarbons

are brought to the surface, they are gathered from multiple subsea locations through pipelines to a single deepwater or ultra-deepwater floating "top-side" production facility. These "top-side" production facilities take years to design, engineer, transport and install, and often cost billions of dollars, representing a significant source of demand for vessel services during their installation and commissioning. More recently, deepwater and ultra-deepwater producers have capitalized on their existing deepwater and ultra-deepwater infrastructure to gain efficiencies through the use of "tie-backs." A tie-back allows a deepwater or ultra-deepwater well to be produced without having to install a new top-side facility by "tying the well back" to a nearby existing top-side facility accessible to the new well location. Tie-backs require the installation of subsea infrastructure to connect the well to the remote "top-side" facility, which requires the services of vessels like our MPSVs.

Rendering of Subsea Oil Field Infrastructure

Demand for OSVs, as evidenced by dayrates and utilization rates, is primarily driven by offshore oil and natural gas exploration, development and production activity. Such activity is influenced by a number of factors, including the actual and forecasted price of oil and natural gas, the level of drilling permit activity, capital budgets of offshore exploration and production companies, and the repair and maintenance needs of the floating and subsurface deepwater and ultra-deepwater oilfield infrastructure.

The leading demand indicator for our OSVs is the number of active drilling rigs. Each drilling rig working on deep-well projects typically requires multiple OSVs to service it, and the number of OSVs required depends on many factors, including the type of project, the location of the rig and the size and capacity of the OSVs. During normal operating conditions, based on the historical data for the number of working OSVs and floating rigs, GoM projects typically require two to four OSVs per rig and projects in Brazil occasionally require more OSVs per rig due to longer vessel turnaround times to service drill sites resulting from greater distances and logistical challenges in this region. Typically, during the initial drilling stage, more OSVs are required to supply drilling mud, drill pipe and other materials than at later stages of the drilling cycle. In addition, generally more OSVs are required the farther a drilling rig is located from shore. Under normal weather conditions, the transit time to deepwater and ultra-deepwater drilling rigs in the GoM and Brazil can typically range from six to 24 hours for a vessel. In Brazil, transit time for a vessel to some of the newer, more remote deepwater and ultra-deepwater drilling rig locations are more appropriately measured in days, not hours. As of June 30, 2024, there were 62 floating drilling units operating in the United States and Latin America. Since 2013, that figure has ranged from 39 to 108 with an average of 61.7.

Offshore drilling is also a leading indicator for future IRM and field development activity, which is relevant to our MPSV fleet and, occasionally, some of our OSVs. However, the significant level of existing floating and subsurface infrastructure across the United States and Latin America provides ongoing and growing requirements for MPSVs, which are utilized to inspect, repair, maintain, upgrade, expand and ultimately decommission existing fields.

Our MPSVs are principally commissioned by our deepwater and ultra-deepwater oilfield customers for IRM activities, which includes the subsea installation of well heads, risers, jumpers, umbilicals and other equipment placed on the seafloor. MPSVs are also used in connection with the setting of pipelines, the commissioning and de-commissioning of offshore facilities, the maintenance and/or repair of subsea equipment and the intervention of such wells, well testing and flow-back operations and other sophisticated deepwater and ultra-deepwater operations.

Further, nearly all of our oilfield customers have pledged reductions in their GHG and carbon emissions across their global operations. We believe that these efforts enhance the value of their GoM operations and prospects due to its relatively low carbon intensity. According to Wood Mackenzie's Emissions Benchmarking Tool, U.S. Gulf of Mexico Deepwater's weighted average emissions intensity in 2023 was 8.16 tCO2e/kboe compared to a global weighted average of 20.45 tCO2e/kboe.

HOS Warland Setting Subsea Equipment

Non-Oilfield Services

Military Services (U.S. Government and Navy Support)

Since 2006, we have been a prominent, private sector service provider to the U.S. military by delivering vessels that support their readiness and security. Our military service capabilities are an accelerating component of our service portfolio and military support is an end-customer market that is of particular importance given the stability provided by the U.S. government's desire to execute long-term service agreements with qualified private contractors.

The United States has relied on private vessel owners and operators comprising the U.S. Merchant Marine to provide vessels that support U.S. military readiness and security, as well as peacetime and wartime services. U.S. government charters of specialized vessels, including OSVs and MPSVs, has increased as government customers, particularly the United States Navy, have recognized the broad utility of these vessels. We support our government customers in two key service offerings primarily from the East and West Coasts of the United States. We developed, constructed and sold to the United States Navy four U.S. Navy vessels that provide specialized services to the Ballistic Missile Submarine fleet. Because of the mission and expertise required for the operation of these vessels, we operate and maintain these vessels for the United States Navy pursuant to an operations and management O&M contract. In addition, we own, operate and charter to the U.S. government vessels that perform a variety of other missions for the United States Navy. These missions include submarine rescue and recovery capabilities, transportation services and training drills, autonomous vessel support, subsea survey and other services. We were also awarded a contract by the United States Marine Corps to develop a prototype amphibious landing vessel for its use in the near-shore deployment of troops and vehicles in logistically remote areas around the world.

Most contracts for work that we perform for the United States Navy are awarded by the MSC, which is an agency within the U.S. Navy that charters vessels for all U.S. armed forces. MSC publicizes its requirements for marine services, and we typically engage in a competitive process in order to be awarded such work. Occasionally, we are awarded charters on the basis of a sole-source award if the project requires specialized services. Our current O&M contract was awarded on a sole-source basis.

Performing offshore submarine support

HOS Resolution configured into amphibious landing vessel

Renewable Energy

Renewable energy, and particularly the U.S. offshore wind market is in its early stage of development and shows potential as an emerging market for our services domestically. We expect most of the U.S. offshore wind projects to require U.S.-flagged, Jones Act-qualified vessels like ours. Offshore windfarm construction and operation requires many of the core competencies and vessel requirements developed and utilized in offshore oil and gas operations.

For instance, the use of DP technology and the ability to transfer people and equipment from a vessel to an offshore installation will be required over the life of an offshore windfarm. Offshore wind vessel requirements span three general periods. The pre-construction survey phase requires survey vessels to ascertain sea bottom, sea state and wind conditions. The construction and installation phase is the most vessel-intensive. Among the vessels required are:

- installation vessels that install foundations, monopiles and wind turbines;
- cable-lay vessels required to install electrical transmission lines between and among units in the field and an offshore or shore-based electrical grid;

- MPSVs and flotels necessary to provide a variety of offshore construction, monitoring and accommodation support for windfarm personnel; and
- OSVs to move equipment from shore to offshore locations.

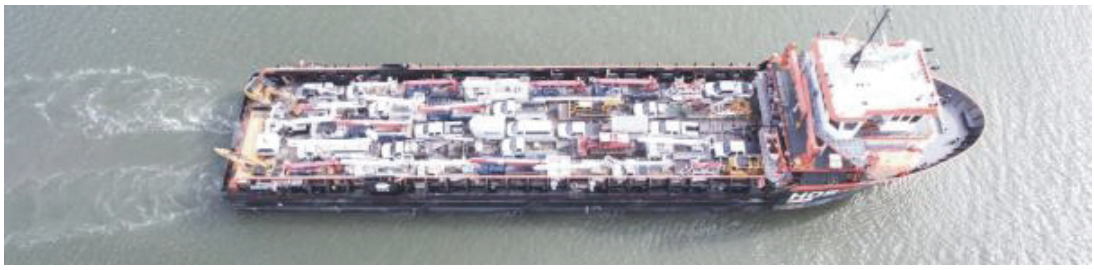
Once an offshore windfarm is installed and operational, it requires ongoing services and maintenance provided by a C/SOV, as well as crew transfer vessels to transfer crew between shoreside locations and among offshore wind sites. While pre-construction and construction period vessels are likely to be required for shorter periods in order to execute specific development tasks, C/SOVs and crew transfer vessels are required for the life-of-farm and are typically contracted for five to ten years.

We currently provide the offshore wind industry with vessels performing subsea survey and site-clearing. We expect that our MPSVs will be utilized in offshore windfarm development, as they possess the necessary lifting, DP-capability and accommodations required for offshore construction support. C/SOVs and crew transfer vessels are required to be Jones Act-qualified to engage in the coastwise trade. We believe that given high U.S. shipyard construction costs, it is more economically feasible to utilize existing high-spec domestic vessels for the offshore wind industry. We are converting one of our U.S.-flagged, Jones Act-qualified, HOSMAX 280 DP-2 OSVs into a dual-use C/SOV + Flotel MPSV, which is expected to be delivered in 2025 and that will be eligible to provide C/SOV services to offshore wind customers. We consider the vessel to be dual-use in that it will be outfitted to also provide accommodation support services in the offshore oilfield market.

HOS Vessel Positioned in New Jersey for Wind Coring

Other Non-Oilfield Services

The versatility of our vessels allows us to support communities in our core geographic areas by providing other non-oilfield services, including humanitarian aid and disaster relief, and service to the aerospace and telecommunications industries. For example, our fleet can support oil spill relief, hurricane recovery, vessel salvage and a broad range of search and rescue operations by deploying vessels to high-need areas in response to natural disasters or crises and providing those affected with lifesaving supplies and equipment. Our humanitarian aid and disaster relief contracts are difficult to predict, given the unexpected and calamitous nature of these projects. Nevertheless, as our reputation, proximity, scale, past experience and fleet relevance for such assistance has grown over the years, we are typically involved in at least one such response annually.



HOS Caledonia responding to Hurricane Maria in Puerto Rico

Additionally, our vessels are equipped to support aerospace launches that call for rocket component landing and recovery capabilities.

Contracting Practices

Non-Government Customers

Our oilfield services customer charters are the product of either direct negotiation or a competitive proposal process, which evaluates vessel capability, availability and price. Our primary method of chartering in the GoM is through direct vessel negotiations with our customers on either a long-term or spot basis. In the international market, we sometimes charter vessels through local entities in order to comply with cabotage or other local requirements. Some charters are solicited by customers through international vessel brokerage firms, which earn a commission that is customarily paid by the vessel owner. Charters to customers in the wind industry and other renewable energy and non-oilfield service customers (other than the U.S. government) are generally consistent with our approach to charters in the oil and gas industry.

We have entered into master agreements with certain non-governmental customers, pursuant to which customers may place individual work orders for specific charters. These master agreements are framework agreements that generally include non-economic terms such as administrative matters and indemnification and insurance provisions. However, these master agreements do not obligate us to provide services to any customers, and do not obligate such customers to hire us for any particular project, absent agreement on specific work orders, and the key economic terms of each charter. Such terms, including the specific vessel, length of charter, operating area, termination provisions and dayrates, are set forth in these individual work orders. The charters with customers with whom we have not entered into a master agreement contain provisions that are generally consistent with the terms contained in the master agreements and individual work orders, but are entered into on an individual basis.

Our charters with these customers, whether on a long-term or spot basis, primarily govern the length of the term and the rate charged by us for a vessel. The charters have terms varying from a few days to three years (or longer in certain circumstances). The charters include a fixed dayrate for the primary term whereby for each day

that the vessel is under contract to the customer, we earn a fixed amount of charter hire for making the vessel available for the customer's use, and the dayrate payable for any extension of the charter. These dayrates area based on market rates at the time of entry into each charter. However, long-term charters sometimes contain "cost pass through" provisions that permit us to increase our dayrates to be compensated for certain increased operational expenses or regulatory changes. Many of these charters require the customer to pay a substantial fee for early termination of the charter. Our charters also contain customary insurance and indemnification provisions. These indemnification provisions generally provide that the Company will indemnify the counterparty for claims for loss or for damage to property, equipment, material and supplies, claims arising from the control, removal, restoration and cleanup of all pollution or contamination, arising from or on account of pollution or contamination which originates from the Company's vessel and other customary coverage.

U.S. Government Customers

The process for entering into charters with the U.S. government entails the applicable agency posting requests for proposals or solicitations for vessel projects and the Company bidding on chosen jobs by completing an offer responsive to such solicitations. Once finalized, the Company and the U.S. government will execute a Solicitation, Offer and Award contract which will incorporate standard forms of contract issued by the U.S. government, such as for example, a "Specialtime" form for the time chartering of vessels, or an O&M contract if the scope of work is to operate and maintain a government vessel. Similar to the work orders for many of our non-government charters, each Solicitation, Offer and Award contract contains the specific commercial terms for a vessel charter, including the fixed term (typically one to five years for government charters), dayrate and place of delivery. If the applicable agency awards the Company the charter, the vessel order is governed by the applicable form of contract related to the services provided, the FARs or the D-FARs. Certain clauses of the FARs and D-FARs are incorporated by reference into the Solicitation, Offer and Award contract or O&M Contract, as applicable, and these clauses contain requirements for managing a contract after the award, including conditions under which contracts may be terminated and customary indemnification. While the specific chartering process with the U.S. government is different from the chartering process for our other customers, the description of the general terms of our charters in the last paragraph of "—Non-Government Customers" above generally applies to our U.S. government charters as well.

Competition

The offshore support vessel industry is highly competitive. Competition primarily involves such factors as:

- quality, capability and age of vessels;
- quality, capability and nationality of the crew members;
- ability to meet the customer's schedule and specific logistical requirements;
- safety record, reputation and experience;
- price; and
- cabotage laws.

The U.S. GoM, Mexico GoM and Brazil each have cabotage laws that provide us varying levels of insulation from foreign sources of competition that may be unwilling to invest capital or otherwise satisfy local ownership, crewing, tax and/or build requirements. As such, cabotage-protected markets create meaningful barriers to entry for foreign-flagged vessels. Since the fourth quarter of 2023, maritime regulators in Mexico have implemented new approaches in their oversight of Navieras that historically have had permissible levels of non-Mexican ownership, such as ours. As a result, we took legal action in Mexico to preserve our cabotage privileges there, and a Mexican court has ordered that our cabotage privileges be reinstated. We have appealed this decision to further clarify the court's decision, and our cabotage privileges remain active during the pendency of the appeal. We expect the appellate process to last between one and three years. Despite these favorable court rulings, and the pendency of

appeals, Mexican maritime regulators have limited our ability to object to the employment of non-Mexican flag vessels that compete with our own Mexican-flagged vessels, which is one of the privileges of a Mexican Naviera. Since the fourth quarter of 2023, we have moved all but two of our Mexican-flagged vessels into various non-Mexican international markets to continue utilizing our highly-skilled Mexican mariners and shore-based employees as part of our international services, which we believe will result in a temporary reduction of revenue for some of those vessels.

Our high-spec OSVs are predominantly U.S.-flagged vessels, which qualify them under the Jones Act to engage in the U.S. domestic coastwise trade. The Jones Act restricts the ability of vessels that are foreign-built, foreign-owned, foreign-crewed or foreign-flagged from engaging in coastwise trade in the United States. The transportation services typically provided by OSVs constitute coastwise trade as defined by the Jones Act. See "Risk Factors" for a more detailed discussion of the Jones Act. Consequently, competition for our services in the U.S. GoM is largely restricted to other U.S. vessel owners and operators, both publicly and privately held. Internationally, our OSVs compete against other U.S. owners, as well as foreign owners and operators of OSVs. Some of our international competitors may benefit from a lower cost basis in their vessels, which are usually not constructed in U.S. shipyards, as well as from lower crewing costs and favorable tax regimes. While foreign vessel owners cannot engage in U.S. coastwise trade, some cabotage laws in other parts of the world permit temporary waivers for foreign vessels if domestic vessels are unavailable. We and other U.S. and foreign vessel owners have been able to obtain such waivers in the foreign jurisdictions in which we operate.

Many of the services provided by MPSVs do not involve the transportation of passengers or merchandise and therefore are generally not considered coastwise trade under U.S. and foreign cabotage laws. Consequently, MPSVs face competition from both foreign-flagged vessels and U.S.-flagged vessels for non-coastwise trade activities.

Competition in the MPSV industry is significantly affected by the particular capabilities of a vessel to meet the requirements of a customer's project, as well as price. While operating in the U.S. GoM, our MPSVs are required to utilize U.S. crews while foreign-owned vessels have historically been allowed to employ non-U.S. mariners, often from nations with lower, or no, minimum wage standards. U.S. crews are often more expensive than foreign crews. Also, foreign MPSV owners may have more favorable tax regimes than ours. Consequently, prices for foreign-owned MPSVs in the GoM are often lower than prices we can charge. Finally, some potential MPSV customers are also owners of MPSVs that will compete with our vessels.

In Mexico, the cabotage laws limit the citizenship of owners and operators of Mexico-flagged vessels and limit Mexican shipping activities to companies that comply with those ownership restrictions. Foreign vessels can be flagged into the Mexican registry. Mexico-flagged vessels must be Mexican crewed. In Brazil, only vessels constructed in Brazil may be Brazil-flagged. A limited exception to be Brazilian-built requirement is for a vessel that is foreign built and whose maiden voyage is to Brazil and which pays Brazilian importation duties. Brazil-flagged vessels must also employ Brazilian crew, but the citizenship of the owners of a Brazilian shipping company is not regulated.

We continue to observe intense scrutiny by our customers on the safety and environmental management systems of vessel operators. As a consequence, we believe that deepwater and ultra-deepwater customers are increasingly biased towards companies that have demonstrated a financial and operational commitment and capacity to employ such systems. We believe this trend will, over time, make it difficult for small enterprises to compete effectively in the deepwater and ultra-deepwater OSV and MPSV markets.

Although some of our principal competitors are larger or have more extensive international operations than we do, we believe that our operating capabilities and reputation for quality and safety enable us to compete effectively in the market areas in which we operate or intend to operate. Moreover, we believe that the relatively young age and advanced features of our OSV and MPSV fleet provide us with additional competitive advantages. As of July 31, 2024, our total fleet of 60 OSVs and 15 MPSVs included two partially constructed Jones Act-qualified MPSV newbuilds to be completed pursuant to our settlement with Surety, as discussed further in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent

Developments—Resumption of MPSV Newbuild Construction," and one OSV currently undergoing conversion into a MPSV for dual-service as either a C/SOV or flotel. At that date we operated an active OSV fleet of 39 vessels of which approximately 97% were categorized as high- or ultra high-spec. These high- and ultra high-spec vessels range in age from eight to twenty-two years with a weighted-average fleet age, based on DWT, of 12.6 years. In fact, approximately 79% of these vessels have been constructed since January 1, 2008, and 100% have DP-2 or DP-3 capabilities. Similarly, our active MPSV fleet is comprised of 12 vessels that range in age from eight to twenty-three years with 100% of those vessels possessing DP-2 or DP-3 capabilities.

Customer Dependency

Our oilfield customers are generally large, independent, integrated or nationally-owned oil or oilfield service companies. These firms are relatively few in number. The percentage of revenues attributable to a customer in any particular year depends on the level of oil and natural gas exploration, development and production activities undertaken by such customer, the availability and suitability of our vessels for the customer's projects or products and other factors, many of which are beyond our control. Our primary government customer is the MSC, a department that is responsible for the contracting of marine vessels and services for all branches of the United States Armed Forces. For the six months ended June 30, 2024, a wholly owned subsidiary of Occidental Petroleum Company, MSC, and collectively, subsidiaries of Shell plc each accounted for 10% or more of our consolidated revenues. Our charters with Occidental Petroleum Company are pursuant to a master agreement, a pricing agreement and specific work orders, consistent with our chartering process with other customers as described in "—Contracting Practices—Non-Government Customers." Our charters with MSC are subject to individual Solicitation, Offer and Award contracts or O&M contracts and the applicable FARs and D-FARs, consistent with our chartering process with other U.S. government customers as described in "—Contracting Practices—U.S. Government Customers."

The specific customers accounting for over 10% of our consolidated revenues for any period typically vary from period to period over time, and the multiple separate charters with each of these customers are typically entered into on one-time or "spot" bases with no material ongoing obligations thereunder once completed. For further discussion of significant customers, see Note 18 to our Annual Financial Statements.

Government Regulation

Environmental Laws and Regulations

Our operations are subject to a variety of federal, state, local and international laws and regulations regarding the discharge of materials into the environment, environmental protection and occupational safety and health, and our business is highly dependent on the offshore oil and gas industry, which is also subject to such laws and regulations. The requirements of these laws and regulations have become more complex and stringent in recent years and may, in certain circumstances, impose strict, joint and several liability, rendering a company liable for environmental damages and remediation costs without regard to negligence or fault on the part of such party. Aside from possible liability for damages and costs, including natural resource damages, associated with releases of oil or hazardous materials into the environment, such laws and regulations may expose us to liability for the conditions caused by others or even acts of ours that were in compliance with all applicable laws and regulations at the time such acts were performed. Failure to comply with applicable environmental laws and regulations may result in the imposition of administrative, civil and criminal penalties, revocation of permits, issuance of corrective action orders and suspension or termination of our operations. Moreover, it is possible that future changes in the environmental laws, regulations or enforcement policies that impose additional or more restrictive requirements or claims for damages to persons, property, natural resources or the environment could result in substantial costs and liabilities to us and could have a material adverse effect on our financial condition, results of operations or cash flows. For example, concerns with climate change and the impact of GHG emissions have given rise to proposed legislation and regulations that could impact our operations. We believe that we are in substantial compliance with currently applicable environmental laws and regulations.

The Oil Pollution Act of 1990 ("OPA 90") and regulations promulgated pursuant thereto amend and augment the oil spill provisions of the Clean Water Act and impose strict, joint and several liability and natural resource damages liability on "responsible parties" related to the prevention and/or reporting of oil spills and damages resulting from such spills in or threatening U.S. waters, including the Outer Continental Shelf or adjoining shorelines. A "responsible party" under OPA 90 is the party found to be accountable for the discharge or substantial threat of discharge of oil from a vessel or facility, which includes the owner or operator of an onshore facility, pipeline or vessel or the lessee or permittee of the area in which an offshore facility is located. OPA 90 assigns strict, joint and several liability to each responsible party for containment and oil removal costs, as well as a variety of public and private damages including the costs of responding to a release of oil, natural resource damages, damages for injury to, or economic losses resulting from, destruction of real or personal property of persons who own or lease such affected property. For any vessels, other than "tank vessels," that are subject to OPA 90, the liability limits are currently the greater of $1,300 per gross ton or $1,076,000. A party cannot take advantage of liability limits if the spill was caused by gross negligence or willful misconduct or resulted from violation of a federal safety, construction or operating regulations. In addition, for an Outer Continental Shelf facility or a vessel carrying crude oil from a well situated on the Outer Continental Shelf, the limits apply only to liability for damages (e.g., natural resources, real or personal property, subsistence use, reserves, profits and earnings capacity, and public services damages). The owner or operator of such facility or vessel is liable for all removal costs resulting from a discharge or substantial threat of discharge without limits. If the party fails to report a spill or to cooperate fully in the cleanup, the liability limits likewise do not apply and certain defenses may not be available. Moreover, OPA 90 imposes on responsible parties the need for proof of financial responsibility to cover at least some costs in a potential spill. As required, we have provided satisfactory evidence of financial responsibility to the USCG for all of our vessels when required by law. OPA 90 does not preempt state law, and states may impose liability on responsible parties and requirements for removal beyond what is provided in OPA 90.

OPA 90 also imposes ongoing requirements on a responsible party, including preparedness and prevention of oil spills and preparation of an oil spill response plan. We have engaged the Marine Spill Response Corporation to serve as our Oil Spill Removal Organization for purposes of providing oil spill removal resources and services for our operations in U.S. waters as required by the USCG. In addition, our Tank Vessel Response Plan and Non-Tank Vessel Response Plan have been approved by the USCG.

The Clean Water Act imposes restrictions and strict controls on the discharge of pollutants into federal waters and provides for civil, criminal and administrative penalties for any unauthorized discharge of oil or other hazardous substances in reportable quantities. The Clean Water Act also imposes liability for the costs of removal and remediation of an unauthorized discharge, including the costs of restoring damaged natural resources. Many states have laws that are analogous to the Clean Water Act and also require remediation of accidental releases of petroleum or other pollutants in reportable quantities. Our OSVs routinely transport diesel fuel to offshore rigs and platforms and also carry diesel fuel for their own use. Our OSVs also transport bulk chemical materials and liquid mud used in drilling activities, which contain oil and hazardous substances. We maintain vessel response plans as required by the Clean Water Act to address potential oil, fuel and hazardous substance spills.

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, also known as "CERCLA" or the "Superfund" law, and similar laws impose liability on certain classes of persons, without regard to fault or the legality of the original conduct, who are considered to be responsible for releases of hazardous substances, pollutants and contaminants into the environment. CERCLA currently exempts crude oil from the definition of hazardous substances for purposes of the statute, but our operations may involve the use or handling of other materials that may be classified as hazardous substances, pollutants and contaminants. CERCLA assigns strict, joint and several liability to each responsible party for response costs, as well as natural resource damages. Under CERCLA, responsible parties include not only owners and operators of vessels but also any person who arranged for the disposal or treatment, or arranged with a transporter for transport for disposal or treatment, of hazardous substances, and any person who accepted hazardous substances for transport to and selected the disposal or treatment facilities. Thus, we could be held liable for releases of hazardous substances that resulted from operations

by third parties not under our control or for releases associated with practices performed by us or others that were standard in the industry at the time and in compliance with existing laws and regulations.

The Resource Conservation and Recovery Act regulates the management, generation, transportation, storage, treatment and disposal of onshore hazardous and non-hazardous wastes and requires states to develop programs to ensure the safe treatment, storage and disposal of wastes. States having jurisdiction over our operations also have their own laws governing the generation and management of solid and hazardous waste. We generate non-hazardous wastes and small quantities of hazardous wastes in connection with routine operations. We believe that all of the wastes that we generate are handled in material compliance with the Resource Conservation and Recovery Act and analogous laws.

On December 4, 2018, the Vessel Incidental Discharge Act was enacted, which requires the EPA to develop, through rulemaking, new national standards of performance for commercial vessel incidental discharges. In October 2020, the EPA proposed national standards of performance, and in October 2023, the EPA supplemented the proposed rulemaking, providing additional USCG data and supplemental regulatory options being considered by the EPA for discharge from ballast tanks, hulls and niche areas, and graywater systems, informed by public comments to the initial proposed rule. The final rule is expected to be published in the Federal Register in Fall of 2024, which will be followed by a USCG rulemaking process to issue enforcement regulations, with a deadline set by the Vessel Incidental Discharge Act of two years after the EPA's final rule. In the interim, the existing vessel discharge requirements established through the 2013 Vessel General Permit under the National Pollutant Discharge Elimination System still apply. In addition, the International Maritime Organization's, or IMO, International Convention for the Control and Management of Ships' Ballast Water and Sediments otherwise known as the Ballast Water Management Convention, or BWMC, became effective on September 8, 2017. The BWMC has similar standards to that of the USCG and EPA ballast water regulations. These regulations require all of our existing vessels to meet certain standards pertaining to ballast water discharges. An exemption to certain compliance requirements in the U.S. is provided for vessels that operate within an isolated geographic region, as determined by the USCG and the EPA, respectively. Most of our vessels operating in the U.S. GoM are exempt from the ballast water treatment requirements. However, for non-exempt vessels, ballast water treatment equipment may be required to be utilized on the vessel. We have currently estimated the cost of compliance with either the EPA's vessel discharge requirements or the BWMC to be approximately $250,000 per vessel that is required to be fitted with a treatment system.

The DOI issues regulations governing oil and gas operations on federal lands and waters and imposes obligations for establishing financial assurance for decommissioning activities. In 2023, the DOI finalized a new five-year offshore leasing plan for the U.S. GoM that substantially limits offshore lease sales. Legal challenges to the leasing plan could delay or suspend offshore lease auctions, adversely affecting our customers' businesses and reducing demand for our services.

The CAA regulates the emission of air pollutants resulting from industrial activities. Between 2008 and 2015, the EPA phased-in Tier 4 emission standards for the exhaust of marine diesel engines applicable to engine manufacturers and vessel owners, including our fleet, which are equivalent to the regulations adopted in IMO amendments to the 1973 International Convention for the Prevention of Pollution of Ships, as modified by the Protocol of 1978 (or MARPOL 73/78), as discussed further below. The standards were adopted to reduce emission of particulate matter and nitrogen oxides and require vessel owners to conduct engine maintenance, periodic surveys and certification requirements for marine diesel engines. In August 2020, the EPA amended the Tier 4 emission standards to allow additional lead time for engines used in certain high-speed vessels due to manufacturing concerns and streamlined engine certification requirements to facilitate or accelerate certification of Tier 4 marine engines with high power densities. Significant costs may be incurred in the event a marine diesel engine requires replacement, and replacement engines may be required to comply with a higher emissions standard than the engine being replaced. In addition, the 2008 California Air Resources Board's Commercial Harbor Craft Regulation requires the phase-out of older engines with engines meeting higher emissions standards by certain compliance timelines in regulated California waters, and in 2022, was amended to expand applicability to additional vessel types and require cleaner upgrades or newer

technology. To the extent that such current or future federal or state regulations may apply to our operations or vessels, we could be responsible for the costs associated with compliance.

IMO amendments to the International Convention for the Prevention of Pollution from Ships, 1973, or MARPOL, reduced the permitted sulfur content of any fuel oil used on board ships from 3.5% to 0.5% globally, effective January 1, 2020. While operating within designated Emission Control Areas, such as within 200 nautical miles of North America, the sulfur content limit is 0.1%. The IMO's Anti-Fouling System Convention prohibits the use of certain coatings used to prevent the growth of marine organisms. Amendments to this Convention were adopted in June 2021 and became effective on January 1, 2023, to prohibit anti-fouling systems containing cybutryne. Our vessels are coated with approved anti-fouling paint systems and maintained in accordance with the Convention.

Present and future legislation, regulation and treaties centered on the protection of marine mammals and other ocean life may also impact our operations. For example, in the United States, regulations implemented pursuant to the Marine Mammals Protection Act, the Endangered Species Act and the National Marine Sanctuaries Act impose vessel speed restrictions, minimum marine mammal approach distances and strike reporting, and prohibit vessel entry in certain protected areas, with the same or similar regulations on the international level. Additionally, in March 2023, the United Nations Convention on the Law of the Sea proposed a draft agreement on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction, aiming to promote the conservation and sustainable use of marine biological diversity on the high seas, which was formally adopted in June 2023, and is awaiting ratification. When formally ratified, the agreement will create a legal framework for the establishment of marine protected areas and will require environmental impact assessments for activities with the potential to impact the marine environment on the high seas. We have implemented a Marine Mammal Watch and Avoidance procedure in accordance with guidelines provided by the National Oceanic and Atmospheric Administration ("NOAA") and comply with vessel speed restrictions and other requirements implemented by NOAA.

Climate Change

GHG emissions have increasingly become the subject of international, national, regional, state and local attention. Although no comprehensive federal climate change legislation regulating the emission of GHGs or directly imposing a price on carbon has been implemented to date in the United States, efforts have been made and continue to be made in the international community toward the adoption of international treaties or protocols that would address global climate change issues. For example, over the past decade, the IMO adopted international mandatory measures to improve ships' energy efficiency, as well as an initial strategy on the reduction of GHG emissions from shipping and regulatory measures to implement that strategy. The IMO's Marine Environment Protection Committee adopted a revised and strengthened set of climate goals during its 80th session in July 2023, which sets a target to reach net-zero GHG emissions from shipping by or around 2050. The Biden Administration has also indicated willingness to pursue new climate change legislation, executive actions or other regulatory initiatives to limit GHG emissions, including by rejoining the Paris Agreement treaty on climate change in 2021, issuing several executive orders to address climate change, submitting a U.S. Nationally Determined Contribution that sets a target to cut GHG emissions to 50-52 percent of 2005 levels by 2030, announcing the U.S. Methane Emissions Reduction Action Plan, and participation in the Global Methane Pledge, a pact that aims to reduce global methane emissions at least 30% below 2020 levels by 2030. Most recently, at the 28th Conference of the Parties ("COP28"), President Biden announced the EPA's final standards to reduce methane emissions from existing oil and gas sources. Additionally, at COP28, member countries agreed to the first "global stocktake," which calls on countries to contribute to global efforts to mitigate climate change, including a tripling of renewable energy capacity and doubling energy efficiency improvements by 2030; phasing out inefficient fossil fuel subsidies; and transitioning away from fossil fuels in energy systems. In addition, the IRA 2022 imposes the first-ever federal fee on excess methane emissions from facilities required to report their GHG emissions to the EPA, and also appropriates significant federal funding for renewable and alternative energy sources, which could increase costs and accelerate the transition to alternative fuels. In November 2022, the Federal Acquisition Regulatory Council also proposed a rule that would require companies with at least $7.5 million in annual federal contract obligations to disclose their Scope 1 and 2 GHG emissions and companies that receive at least $50 million in annual federal contracts to additionally disclose their relevant

Scope 3 GHG emissions, make annual disclosures aligned with the recommendations of the Task Force on Climate-related Financial Disclosures, and set science-based emissions reduction targets. Under the Biden Administration, the White House Council on Environmental Quality ("CEQ") issued a final rule in April 2022 which included ensuring that agency analysis required under the National Environmental Policy Act ("NEPA") captures the direct, indirect, and cumulative effects of major federal actions. Additionally, in January 2023, the CEQ released guidance to assist federal agencies in assessing the GHG emissions and climate change effects of their proposed actions under NEPA. These or other increases in federal agency attention to GHG emissions and climate change effects may impact our customers' ability or time to receive, or increase restrictions on, offshore leases or permits. Separately, many U.S. state and local leaders as well as foreign national or multinational governments have intensified or stated their intent to intensify efforts to support international climate commitments and treaties, in addition to developing programs that are aimed at reducing GHG emissions such as by means of cap and trade programs, carbon taxes, encouraging the use of renewable energy or alternative low-carbon fuels, or imposing new climate-related reporting requirements. For example, cap and trade initiatives to limit GHG emissions have been introduced in the European Union and certain U.S. states. To the extent that these regulations may apply, we could be responsible for costs associated with complying with such regulations. Future treaty obligations, statutory or regulatory changes or new climate change legislation in the jurisdictions in which we operate could affect our costs associated with compliance. In addition, we may see indirect impacts from climate-related legislation and regulations applicable to our customers, even when not directly applicable to us. We may face costs associated with adapting to customer requirements (e.g., for emissions information, renewable fuels and technologies, engine or other equipment upgrades, or other emissions reduction measures) as our customers respond to their own climate-related compliance obligations.

Additionally, in March 2024, the SEC adopted the SEC Climate Rules. The SEC Climate Rules are currently stayed pending completion of judicial review and are widely expected to face additional legal challenges going forward. We cannot currently predict with certainty the timing and costs of implementation or any potential adverse impacts resulting from the SEC Climate Rules. However, assuming they take effect, we could incur additional operational and compliance burdens and increased costs relating to the assessment and disclosure of climate-related matters, including costs relating to establishment of additional internal controls and collecting, measuring and analyzing information related to such matters. Further, we cannot predict how any information disclosed pursuant to the rules may be used by financial institutions or investors. We may face increased litigation and enforcement risks, or limits or restrictions on our access to capital, related to disclosures made pursuant to the SEC Climate Rules.

More broadly, restrictions on GHG emissions or other climate-related international, federal, state or local legislative or regulatory enactments could have an effect in those industries that use significant amounts of petroleum products, which could potentially result in a reduction in demand for petroleum products and, consequently and indirectly, our offshore transportation and support services. While the Supreme Court's decision in *Loper Bright Enterprises v. Raimondo* to overrule *Chevron U.S.A. Inc. v. Natural Resources Defense Council, Inc.* and end the concept of general deference to regulatory agency interpretations of laws introduces new complexity for federal agencies and administration of climate change policy and regulatory programs, many of these initiatives are expected to continue. Although we are currently unable to accurately predict the manner or extent of the effects of any such initiatives, legislation and regulatory programs enacted to address climate change or reduce emissions of GHGs could have an adverse effect on our business, financial condition and results of operations.

Furthermore, one of the asserted long-term physical effects of climate change may be an increase in the severity and frequency of adverse weather conditions, such as hurricanes, which may increase our insurance costs or risk retention, limit insurance availability or reduce the areas in which, or the number of days during which, our customers would contract for our vessels in general and in the U.S. GoM in particular. Such conditions could also cause damage to our assets. Any of these impacts, individually or in the aggregate, could materially and adversely affect our business, financial conditions and results of operations. We are currently unable to predict the manner or extent of any such effect. Our ability to mitigate the adverse physical impacts of climate change depends in part upon our disaster preparedness and response and business continuity planning. See further discussion in "Risk Factors—Our business may be subject to risks related to climate change, including physical risks such as increased adverse weather patterns and transition risks such as evolving climate change regulation, fuel conservation measures, shifting consumer preferences, technological advances and negative shifts in market perception towards

the oil and natural gas industry and associated businesses, any of which could result in increased operating expenses and capital costs or decreased resources and adversely affect our financial results."

Employees

On July 31, 2024, we had 1,766 employees, including 1,461 vessel personnel and 305 corporate, administrative and management personnel. Excluded from these personnel totals are 53 third-country nationals that we contracted to serve on our vessels as of July 31, 2024. These non-U.S. mariners are typically provided by international crewing agencies. With the exception of 511 employees located in Mexico and Brazil as of July 31, 2024, none of our employees are represented by a union or employed pursuant to a collective bargaining agreement or similar arrangement. We have not experienced any strikes or work stoppages, and our management believes that we continue to experience good relations with our employees.

Geographic Areas

The table below presents revenues by geographic region[1] for the six months ended June 30, 2024 and 2023 and the years ended December 31, 2023 and 2022 (in thousands):

	Six Months Ended June 30,				Year Ended December 31,			
	2024	% of Total	2023	% of Total	2023	% of Total	2022	% of Total
United States	$227,170	74.1%	$214,895	77.2%	$432,621	75.4%	$362,830	80.4%
International[2][3]	79,606	25.9%	63,494	22.8%	140,828	24.6%	88,396	19.6%
	$306,776	100.0%	$278,389	100.0%	$573,449	100.0%	$451,226	100.0%

(1) The Company attributes revenues to individual geographic regions based on the location where services are performed.
(2) International revenues of $12.8 million and $44.6 million were attributed to services performed in Mexico for the six months ended June 30, 2024 and 2023, respectively. International revenues of $44.5 million and $17.7 million were attributed to services performed in Brazil for the six months ended June 30, 2024 and 2023, respectively. Revenues attributed to other countries were not individually material for the periods presented.
(3) International revenues of $62.1 million and $41.3 million were attributed to services performed in Mexico for the years ended December 31, 2023 and 2022, respectively. Revenues attributed to other countries were not individually material for the periods presented.

The table below presents net book value of property, plant and equipment by geographic region[1] as of June 30, 2024 and December 31, 2023 and 2022 (in thousands):

	As of June 30, 2024	% of Total	As of December 31, 2023	% of Total	As of December 31, 2022	% of Total
United States	$ 548,080	87.7%	$ 522,347	86.7%	$ 365,769	81.4%
International[2][3]	77,190	12.3%	80,075	13.3%	83,480	18.6%
	$ 625,270	100.0%	$ 602,422	100.0%	$ 449,249	100.0%

(1) Book values are attributed to geographic regions based on the country of domicile of the specific asset-owning subsidiary of the Company, not the physical operating location of the asset as of any of the dates presented.
(2) International property, plant and equipment of $68.8 million was owned by certain Mexican subsidiaries of the Company as of June 30, 2024. Property, plant and equipment attributed to other countries were not individually material as of any of the dates presented. No other individual foreign location accounted for a material portion of property, plant and equipment as of any of the dates presented.
(3) International property, plant and equipment of $70.6 million and $74.5 million were owned by certain Mexican subsidiaries of the Company as of December 31, 2023 and 2022, respectively. Property, plant and equipment attributed to other countries were not individually material as of any of the dates presented.

Foreign Operations

Operating in foreign markets presents many political, social and economic challenges. Although we take measures to mitigate these risks, they cannot be completely eliminated. See “Risk Factors” for a further discussion of the risks of operating in foreign markets.

Reportable Segments

The Company has one reportable segment, which encompasses all aspects of its marine transportation services business. As the chief operating decision maker, our Chief Executive Officer evaluates the Company’s operating results on a consolidated basis to assess performance and allocate resources. While the Company’s vessels operate in various geographic regions and customer markets, they are centrally managed, share multiple forms of common costs, provide similar or complementary marine transportation services, are manned by crews that may move, from location to location or market to market as needed, and are marketed on a portfolio basis with the goal of maximizing Adjusted EBITDA and Adjusted Free Cash Flow and generating the highest possible rate of return on invested capital without a permanent commitment to geographic region or customer market.

Ongoing Acquisition/Investment Activities

We regularly evaluate additional acquisition opportunities and frequently engage in discussions with potential sellers. We are currently focused on pursuing acquisition opportunities that will further diversify our vessel holdings and the specialty services we offer. The timeline required to negotiate and close on any one or more acquisition opportunities is at times unpredictable and can vary greatly.

Our acquisitions may require material investments and could result in significant modifications to our capital plans, both in the aggregate amount of capital expenditures to be made and a reallocation of capital. Our acquisitions (including the ECO Acquisitions) are typically made for a purchase price which historically we have funded with a combination of borrowings, cash generated from operations and debt and/or equity issuances.

We typically do not announce a transaction until after we have executed a definitive agreement. In certain cases, in order to protect our business interests or for other reasons, we may defer public announcement of a transaction until closing or a later date. Past experience has demonstrated that discussions and negotiations regarding a potential transaction can advance or terminate in a short period of time. Moreover, the closing of any transaction for which we have entered into a definitive agreement may be subject to customary and other closing conditions, which may not ultimately be satisfied or waived. Accordingly, we can give no assurance that our current or future acquisition or investment efforts will be successful.

Seasonality

Demand for our oilfield-related offshore support services is directly affected by the levels of offshore drilling and production activity. Budgets of many of our customers are based upon a calendar year, and demand for our services has historically been stronger in the second and third calendar quarters when allocated budgets are expended by our customers and seasonal weather conditions are more favorable for offshore activities. Many other factors, such as the expiration of drilling leases and the supply of and demand for oil and natural gas, may affect this general trend in any particular year. In addition, we typically have an increase in demand for our vessels to survey and repair offshore infrastructure immediately following major hurricanes or other named storms in the U.S. GoM. Offshore wind construction projects on the U.S. East Coast are seasonal, typically occurring between April and September of each year. Servicing of existing offshore wind facilities with C/SOVs is expected to occur year-round. Our government business is unaffected by seasonality. Humanitarian assistance and disaster relief efforts have typically been more pervasive during the hurricane season.

Legal Matters

We may be party to various legal proceedings and claims from time to time in the ordinary course of our business.

Mexico Litigation

In the fourth quarter of 2023, maritime regulators in Mexico implemented new approaches in their oversight of Navieras that have historically had permissible levels of non-Mexican ownership, such as ours. As a result, we took legal action in Mexico to preserve our cabotage privileges there, and a Mexican court ordered that our cabotage privileges be reinstated. We have appealed this decision to further clarify the court's ruling, and our cabotage privileges remain active during the pendency of the appeal. We expect the appellate process to last between one and three years. Despite these favorable court rulings, and the pendency of appeals, Mexican maritime regulators have limited our ability to object to the employment of non-Mexican flag vessels that compete with our own Mexican-flagged vessels, which is one of the privileges of a Mexican Naviera. Since the fourth quarter of 2023, we have moved all but two of our Mexican-flagged vessels into various non-Mexican international markets, while continuing to utilize our highly-skilled Mexican mariners and shore-based employees as part of our international services.

MANAGEMENT

Directors and Executive Officers

The following table sets forth certain information concerning the individuals who will serve as our executive officers and directors upon the completion of this offering.

Name	Age	Position(s)
Directors:		
Todd M. Hornbeck	56	Chairman of the Board, President and Chief Executive Officer
Admiral John Richardson, (USN Ret)	64	Lead Independent Director
Kurt M. Cellar	54	Director
Evan Behrens	55	Director
Bobby Jindal	53	Director
Sylvia Jo Sydow Kerrigan	59	Director
James McConeghy	30	Director
Jacob Mercer	49	Director
L. Don Miller	62	Director
Aaron Rosen	43	Director
Chairman Emeritus:		
Larry D. Hornbeck	84	Chairman Emeritus
Other Executive Officers:		
Carl G. Annessa	67	Executive Vice President—Military, Engineering, Repair & Maintenance
James O. Harp, Jr.	63	Executive Vice President and Chief Financial Officer
Samuel A. Giberga	62	Executive Vice President, General Counsel and Chief Compliance Officer & Corporate Secretary
John S. Cook	55	Executive Vice President and Chief Commercial Officer

Directors

Todd M. Hornbeck is currently serving as our Chairman of the Board, President and Chief Executive Officer and founded Hornbeck in June 1997. Mr. Todd Hornbeck has served as the President and director of Hornbeck since founding the Company. Mr. Todd Hornbeck also served as Chief Operating Officer until February 2002, at which time he was appointed Chief Executive Officer. Additionally, in May 2005 he was appointed Chairman of the Board of Directors. Prior to founding Hornbeck, Mr. Todd Hornbeck was employed by the original Hornbeck Offshore Services, Inc., a NASDAQ-listed publicly traded offshore service vessel company founded by his father, Mr. Larry Hornbeck, our Chairman Emeritus, with over 105 offshore supply vessels operating worldwide, from 1991 to 1996, serving in various positions relating to business strategy and development. Following the Company's merger with Tidewater Inc. ("Tidewater") in March 1996, Mr. Todd Hornbeck accepted a position as Marketing Director-Gulf of Mexico with Tidewater, where his responsibilities included managing relationships and overall business development in the U.S. GoM region. He remained with Tidewater until the Company's formation. Mr. Todd Hornbeck has served on the board of directors of the International Support Vessel Owners Association ("ISOA"), the Offshore Marine Service Association ("OMSA") and the National Ocean Industries Association ("NOIA"). Mr. Todd Hornbeck's extensive experience in the offshore service vessel industry, and over 25 years leading our company, positions him well to serve as our Chairman, President and Chief Executive Officer. As our founder, Mr. Todd Hornbeck brings his vision and goals for the Company to our Board of Directors. Under his leadership, we have expanded from a small private company to a large, global provider of technologically advanced offshore supply and multipurpose service vessels. The current Company carries the Hornbeck family name, uses the same horsehead logo and trademarks as the prior company and is able to benefit from long-standing working relationships with customers, vendors and Wall Street analysts, many of whom also had relationships with Messrs. Todd and Larry Hornbeck at the prior public company. Unlike other companies that are led by non-founding managers, the Company benefits from the history, entrepreneurial spirit, industry expertise and leadership of its founder.

Admiral John Richardson, (USN Ret) is expected to serve as our Lead Independent Director upon completion of this offering. Admiral Richardson (USN Ret) has served as an advisory director of Hornbeck since February 2023, and previously served as a director of Hornbeck from September 2020 to December 2022. Admiral Richardson (USN Ret) served 37 years in the U.S. Navy, completing his service as the Chief of Naval Operations (CNO), the top officer in the Navy. While in the Navy, Admiral Richardson (USN Ret) served in the submarine force. He commanded the attack submarine USS HONOLULU in Pearl Harbor, Hawaii, for which he was awarded the Vice Admiral James Bond Stockdale Inspirational Leadership Award. He went on to command at every level of the Navy. Admiral Richardson (USN Ret) served as the Director of Naval Reactors from 2012 until 2015, with responsibility for the full life-cycle, including regulatory responsibilities of more than 90 reactors operating around the world on nuclear-powered warships. After serving in this role, Admiral Richardson (USN Ret) served as the 31st Chief of Naval Operations from 2015 until 2019. Admiral Richardson (USN Ret) retired from the Navy in August 2019. Admiral Richardson (USN Ret) currently serves on the board of directors and as Chair of the Nuclear Oversight Committee of Constellation Energy Corporation. He also serves as director, Chair of the Special Programs Committee and a member of the Aerospace Safety and Finance Committees of the board of The Boeing Company, an aerospace company; and as director and member of the Audit and Finance and Compensation Committees of BWX Technologies, Inc., a supplier of nuclear components and fuel. Admiral Richardson (USN Ret) served as a member of the board of Exelon Corporation from 2019 through 2022. He also serves on the boards of the Center for New American Security and the Navy League of the United States. He is a senior advisor to the Johns Hopkins University Applied Physics Laboratory. Admiral Richardson (USN Ret) obtained a B.S. in physics from the U.S. Naval Academy, a master's degree in electrical engineering from the Massachusetts Institute of Technology and Woods Hole Oceanographic Institution, and a master's degree in national security strategy from the National War College. We believe that Admiral Richardson (USN Ret) is qualified to serve as a director because he is uniquely qualified to understand the Company's operations, especially those in support of the United States government, and is well positioned to assist the Company in its diversification efforts.

Kurt M. Cellar has served as our Lead Independent Director since September 2020 and, upon completion of this offering, is expected to serve as a director of Hornbeck. Mr. Cellar currently serves as Lead Independent Director for American Banknote Corporation, where he serves as Chairman of both the Strategic Committee and Audit Committees. Mr. Cellar has served on the boards of more than twenty corporations over his career. In the past five years he has served as a corporate director for Six Flags Entertainment Corp (NYSE: SIX), U.S. Concrete, Inc. (NASDAQ: USCR), Guitar Center, Inc., Hawaiian Telecom, Inc. (NASDAQ: HCOM), and Home Buyers Warranty, Inc. From July 1999 until his retirement in January 2008, Mr. Cellar served as analyst, Director of Research and for the last five years as Partner and Portfolio Manager for Bay Harbour Management, LP. The firm received numerous awards including Absolute Returns Hedge Fund of the Year award in 2006. Prior to joining Bay Harbour, Mr. Cellar worked for the investment firm Remy Investors and Consultants and for the strategic consulting firm, LEK. Mr. Cellar received a B.A. in Economics/Business from the University of California, Los Angeles and a Masters of Business Administration in Finance from the Wharton School of Business at the University of Pennsylvania. Mr. Cellar is a retired Chartered Financial Analyst. We believe that Mr. Cellar is qualified to serve on our Board of Directors based on his significant financial and accounting experience as well as his public company board experience.

Evan Behrens has served as a director of Hornbeck since September 2020. Mr. Behrens currently serves as Managing Member of B Capital Advisors LLC, an investment firm. Previously, Mr. Behrens served as Senior Vice President of Business Development at SEACOR Holdings from May 2009 to May 2017. Mr. Behrens initially joined SEACOR Holdings in 2008 and managed its involvement in numerous significant investments and transactions. Prior to joining SEACOR Holdings, Mr. Behrens served as a partner at Level Global Investors and prior to that, founded and managed Infinity Point (formerly Behrens Rubinoff Capital Partners). Mr. Behrens previously served in various positions at Paribas Corporation, Odyssey Partners/Ulysses Management and SAC Capital Management. Mr. Behrens currently serves on the board of directors of Oppenheimer Holdings Inc., a multinational independent investment bank and financial services company. Previously, Mr. Behrens served as a board member of SEACOR Marine Holdings, Harte-Hanks, Inc., Continental Insurance Group, Ltd, Penford

Corporation, Global Marin Systems Limited, Trailer Bridge, Inc., Sidewinder Drilling LLC and Stemline Therapeutics. Mr. Behrens obtained an A.B. degree in political science from the University of Chicago. We believe that Mr. Behrens is qualified to serve as a director based on his broad experience regarding business valuations, mergers and acquisitions and investment management.

Bobby Jindal has served as a director of Hornbeck since September 2020. Since 2017, Mr. Jindal has served as an operating advisor to the Ares Private Equity Group. Mr. Jindal served as the governor of the State of Louisiana from January 2008 to January 2016. Prior to that, Mr. Jindal served as a member of the United States House of Representatives for the state of Louisiana from 2005 to 2008, as assistant Secretary for Health and Human Services for Planning and Evaluation from 2001 to 2003, as President of the University of Louisiana system from 1999 to 2001, and as Secretary of the Louisiana Department of Health and Hospitals from 1996 to 1997. Mr. Jindal currently serves as a director for U.S. Heart and Vascular and LifeMD, a public telehealth company which engages in offering a portfolio of direct-to-patient products and services. He has previously served as director of WellCare Health Plans Inc. Mr. Jindal obtained a B.S. from Brown University and a Masters of Letters in Politics from Oxford University at New College. We believe that Mr. Jindal is qualified to serve as a director because his broad financial and diplomatic experience makes him an invaluable asset as the Company delves into further diversification efforts, and the achievement of our strategic objectives.

Sylvia Jo Sydow Kerrigan has served as a director of Hornbeck since August 2022. Ms. Kerrigan currently serves as the Senior Vice President and Chief Legal Officer of Occidental Petroleum Company. She also serves on the board of directors of Diversified Energy, LLC and on the Board of Trustees for Southwestern University. She previously held various positions at Marathon Oil Corporation from 1995 to 2017, including serving as the Executive Vice President, General Counsel and Secretary and as the Chief Public Policy Officer and Chief Compliance Officer. Ms. Kerrigan worked at the United Nations Security Council's Commission d'Indemnisation in Geneva, Switzerland from 2000 to 2002, serving as the senior legal officer responsible for arbitrating losses sustained by international oil companies following the 1990 Iraqi invasion of Kuwait. Ms. Kerrigan is past chairman of the State Bar of Texas International Law Section and a Life Fellow of the Texas Bar Foundation. She also previously served as Executive Director of the Kay Bailey Hutchinson Energy Center for Business Law and Policy at the University of Texas in Austin. Ms. Kerrigan previously served on the boards of directors of Team, Inc., Nine Point Energy and Alta Mesa Resources. We believe that Ms. Kerrigan is qualified to serve as a director because she brings to our Board of Directors significant major oil company executive experience and critical insights into the issues facing the oil and gas industry.

James McConeghy has served as a director of Hornbeck since February 2024. Mr. McConeghy is a Vice President in the Ares Credit Group, where he focuses on opportunistic credit investing. Prior to joining Ares in 2019, Mr. McConeghy was an Investment Banking Analyst at Moelis & Company from July 2017 to June 2019. Previously, Mr. McConeghy was an Associate in PricewaterhouseCoopers's Transaction Services Group from September 2015 to June 2017. He currently serves on the boards for the parent entities of Virgin Voyages, TriMark USA and Convene. Mr. McConeghy holds a B.S. from Villanova University in Accountancy. He holds a CPA license (inactive) in the Commonwealth of Pennsylvania. Mr. McConeghy is qualified to serve as a director based on his investment and financial expertise. In addition, Mr. McConeghy provides the perspective of a significant stockholder.

Jacob Mercer has served as a director of Hornbeck since July 2023. Mr. Mercer is a Partner, Head of Special Situations and Restructuring at Whitebox. Prior to joining Whitebox in 2007, Mr. Mercer worked for Xcel Energy Inc. (NASDAQ: XEL) ("Xcel Energy") as Assistant Treasurer and Managing Director. Before joining Xcel Energy, he was a Senior Credit Analyst and Principal at Piper Jaffray and a Research Analyst at Voyageur Asset Management. Mr. Mercer also served as a logistics officer in the United States Army. Mr. Mercer has served as a director on numerous private and public company board of directors including current roles at HC Minerals since March 2024, Malamute Energy, Inc. since 2016, and Currax Pharmaceuticals LLC since 2018. Past director roles include A.M. Castle & Co. (formerly OTC: CTAM) from 2017 to 2020, GT Advanced Technologies Inc. (formerly NASDAQ: GTAT) from 2019 to 2021, Hycroft Mining Holding Corporation (NASDAQ: HYMC), formerly Hycroft

Mining Corporation, from 2015 to 2020, Hi-Crush Inc. (formerly NYSE: HCR) from October 2020 to March 2024, Par Pacific Holdings (NYSE: PARR), formerly Par Petroleum Corporation, from 2012 to 2015, Platinum Energy Solutions, Inc. (formerly NYSE: FRAC) from 2013 to 2017, Piceance Energy, LLC (d/b/a Laramie Energy) from 2012 to 2015, and SAExploration Holdings, Inc. (Formerly NASDAQ: SAEX) from July 2016 to June 2019 and from February 2020 to December 2020. Mr. Mercer holds a B.A. with a double major in economics and business management from St. John's University. He also holds the Chartered Financial Analyst (CFA) and the Certified Turnaround Professional (CTP) designations. We believe that Mr. Mercer is qualified to serve as a director based on his investment and financial expertise. In addition, Mr. Mercer provides the perspective of a significant stockholder.

L. Don Miller has served as a director of Hornbeck since February 2021. Mr. Miller is currently the Chief Financial Officer of Lake Resources NL. Prior to joining Lake Resources NL in December 2023, Mr. Miller served as President and Chief Executive Officer of Bristow Group Inc. ("Bristow") from February 2019 to June 2020. He previously served as Senior Vice President and Chief Financial Officer of Bristow from August 2015 to February 2019. Before that he served as Bristow's Senior Vice President, Mergers, Acquisitions and Integration from June 2015 to August 2015, its Vice President, Mergers, Acquisitions and Integration from November 2014 to June 2015 and its Vice President, Strategy and Structured Transactions from 2010 to 2014. Prior to joining Bristow, Mr. Miller worked as an independent consultant from 2008 to 2010 assisting companies in capital markets and in a financial advisory capacity. He was previously the post-petition President and Chief Executive Officer for Enron North America Corp. and Enron Power Marketing, Inc. from 2001 to 2007 and also served in senior financial positions with Enron, including Director – Finance and Vice President, Asset Marketing Group from 1998 to 2001. Mr. Miller served as a supervisory director for Franks International N.V., an energy services provider, from 2020 to 2021. His career also includes seven years in senior financial positions with Citicorp Securities, Inc. and four years as an account executive with Dean Witter Reynolds, Inc. Mr. Miller is a CFA Charterholder. We believe that Mr. Miller is qualified to serve as a director because of his extensive financial, industry and management experience.

Aaron Rosen has served as a director of Hornbeck since December 2022. Mr. Rosen is a Partner, Co-Head of Opportunistic Credit and Co-Portfolio Manager of Special Opportunities in the Ares Credit Group, where he focuses on investing across the various Ares fund platforms. Mr. Rosen serves as a member of the Ares Credit Group's Opportunistic Credit Investment Committee and the Ares Private Equity Group's Corporate Opportunities Investment Committee. Mr. Rosen currently serves as a director, member of the audit committee and member of the nominating, governance and sustainability committee of the board of directors of Savers Value Village, Inc., positions he has held since April 2021. He also currently serves on the boards of the parent entities of Consolidated Precision Products, TriMark USA, Virgin Voyages and WHP Global. Prior to joining Ares in 2018, Mr. Rosen was a Partner and Director of Research at Archview Investment Group, where he focused on credit and equity investments in both the U.S. and internationally. Prior to Archview, Mr. Rosen was a Vice President at Citigroup, where he was a founding member of the Citibank Global Special Situations Group focused on U.S. credit and value equity investment strategies. In addition, Mr. Rosen was a member of Citigroup's Asset-Based Finance group, where he focused on structuring senior secured debt financings for non-investment grade corporate borrowers. Mr. Rosen holds a B.S., summa cum laude, from New York University's Stern School of Business in Finance and Information Systems, where he received the Valedictorian Award. We believe that Mr. Rosen is qualified to serve as a director because of his extensive financial and accounting expertise. In addition, Mr. Rosen provides the perspective of a significant stockholder.

Chairman Emeritus

Larry D. Hornbeck serves as Hornbeck's Chairman Emeritus, a role he assumed in September 2020. An executive with over 50 years of experience in the offshore supply vessel business worldwide, Mr. Larry Hornbeck was the sole founder of the original Hornbeck Offshore Services, Inc., and from its inception in 1981 until its merger with Tidewater in March 1996, Mr. Larry Hornbeck served as the Chairman of the Board, President and Chief Executive Officer of Hornbeck Offshore Services, Inc. Following the merger, Mr. Larry Hornbeck served as a director and a member of the audit committee of Tidewater from March 1996 until October 2000. From 1969 to 1980, Mr. Larry Hornbeck served as an officer in various capacities, culminating as

Chairman, President and Chief Executive Officer of Sealcraft Operators, Inc., a former NASDAQ-listed publicly traded offshore service vessel company operating 29 geophysical and specialty service vessels worldwide. He served on the board of directors and as chairman of the compensation committee of Costal Towing, an inland marine tug and barge company. Mr. Larry Hornbeck assisted in orchestrating the founding of the current Company and is the father of Mr. Todd M. Hornbeck, our Chairman of the Board, President and Chief Executive Officer. In addition to the leadership roles in which Mr. Larry Hornbeck has served or currently serves, he has extensive involvement in international and domestic marine industry associations. Mr. Larry Hornbeck helped form and served on the boards of several marine industry associations, including the OMSA, and the NOIA. He also served on the board of directors of the American Bureau of Shipping and the ISOA. We believe that Mr. Hornbeck is qualified to serve as Chairman Emeritus because Mr. Larry Hornbeck brings to our Board of Directors a deep understanding of the operations of a public company in the offshore service vessel industry. With his many years of experience as both Chief Executive Officer and Chairman of the board of directors of the original Hornbeck Offshore Services, Inc. and of Sealcraft Operators, Inc., Mr. Larry Hornbeck brings not only management expertise, and unique technical knowledge of offshore service vessels and their application, construction and operation, but also has longstanding relationships with customers and vendors. This, combined with his years of experience as Chairman Emeritus and his continued active involvement in the Company, make him an invaluable contributor to the Company.

Other Executive Officers

Carl G. Annessa joined Hornbeck in September 1997 and is currently serving as our Executive Vice President—Military, Engineering, Repair & Maintenance. Mr. Annessa previously served as our Chief Operating Officer from February 2002 to September 2020. Prior to February 2002, Mr. Annessa served as our Vice President of Operations beginning in September 1997. Mr. Annessa is responsible for executive oversight of the Company's fleet operations and for oversight of design and implementation of our vessel construction and modification programs. Prior to joining Hornbeck, Mr. Annessa was employed for 17 years by Tidewater in various technical and operational management positions, including management of large fleets of offshore supply vessels in the Arabian Gulf, Caribbean and West African markets, and was responsible for the design of several of Tidewater's vessels. Mr. Annessa was employed for two years by Avondale Shipyards, Inc. as a mechanical engineer before joining Tidewater. Mr. Annessa received a degree in naval architecture and marine engineering from the University of Michigan in 1979.

James O. Harp, Jr. joined Hornbeck in 2001 and is currently serving as our Executive Vice President and Chief Financial Officer. Mr. Harp has served as the Chief Financial Officer for Hornbeck since joining the Company. He was appointed Executive Vice President in February 2005. Prior to that time, he served as our Vice President beginning in January 2001. Before joining the Company, Mr. Harp served as Vice President in the Energy Groups of investment banking firms RBC Dominion Securities Corporation, from August 1999 to January 2001, and Jefferies & Company, Inc. from June 1997 to August 1999. During his investment banking career, Mr. Harp worked extensively with marine-related oil service companies, including Hornbeck as an investment banker in connection with the Company's private placement of common stock in November of 2000. From July 1982 to June 1997, he held roles of increasing responsibility in the tax section of Arthur Andersen LLP, ultimately serving as a Tax Principal, and had a significant concentration of international clients in the oil service and maritime industries. Since April 1992, he has also served as Treasurer and Director of SEISCO, Inc., a privately-held seismic brokerage company that he co-founded. In June 2023, Mr. Harp was appointed President of SEISCO, Inc. Mr. Harp is an inactive certified public accountant in Louisiana.

Samuel A. Giberga joined Hornbeck in January 2004 and is currently serving as our Executive Vice President, General Counsel and Chief Compliance Officer & Corporate Secretary. Mr. Giberga has served as the General Counsel of Hornbeck since joining the Company. He was appointed Corporate Secretary in January 2021, Executive Vice President and Chief Compliance Officer in June 2011, and served as Senior Vice President beginning in February 2005. Prior to joining Hornbeck, Mr. Giberga was engaged in the private practice of law for 14 years. During his legal career, Mr. Giberga has worked extensively with marine and energy service companies in a variety of contexts with a concentration in general business, international and intellectual property matters.

John S. Cook is currently serving as our Executive Vice President and Chief Commercial Officer. Mr. Cook joined Hornbeck in May 2002 as our Chief Information Officer and served in that role until August 2024. He was appointed Executive Vice President and Chief Commercial Officer in February 2013, and served as a Senior Vice President beginning in May 2008. Mr. Cook was initially designated an executive officer and appointed a Vice President of the Company in February 2006. Before joining Hornbeck, Mr. Cook held roles of increasing responsibility in the business consulting section of Arthur Andersen LLP from January 1992 to May 2002, ultimately serving as a Senior Manager. During his consulting career, he assisted numerous marine and energy service companies in various business process and information technology initiatives, including strategic planning and enterprise software implementations. Mr. Cook is an inactive certified public accountant in Louisiana and is a member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants.

Family Relationships

Mr. Todd M. Hornbeck, the Chairman of the Board, President and Chief Executive Officer of the Company, is the son of Mr. Larry Hornbeck, who serves as Hornbeck's Chairman Emeritus and assisted in orchestrating the founding of the current Company.

Composition of the Board of Directors

Our business and affairs are managed under the direction of our Board of Directors. Upon completion of this offering, our Board of Directors will initially consist of ten directors. Thereafter, our Board of Directors will have discretion to determine the size of the Board of Directors, subject to the terms of our amended and restated certificate of incorporation. Subject to certain exceptions, newly created director positions resulting from an increase in size of the Board of Directors and vacancies may be filled by our Board of Directors. See "Description of Capital Stock and Warrants—Size of the Board of Directors and Vacancies."

Our amended and restated certificate of incorporation will provide that following the completion of this offering, the principal stockholders managed or advised by Ares or its affiliates (the "Ares principal stockholders") will have the right to nominate to our Board of Directors (i) two nominees for so long as the Ares principal stockholders beneficially own 20% or greater of our Fully Diluted Securities and (ii) one nominee for so long as the Ares principal stockholders beneficially own at least (i) prior to the first anniversary of the consummation of this offering, 5% of our Fully Diluted Securities and (ii) thereafter, 10% of our Fully Diluted Securities ((i) and (ii), as applicable, the "Minimum Threshold"), but less than 20% of our Fully Diluted Securities. Aaron Rosen and James McConeghy will be the initial director nominees of the Ares principal stockholders. The principal stockholders managed or advised by Highbridge or its affiliates (the "Highbridge principal stockholders") will have the right to nominate to our Board of Directors one nominee for so long as the Highbridge principal stockholders beneficially own at least the Minimum Threshold of our Fully Diluted Securities. Sylvia Jo Sydow Kerrigan will be the initial director nominee of the Highbridge principal stockholders. The principal stockholders managed or advised by Whitebox or its affiliates (the "Whitebox principal stockholders") will have the right to nominate to our board of directors one nominee for so long as the Whitebox principal stockholders beneficially own at least the Minimum Threshold of our Fully Diluted Securities. Jacob Mercer will be the initial director nominee of the Whitebox principal stockholders. See "Description of Capital Stock and Warrants—Director Nomination Rights."

At all times, the composition of our Board of Directors will remain compliant with NYSE rules and the Jones Act. Such compliance includes, among other things, a requirement that no more than a minority of the number of directors necessary to constitute a quorum of the Board of Directors (or any committee thereof) be non-U.S. citizens.

Director Independence

Pursuant to the corporate governance standards of the NYSE, a director employed by us cannot be deemed an "independent director," and each other director will qualify as "independent" only if our Board of Directors

affirmatively determines that he has no material relationship with us, either directly or as a partner, stockholder or officer of an organization that has a relationship with us. The fact that a director may own our capital stock is not, by itself, considered a material relationship. Based on information provided by each director concerning his or her background, employment and affiliations, our Board of Directors has affirmatively determined that each of Kurt M. Cellar, Evan Behrens, James McConeghy, Sylvia Jo Sydow Kerrigan, Bobby Jindal, Jacob Mercer, L. Don Miller, Aaron Rosen and Admiral John Richardson (USN Ret) are independent in accordance with the NYSE rules.

Lead Independent Director

Our amended and restated certificate of incorporation provides that our Board of Directors shall have a Lead Independent Director and, upon the completion of this offering, we expect that Admiral John Richardson (USN Ret.) will serve as the Lead Independent Director of our Board of Directors. Upon the completion of this offering, our Board of Directors will have adopted a written charter for the office of the Lead Independent Director which will take effect upon the completion of this offering. This charter will be posted on our website upon the completion of this offering.

Securityholders Agreement

In connection with the closing of this offering, we will amend and restate our existing securityholders agreement (the "A&R Securityholders Agreement"). Pursuant to the A&R Securityholders Agreement, the Company will agree to take all necessary action (subject to applicable law) to cause the election of each director designated by Ares, Highbridge or Whitebox in their capacities as Appointing Persons in accordance with the terms of our amended and restated certificate of incorporation. The A&R Securityholders' Agreement will also provide that the Company will agree to take all necessary action (subject to applicable law) to cause any vacancies created by death, resignation, removal, retirement or disqualification of a director designated by an Appointing Person to be filled by such Appointing Person in accordance with the terms of our amended and restated certificate of incorporation.

Board Committees

Upon the completion of this offering, our Board of Directors will have three standing committees: an audit committee, a compensation committee and a nominating, corporate governance and sustainability committee. The composition and responsibilities of each committee following this offering are described below. Members serve on these committees until their resignation or until otherwise determined by our board.

For each committee below, the rules of the SEC and the exchange upon which we list our shares require us to have one independent committee member upon the listing of our common stock, a majority of independent committee members within 90 days of the effective date of the registration statement and all independent audit committee members within one year of the effective date of the registration statement.

Additionally, for so long as any of the principal stockholders own at least the Minimum Threshold of our Fully Diluted Securities, each such principal stockholder will have the right to designate one member of each of the compensation committee and the nominating, corporate governance and sustainability committees of the Board of Directors. The chairperson and any additional committee members shall be determined by the Board of Directors and comply with the independence requirements of the NYSE and the SEC, as applicable, as well as the citizenship requirements of the Jones Act.

Audit Committee

Upon the completion of this offering, our audit committee will consist of Kurt M. Cellar, Evan Behrens and L. Don Miller, with Mr. Cellar serving as chair. Our Board of Directors has determined that Kurt M. Cellar, Evan Behrens and L. Don Miller each satisfy the independence requirements for audit committee members under the listing standards of the NYSE and Rule 10A-3 of the Exchange Act. Mr. Miller has been determined to be an audit committee

"financial expert" as defined under SEC rules. All members of the audit committee are able to read and understand fundamental financial statements, are familiar with finance and accounting practices and principles and are financially literate. Our audit committee will be responsible for, among other things:

- selecting and hiring our independent auditors, and approving the audit and non-audit services to be performed by our independent auditors;
- assisting the Board of Directors in evaluating the qualifications, performance and independence of our independent auditors;
- assisting the Board of Directors in monitoring the quality and integrity of our financial statements and our accounting and financial reporting;
- reviewing the adequacy and effectiveness of our internal control over financial reporting processes;
- reviewing with management and our independent auditors our annual and quarterly financial statements;
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by our employees of concerns regarding questionable accounting or auditing matters;
- preparing the audit committee report that the SEC requires in our annual proxy statement; and
- reviewing related-party transactions.

Upon the completion of this offering, our Board of Directors will have adopted a written charter for the audit committee which will take effect upon the completion of this offering and which satisfies the applicable rules of the SEC and the listing standards of the NYSE, including with respect to the review of related party transactions. This charter will be posted on our website upon the completion of this offering.

Compensation Committee

Upon completion of this offering, our compensation committee will consist of Bobby Jindal, James McConeghy and Sylvia Jo Sydow Kerrigan, with Mr. Jindal serving as chair. The compensation committee will be responsible for, among other things:

- reviewing and approving corporate goals and objectives relevant to the compensation of our chief executive officer, evaluating our chief executive officer's performance in light of those goals and objectives, and, either as a committee or together with the other independent directors (as directed by the Board of Directors), determining and approving our chief executive officer's compensation level based on such evaluation;
- reviewing and approving, or making recommendations to the Board of Directors with respect to, the compensation of our other executive officers, including annual base salary, bonus, equity-based incentives and other benefits;
- reviewing and recommending to our Board of Directors with respect to the compensation of our directors; and
- reviewing and making recommendations with respect to our equity compensation plans.

Upon the completion of this offering, our Board of Directors will have adopted a written charter for the compensation committee which will take effect upon the completion of this offering and which satisfies the applicable rules of the SEC and the listing standards of the NYSE. This charter will be posted on our website upon the completion of this offering.

Nominating, Corporate Governance and Sustainability Committee

Upon completion of this offering, we expect our nominating, corporate governance and sustainability committee will consist of Admiral John Richardson (USN Ret), Sylvia Jo Sydow Kerrigan and Evan Behrens,

with Admiral Richardson serving as chair. The nominating, corporate governance and sustainability committee is responsible for, among other things:

- assisting our Board of Directors in identifying prospective director nominees and recommending nominees to the Board of Directors;
- overseeing the evaluation of the Board of Directors and management;
- reviewing developments in corporate governance practices and developing and recommending a set of corporate governance guidelines;
- overseeing the Company's sustainability plan; and
- recommending members for each committee of our Board of Directors.

Upon the completion of this offering, our Board of Directors will have adopted a written charter for the nominating, corporate governance and sustainability committee which will take effect upon the completion of this offering and which satisfies the applicable rules of the SEC and the listing standards of the NYSE. This charter will be posted on our website upon the completion of this offering.

Compensation Committee Interlocks and Insider Participation

None of our executive officers serve on the Board of Directors or compensation committee of a company that has an executive officer that serves on our Board of Directors or compensation committee. No member of our Board of Directors is an executive officer of a company in which one of our executive officers serves as a member of the board of directors or compensation committee of that company.

Codes of Conduct

We have a Code of Conduct that applies to all of our officers and employees, including our principal executive officer, principal financial officer and principal accounting officer, and a Code of Business Conduct and Ethics for members of our Board of Directors, which are posted on our Internet website on the "Governance Highlights" page accessible through the "Investors" tab. Our Code of Conduct is a "code of ethics," as defined in Item 406(b) of Regulation S-K. The information contained on, or accessible from, our website is not part of this prospectus by reference or otherwise. We will make any legally required disclosures regarding amendments to, or waivers of, provisions of our code of ethics on our website.

Corporate Governance Guidelines

Upon the completion of this offering, our Board of Directors will have established corporate governance guidelines in accordance with the corporate governance rules of the NYSE, which will be posted on our Internet website on the "Governance Highlights" page accessible through the "Investors" tab. The information contained on, or accessible from, our website is not part of this prospectus by reference or otherwise.

These corporate governance guidelines will include the definition of independence used by the Company to determine whether our directors and nominees for directors are independent, which are the same qualifications prescribed under the NYSE Listing Standards. Pursuant to these corporate governance guidelines, our non-management directors will be required to meet in separate sessions without management on a regularly scheduled basis, but no less than four times a year. Generally, these meetings may occur as an executive session without the management director in attendance in conjunction with regularly scheduled meetings of our Board of Directors throughout the year. If the non-management directors include directors that are not independent directors (as determined by our Board of Directors), the independent directors will be required to meet in at least one separate session annually that includes only the independent directors. Because the Chairman of the Board is also a member of management, the non-management directors' and independent directors' separate sessions will be presided over by the Lead Independent Director or, in his absence, by an independent director designated by the Lead Independent Director or elected by a majority of the independent directors.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The purpose of this compensation discussion and analysis section is to provide information about the material elements of compensation that are paid, awarded to or earned by our "named executive officers," who consist of our principal executive officer, principal financial officer and three other most highly compensated executive officers. For our fiscal year ended December 31, 2023 ("Fiscal 2023"), our named executive officers ("NEOs") were:

- Todd M. Hornbeck, Chairman of the Board, President and Chief Executive Officer;
- James O. Harp, Jr., Executive Vice President and Chief Financial Officer;
- Samuel A. Giberga, Executive Vice President, General Counsel and Chief Compliance Officer and Corporate Secretary;
- John S. Cook, Executive Vice President and Chief Commercial Officer; and
- Carl G. Annessa, Executive Vice President—Military, Engineering, Repair & Maintenance.

Compensation Philosophy and Objectives

Upon completion of this offering, our compensation committee and our Board of Directors will review and approve the compensation of our NEOs and oversee and administer our executive compensation programs and initiatives. As we return to being a public company, we expect that the components and underlying driving factors of our executive compensation programs will continue to evolve. Accordingly, the compensation paid to our NEOs for Fiscal 2023 is not necessarily indicative of how we will compensate our NEOs after this offering.

Our executive compensation programs reflect our entrepreneurial and innovative culture and philosophy. Executives, including our NEOs, (i) are hired to devise and execute strategies that create long-term stockholder value consistent with our mission statement and core values and (ii) are appropriately rewarded for doing so.

The objectives of our executive compensation programs are to (i) attract and retain executives who possess abilities essential to the Company's long-term competitiveness and success, (ii) support a performance-oriented environment and (iii) create a culture of ownership, allowing executives to share meaningfully with stockholders in the long-term enhancement of stockholder value. Our compensation program for executive officers rewards the following attributes:

- *Financial Performance*. We reward decision-making that is designed to achieve operating results that increase stockholder value over the long-term and that compare favorably to the operating results of our peers.
- *Excellence*. We expect our executive officers to discharge their duties with excellence, professionalism and a high level of enthusiasm, integrity, diligence, analytical rigor, business acumen and attention to detail.
- *Leadership*. Executives of the Company are expected to demonstrate leadership.
- *Teamwork*. Executives are evaluated as members of a team, not merely as individuals.
- *Forward-Looking Focus*. We believe executives need to focus not only on our short-term performance, but also on our long-term future. Accordingly, we compensate our executives in a manner that incentivizes them to manage our business in a way that enables us to meet our long-range objectives, as well as our short-term goals.
- *Loyalty*. We promote a culture of ownership throughout the Company and reward employees, including our NEOs, who remain dedicated to the Company over the long-term with equity ownership opportunities, as well as other forms of long-term compensation.

- *Prudent Operating Practices*. The Company expects executive decision-making that promotes safe, effective, compliant and prudent work practices.

In addition to the factors above, we consider other factors in establishing compensation, such as our financial condition and available resources and the competition for the services of our executives, each as of the time of the applicable compensation decision. We consider the competitive market for corresponding positions within comparable geographic areas and companies of similar size and stage of development operating in our industry or in other industries that are relevant to us.

Compensation Committee Procedures

The compensation committee considers Company information, historical compensation information about each executive officer and data derived from market sources, including data regarding peer companies and current industry conditions, as points of reference for the appropriate mix of compensation elements.

The Role of the Compensation Committee. Our compensation committee is comprised solely of directors who (i) meet the independence requirements of Section 303A of the NYSE Listed Company Manual and the provisions of Section 952 of the Dodd-Frank Act and any rules or regulations promulgated thereunder and (ii) qualify as "Non-Employee Directors" under Rule 16b-3 of the Exchange Act.

The compensation committee is responsible for (i) establishing and administering an overall compensation program for our executive officers and approving all compensation for our executive officers, (ii) establishing and administering the Company's policies governing annual cash compensation and equity incentive awards for employees other than our executive officers and (iii) ensuring that the administration of the Company's incentive compensation and certain employee benefit plans is delegated appropriately in accordance with the applicable governing documents. The compensation committee meets multiple times each year to analyze and discuss the Company's compensation plans, proposals and other compensation-related issues. From time to time, it also engages in informal sessions with and without executive management. These sessions usually coincide with the Company's annual budget process. At the regular meeting of the compensation committee in the first quarter of each year, the compensation committee determines and approves the award, if any, of prior year cash incentive compensation. In addition, typically during the fourth quarter, the compensation committee determines the following year's annual compensation for our executive officers, including the establishment of base salaries, determination of any potential cash incentive compensation targets and participation levels of each NEO and approval of long-term incentive awards under the Company's 2020 Management Incentive Plan. The compensation awards approved by the compensation committee are part of the annual budget approved by the Board of Directors, which is typically approved at the same time. When appropriate, the compensation committee recommends compensation or benefit policies or plans (or amendments to existing policies or plans) and amendments to employment agreements with our executive officers to the full Board of Directors. The Chief Executive Officer reviews the performance of the other executive officers and recommends to the compensation committee the base salary, cash incentive compensation, equity incentive compensation and other benefits for such executive officers. The compensation committee considers the Chief Executive Officer's recommendations when establishing the base salary, cash incentive compensation, equity incentive compensation and other benefits for the other executive officers.

Compensation Consultant. The compensation committee has the authority to directly engage independent consultants. In late 2021, the compensation committee evaluated several independent consultants and engaged Lyons Benenson & Co. ("LB&Co.") to perform a full compensation review and analysis for the fiscal year ended December 31, 2022 ("Fiscal 2022"). As part of their review, LB&Co. provided advice on the compensation strategy and program design, compared the Company's compensation programs with those of other companies and reviewed and recommended an updated peer group. LB&Co. was again retained to review and make recommendations concerning compensation for Fiscal 2023. As discussed below in the section titled "*Go-Forward Compensation Arrangements—Compensation Consultant and Peer Group*," the compensation

committee more recently retained Frederic W. Cook & Co., Inc. ("FW Cook") to advise the Company on compensation as the Company prepared for a public offering.

Benchmarks. We compete with other companies for executive talent. In doing so, we consider prevailing executive compensation trends in order to establish whether our compensation is appropriate, competitive and in-line with our overall executive compensation philosophy and objectives. The compensation committee considers competitive market data, including compensation levels and other information derived from: (i) public filings of publicly traded energy service companies identified by compensation consultants, other advisors or the compensation committee as having sufficiently similar operating characteristics with the Company so as to provide a source of meaningful comparison, or our "Industry Peer Group"; (ii) public filings of publicly traded marine service companies that are our direct competitors; and (iii) published survey information for the energy industry, as well as the broader commercial industry, when appropriate. Our competitive market is not comprised strictly of vessel owners, because the competition we face for certain executive talent is not limited to marine companies, and we believe that the number of such companies represents too small of a sample size for a reasonable comparison. Generally, the compensation committee considers how the compensation of our executives compares with the individual elements of, as well as the total direct compensation of, the NEOs of the groups described above.

In November of 2021, at the compensation committee's request, LB&Co. identified and selected a peer group that was representative of the competitive compensation landscape and the marketplace for executive talent. The Industry Peer Group was again reviewed in November of 2022, and no changes were recommended. The companies that are included in the Company's public company Industry Peer Group consist of the following:

Industry Peer Group Used to Benchmark 2021 - 2023 Executive Compensation

Bristow Group Inc. (VTOL)
Dril-Quip, Inc. (DRQ)
Forum Energy Technologies, Inc. (FET)
Great Lakes Dredge & Dock Corporation (GLDD)
Helix Energy Solutions Group, Inc. (HLX)
Kirby Corporation (KEX)
Newpark Resources, Inc. (NR)
Oceaneering International, Inc. (OII)
Oil States International, Inc. (OIS)
SEACOR Marine Holdings Inc. (SMHI)
TETRA Technologies, Inc. (TTI)
Tidewater Inc. (TDW)

Role of Executive Management in the Compensation Process. The compensation committee works with executive management with respect to the practical aspects of the design and execution of our executive compensation programs. Because our executive officers' cash compensation is derived, in part, from the Company's annual operating performance, the annual budget process is a key component of the process by which compensation is determined. The Chief Executive Officer and other members of management also evaluate comparative data of the Industry Peer Group and the broader commercial industry in order to compare proposed compensation against those offered by such peer companies and provide such information to the compensation committee. Following proposals made by executive management, including the Chief Executive Officer's recommendations regarding the other NEOs, the compensation committee engages in one or more discussion sessions, with and without executive management, in order to make a final determination of compensation for the NEOs.

Incentive Cash Compensation Metrics. The Company's performance measures for incentive cash compensation generally consist of Adjusted EBITDA, relative safety performance and a discretionary component

tied to the Company's achievement of certain strategic objectives set by management and the Board of Directors. Adjusted EBITDA has historically been our most heavily weighted objective component because of the prominence that Adjusted EBITDA has in several facets of the Company's operations. For instance, we disclose and discuss Adjusted EBITDA as a non-GAAP financial measure in our quarterly reports and conference calls with our financial constituents. Additionally, Adjusted EBITDA is used by management (i) as a supplemental internal measure for planning and forecasting overall expectations and for evaluating actual results against such expectations; (ii) when evaluating potential acquisition targets, whereby management compares our Adjusted EBITDA to that of the potential acquisition target; and (iii) to assess our ability to service existing fixed charges and incur additional indebtedness. The compensation committee may make certain adjustments to Adjusted EBITDA, including adjustments for gains or losses on early extinguishment of debt, asset sales, acquisitions, conversions or other investments funded by debt or new capital, growth resulting from investments funded with unreturned capital and other non-cash or non-recurring items, in years in which they have relevance to our compensation analysis and/or are unpredictable for budgeting purposes. In setting the Adjusted EBITDA target used as a component of our cash incentive compensation, the compensation committee historically set the Adjusted EBITDA target based on expected performance for the year considering industry conditions, competitor performance and expectations of the Board of Directors. This approach historically resulted in Adjusted EBITDA targets that were designed to incentivize management to perform at demanding levels. The Company has not historically changed the Adjusted EBITDA target for cash incentive compensation for a given year, other than, on occasion, to adjust for significant acquisitions, dispositions or financings that had occurred after, and were unanticipated at the time when, the Adjusted EBITDA target was originally set.

The safety component is evaluated by comparing the total recordable incident rate (also known as "TRIR") with various industry benchmarks and our own prior safety performance. When selecting service providers, we know that our customers make decisions based on the safety performance of the provider. Therefore, we believe that by using a safety component in our objective performance measures, we will not only reinforce the culture of safety within our Company, which benefits our employees, but also should optimize revenue and improve our long-term performance sustainability.

We believe that these metrics incentivize management to strive for operating results that increase stockholder value, while reaffirming our commitment to operating our business at the highest levels of safety and with the utmost care and protection of the environment.

Elements of Compensation

Our current executive compensation program, which was set by our compensation committee, consists of the following components:

- base salary;
- annual cash incentive awards linked to our overall performance;
- periodic grants of long-term equity-based compensation, such as time- or performance-based restricted stock units or options;
- other executive benefits and perquisites; and
- employment agreements, which contain termination and change of control benefits.

We combine these elements in order to formulate compensation packages that provide competitive pay, reward the achievement of financial, operational and strategic objectives and align the interests of our executive officers and other senior personnel with those of our stockholders.

Pay Mix

The various components of our executive compensation program are related (but distinct) and are designed to emphasize "pay for performance," with a significant portion of total compensation reflecting a risk aspect tied

to achieving our long-term and short-term financial and strategic goals. Our compensation philosophy is designed to foster entrepreneurship at all levels of the organization and is focused on employee value and retention by making long-term, equity-based incentive opportunities a substantial component of our executive compensation. The appropriate level for each compensation component is based in part, but not exclusively, on internal equity and consistency, experience and responsibilities, as well as other relevant considerations, such as rewarding extraordinary performance and leadership qualities. When allocating compensation between long-term and currently paid out compensation, between cash and non-cash compensation or among different forms of non-cash compensation, we have focused on structuring overall compensation packages that serve the goals described above.

Base Salary

We pay a base salary to each of our executive officers in order to compensate them for their day-to-day services rendered to us over the course of each year. Each NEO's base salary was contractually established pursuant to his Amended and Restated Employment Agreement, dated September 4, 2020 (each, an "EA"). Our compensation committee reviews base salaries annually, and each NEO's may be increased, but not decreased (given the terms of each NEO's EA), from the contracted amount. In performing its annual review, the compensation committee considers the scope of the NEO's job responsibilities, the NEO's unique skill sets and experience and individual contributions, market conditions, the NEO's current compensation as compared to that provided by peer and competitor companies, including the Industry Peer Group, and the Company's annual financial budget. In addition, the compensation committee considers the overall performance of the Company and the recommendations of the Chief Executive Officer concerning the compensation of the NEOs other than himself. For the Fiscal 2022 compensation season, the compensation committee engaged LB&Co. as its compensation consultant, and consistent with the recommendation of LB&Co., the compensation committee approved an increase in the base salary of each of the NEOs for Fiscal 2022, which remained unchanged for Fiscal 2023.

With respect to all of our NEOs (other than our Chief Executive Officer), our compensation committee determined to establish base salaries that are equal for each, given their shared level of seniority and experience, as well as the multiple roles each has played in the management of our business. This approach could change in the future. The equalized pay for our most senior executives also enhances our core values of teamwork. The base salaries paid to our NEOs in Fiscal 2023, Fiscal 2022 and the fiscal year ended December 31, 2021 ("Fiscal 2021") are set forth in the Summary Compensation Table below.

Bonus

We utilize non-equity incentive compensation, also referred to herein as "cash incentive compensation," in order to reward the achievement of specific results each year and the relative out-performance of our peers for the applicable measurement period. Each NEO's EA provides for the payment of cash incentive compensation to the extent earned based on performance, as measured against reasonably obtainable objective performance criteria determined by the compensation committee, after consultation with the Chief Executive Officer, no later than 90 days following the commencement of the applicable fiscal year. Each NEO's EA also provides for a target cash incentive compensation opportunity for each fiscal year equal to 100% of the NEO's annualized base salary for the fiscal year (the "Target Bonus"). Each NEO's actual cash incentive compensation for the relevant fiscal year will equal a percentage of the Target Bonus, determined as follows:

- 50% of the Target Bonus, if threshold levels of performance for that fiscal year are achieved;
- 100% of the Target Bonus, if target levels of performance for that fiscal year are achieved;
- 200% of the Target Bonus, if maximum levels of performance for that fiscal year are achieved; and
- A percentage of the Target Bonus determined in accordance with the plan established by the compensation committee as described below, if achieved performance for the fiscal year is in between threshold, target and maximum levels of performance.

In Fiscal 2021, the Company's compensation program called for the award of cash incentive compensation based on relative achievement of two components: (i) Adjusted EBITDA (weighted 90%) and (ii) TRIR (weighted 10%). In Fiscal 2022 and Fiscal 2023, in an effort to motivate management to continue to make decisions that advance the Company's strategic objectives, the compensation committee reduced the Adjusted EBITDA weighting to 80%, maintained the TRIR weighting at 10% and introduced a 10% weighted Strategic Plan component based upon the Board of Directors' year-end assessment of various qualitative and quantitative factors that it deems relevant, in its sole discretion, to determine progress made by the Company toward achieving objectives set forth in the Company's 2021-2023 Strategic Plan. The compensation committee annually revisits whether to change the vesting criteria or otherwise adjust the weighting of the Adjusted EBITDA, TRIR and discretionary Strategic Plan components. We refer to each of the Adjusted EBITDA, TRIR and discretionary Strategic Plan component weighting percentages herein as an "Applicable Percentage."

The TRIR target uses annual industry safety benchmarks of IADC, ISOA and IMCA. Previously, we included the safety benchmark of OMSA; however, OMSA has discontinued publicizing its benchmark, so we no longer use OMSA as one of our safety benchmarks. Because the Company has usually outperformed these industry safety benchmarks and in an effort to place an even greater emphasis on the preservation of our executive team's focus on efficient, safe and environmentally sound operations, the maximum safety level is set at 10% better than the average of the three-best annual TRIRs achieved by the Company in the most recent ten years. This results in a more difficult standard of TRIR necessary to achieve the maximum potential vesting for that factor.

The following table sets forth, for Fiscal 2023, the threshold, target and maximum goals for each of the non-discretionary components and their Applicable Percentages. Achievement of a performance level in between "threshold" and "target" levels or "target" and "maximum" levels, as applicable, results in a payout of cash incentive compensation equal to (i) a percentage of base salary determined using straight-line interpolation, multiplied by (ii) the Applicable Percentage.

Component	Applicable Percentage	Threshold Goal (Payout of 50% of Base Salary)	Threshold Payout Attributable to Component	Target Goal (Payout of 100% of Base Salary)	Target Payout Attributable to Component	Maximum Goal (Payout of 200% of Base Salary)	Maximum Payout Attributable to Component
Adjusted EBITDA	80%	50% of the Adjusted EBITDA Target	40% of Base Salary	100% of the Adjusted EBITDA Target	80% of Base Salary	200% of the Adjusted EBITDA Target	160% of Base Salary
TRIR	10%	TRIR less than the lowest average of all three annual safety benchmarks for any year falling within the most recent three years compiled by IADC, ISOA and IMCA	5% of Base Salary	TRIR less than the lowest of any one of the three annual safety benchmarks for any year falling within the most recent three years compiled by IADC, ISOA and IMCA.	10% of Base Salary	TRIR at least 10% less than the Company's three best annual TRIRs achieved in the last ten years	20% of Base Salary

A discussion concerning our use of TRIR in connection with compensation-related matters is found in the section captioned "Compensation Committee Procedures."

For Fiscal 2023, the compensation committee decided that the Company's Adjusted EBITDA for purposes of the cash incentive compensation calculations would exclude incremental EBITDA from growth capital, asset sales and any mergers and acquisitions that increased gross debt or resulted in more equity being issued, which would be addressed through alternative compensatory measures, including, but not limited to, special, event-driven bonuses and/or the Strategic Plan component. With these adjustments, for Fiscal 2023, the Company's

Adjusted EBITDA was $222.8 million, which would have entitled each of the NEOs to receive a cash incentive compensation payout (in respect of the Adjusted EBITDA vesting criteria and based on the Applicable Percentage) equal to 58% of base salary (i.e., 73% of Base Salary x the Applicable Percentage of 80%). At the end of Fiscal 2023, in determining the final payout under the Adjusted EBITDA component, the compensation committee exercised its discretion to make additional adjustments to the Company's Adjusted EBITDA for purpose of the cash incentive compensation, consistent with the compensation committee's historical approach of making adjustments only in certain limited situations, including adjustments related to items that were unanticipated at the time when the Adjusted EBITDA target was originally set. These adjustments were primarily in respect of certain beneficial, un-budgeted vessel activity in Fiscal 2023. Specifically, in Fiscal 2023, as a result of a change in external market conditions, management accelerated the un-budgeted regulatory drydocking of six vessels to Fiscal 2023 from Fiscal 2024 and effected the un-budgeted reactivation of a vessel, in each case, for the benefit of the Company despite such action having an adverse effect on each NEO's cash incentive compensation due to not being anticipated or budgeted for Fiscal 2023 when the Adjusted EBITDA target was originally set. As such, the compensation committee recalculated the Adjusted EBITDA target as though such expenditures had been budgeted for Fiscal 2023. In addition, the compensation committee considered the effect of certain unforeseen challenges that the Company faced in Mexico at the end of Fiscal 2023, which materially impacted contracted revenue, as being beyond management's control, thus justifying an additional adjustment to the Adjusted EBITDA target. Following these adjustments, each of the NEOs was entitled to receive a cash incentive compensation payout (in respect of the Adjusted EBITDA vesting criteria and based on the Applicable Percentage) equal to 79% of base salary (i.e., 99% of Base Salary x the Applicable Percentage of 80%).

The TRIR was 0.09, which entitled each of the NEOs to receive cash incentive compensation (in respect of the TRIR vesting criteria and based on the Applicable Percentage) equal to 19% of base salary (i.e., 190% of Base Salary x the Applicable Percentage of 10%).

The Strategic Plan component of cash incentive compensation, comprising 10% of the aggregate potential cash incentive compensation that can be earned, is awarded based upon the Board of Directors' year-end assessment of various qualitative and quantitative factors that it deems relevant, in its sole discretion, to determine progress made by the Company toward achieving objectives set forth in the Company's Fiscal 2021-2023 Strategic Plan. For Fiscal 2023 performance, the compensation committee considered the continued progress toward the Company's goals of right-sizing the fleet, the Company's continued successful capitalization on oilfield recovery, the Company's continued progress toward diversification of its core revenue stream, the successful activation of the ECO fleet and the significant time, effort and resources devoted to various projects aimed at increasing the Company's scale and asset base necessary to position the Company for a public offering. Based on these factors, the compensation committee elected to award each NEO cash incentive compensation (in respect of the Strategic Plan component and based on the Applicable Percentage) equal to 20% of base salary (i.e., 200% of Base Salary x the Applicable Percentage of 10%), resulting in a combined weighted-average cash incentive compensation payout equal to 118% of base salary to each NEO for Fiscal 2023.

In extraordinary circumstances, the compensation committee can award event-driven or accomplishment-specific bonuses to the NEOs, which would be independent of the cash incentive compensation derived under the formulaic approach. In Fiscal 2023, the Company successfully resolved our litigation with Gulf Island (the "GIFI litigation"), which was a key accomplishment of management in Fiscal 2023 that benefited the Company. The compensation committee awarded a one-time accomplishment-specific bonus of $500,000 that was shared among the NEOs for the successful resolution of the GIFI litigation (the "One-Time GIFI Litigation Bonus").

Combined, the formulaic and accomplishment-specific bonuses resulted in an aggregate bonus payout equal to 139% of the collective NEO base salaries.

Long-Term Equity-Based Compensation

We believe that the interests of our stockholders are best served when a meaningful portion of executive and management compensation is tied to equity ownership. On September 4, 2020, upon emergence from

restructuring, we adopted the 2020 Management Incentive Plan (the "2020 Management Incentive Plan"). Under the 2020 Management Incentive Plan, the compensation committee is authorized to grant stock options, stock appreciation rights, time-vesting restricted stock units ("RSUs"), performance-vesting restricted stock units ("PSUs") and other equity-based awards. The Company has historically used a combination of stock options, RSUs and PSUs as a means to incentivize long-term employment and performance and to align individual compensation with the objective of building stockholder value. The Company uses equity incentive compensation, with vesting based on time, performance or both, as a means of encouraging a "culture of ownership" among employees, including our NEOs. The compensation committee believes that by using equity-based forms of incentive compensation, the interests of the Company's stockholders and the Company's management employees remain aligned over the long-term. The compensation committee exercises discretion in determining the number and type of equity awards to be granted to our executive officers, including our NEOs, as long-term incentive compensation. In exercising its discretion, the compensation committee considers a number of factors, including individual responsibilities, industry conditions, competitive market data and individual and Company performance. Subject to the express provisions of the 2020 Management Incentive Plan and direction from the Board of Directors, the compensation committee is authorized, among other things, (i) to select the executive officers to whom equity awards will be granted; (ii) to determine the type, size, terms and conditions of equity awards to executive officers, including vesting provisions and whether such equity awards will be time or performance-based; and (iii) to establish the terms for treatment of equity awards upon an executive officer's termination of employment.

In March of 2023, we granted RSUs to each of our NEOs. We did not grant any PSUs to any of our NEOs in Fiscal 2023. The RSUs are subject to time-based vesting conditions only. One-half of the RSU award vested and was settled immediately on the grant date, and the remainder vested and became settleable (or will vest and become settleable, as applicable) in three equal tranches on February 15th of each of 2024, 2025 and 2026, subject to the NEO's continued service through the applicable vesting date (except in the case of an NEO's qualifying termination (i.e., a termination without "cause" or for "good reason" (each, as defined in the 2020 Management Incentive Plan)) occurring prior to the end of the vesting period, in which case the NEO will be entitled to vest in the next tranche of his RSUs). Notwithstanding the foregoing, all of an NEO's unvested RSUs will vest upon the consummation of a Change of Control, subject to his continued service through the date of such Change of Control.

Each RSU granted to our NEOs has a right to be credited with dividends paid in respect of one share of our common stock ("Dividend Equivalents"). Dividend Equivalents credited to an NEO's respective account and attributable to any particular RSU (and earnings thereon, if applicable) will be distributed to such NEO upon settlement of such RSU, as applicable, and if such RSU is forfeited, such NEO shall have no right to such Dividend Equivalents. For the avoidance of doubt, any Dividend Equivalents paid in respect of an RSU will be subject to the same vesting conditions as apply to the underlying award. Any payments made pursuant to the Dividend Equivalents will be paid in either cash or, to the extent such rights are paid in shares of our common stock, shares of our common stock. No dividends have been declared by the Company.

In Fiscal 2023, we granted time-based RSUs to our NEOs as set forth below.

Executive	Fiscal 2023 RSUs
Todd M. Hornbeck	112,826
James O. Harp, Jr.	47,012
Samuel A. Giberga	47,011
John S. Cook	47,011
Carl G. Annessa	47,012

Other Executive Benefits and Perquisites

We provide our NEOs and our other employees with certain perquisites and other personal benefits as part of providing a competitive executive compensation program and for employee retention. We do not gross-up our

NEOs or our other employees for taxes payable in respect of their perquisites received. The following table generally identifies the Company's benefit plans and identifies those employees who may be eligible to participate. The NEOs participate in the following benefit plans in the same manner that our employees do, except where noted below:

Benefit Plan	Executive Officers (including NEOs)	Certain Managers	Full-Time Employees
Medical Insurance(1)	X	X	X
Dental Insurance(1)	X	X	X
Vision Insurance(1)	X	X	X
Employee Assistance Plan	X	X	X
Life and Disability Insurance(2)	X	X	X
Flexible Spending Accounts	X	X	X
401(k) Plan	X	X	X

(1) In Fiscal 2023, each of our NEOs had a supplemental medical insurance policy that pays for all of the NEO's eligible out-of-pocket medical, dental and vision expenses.

(2) The NEOs, the Company's Vice Presidents and certain other officers have Company-paid basic life and accidental death and dismemberment insurance in an amount equal to 1.5 times their base salary, up to $300,000. All other employees have Company-paid basic life and accidental death and dismemberment insurance in an amount equal to 1.5 times their base salary, up to $100,000. In addition, the NEOs, the Company's Vice Presidents and certain other officers are eligible to receive disability benefits as long as they are disabled from performing their own occupation. For all other employees, they are entitled to disability benefits for up to 36 months, if they are disabled from performing their own occupation, and in order to be entitled to disability benefits after 36 months, they must be unable to work in any occupation.

The Company believes it should provide limited perquisites for its executive officers. As a result, the Company has historically provided nominal perquisites. The following table generally illustrates the perquisites we do (and do not) provide and identifies those employees who may be eligible to receive them:

Type of Perquisite	Executive Officers (including NEOs)	Certain Managers	Certain Full-Time Employees
Company Vehicle	X	Not offered	X
Vehicle Allowance	Not offered	X	X
Use of Company Aircraft	X(1)	Not offered	Not offered
Supplemental Medical Insurance	X	Not offered	Not offered
Country Club Memberships	Not offered	Not offered	Not offered
Dwellings for Personal Use	Not offered	Not offered	Not offered
Security Services	Not offered	Not offered	Not offered
Supplemental Executive Retirement Program (SERP)	Not offered	Not offered	Not offered
Deferred Compensation Plan Matching Contribution	Not offered(2)	Not offered	Not offered

(1) The Company intends to adopt a corporate aircraft use policy establishing parameters for executive use of corporate aircraft and related tax and SEC perquisite disclosure implications. Among other things, the Company intends that, under the policy, personal use of private aircraft by the Company's Chief Executive Officer will be limited to a certain dollar value or number of hours and any excess personal use must be approved by the Company's Lead Independent Director. Under the policy, any use of corporate aircraft for purposes that are not integrally and directly related to the performance of an executive's job duties (including but not limited to personal use), will be appropriately disclosed as a perquisite in accordance with SEC regulations and guidance. Additional information with respect to the Chief Executive Officer's corporate aircraft use is provided in the footnotes to the Summary Compensation Table.

(2) A Deferred Compensation Plan was adopted by the Board of Directors in 2007. However, no matching provision has been authorized under the Deferred Compensation Plan, and, to date, no NEO has availed himself of participation therein.

Employment Agreements and Severance Benefits

We believe that a strong, experienced management team is essential to the best interests of the Company and our shareholders. As noted above, we have entered into EAs with the NEOs in order to, among other things, minimize employment security concerns, including those arising in the course of negotiating and completing a significant transaction. The EAs provide for severance benefits, which are payable only if the NEO is terminated by the Company without "cause" or the NEO resigns for "good reason," in each case, whether or not in connection with a change of control; these benefits are enumerated and quantified in the section captioned "Potential Payments Upon Termination or Change of Control."

Section 162(m)

Section 162(m) of the Internal Revenue Code limits us to a deduction for federal income tax purposes of no more than $1 million of compensation paid to certain executive officers in a taxable year. Although we are mindful of the benefits of tax deductibility when determining executive compensation, we may approve compensation that will not be fully-deductible in order to ensure competitive levels of total compensation for our executive officers.

Section 409A Considerations

Another section of the Code, Section 409A, affects the manner in which deferred compensation opportunities are offered to our employees, because Section 409A requires, among other things, that "non-qualified deferred compensation" be structured in a manner that limits employees' abilities to accelerate or further defer certain kinds of deferred compensation. We intend to operate our existing compensation arrangements that are covered by Section 409A in accordance with the applicable rules thereunder, and we will continue to review and amend our compensation arrangements where necessary to comply with Section 409A.

Section 280G

With respect to certain payments made or benefits provided to executives in connection with a change in control of a corporation that constitute "parachute payments" (as defined in Code Section 280G), Code Section 280G disallows a tax deduction for the payor with respect to, and Code Section 4999 imposes a 20% excise tax on the individual receiving, any such "parachute payments" that constitute "excess parachute payments" (as defined in Code Section 280G). Generally, such payments and benefits are in the nature of compensation that is linked to or triggered by a change in control and may include, but are not limited to, bonus payments, severance payments and accelerated vesting and payouts in respect of awards under long-term incentive plans, including equity-based compensation. None of our NEOs is entitled to any gross-up with respect to any excise taxes that may be imposed under Code Section 4999, and as noted in the "Narrative Description to the Summary Compensation Table" and the "Grants of Plan-Based Awards Table for the 2023 Fiscal Year," each NEO's EA provides for a "best-net" cutback.

Post Year-End Actions Affecting Compensation

As discussed above, in March of each year, the compensation committee determines the cash incentive compensation and/or bonuses for the NEOs for services provided during the previous fiscal year. The compensation committee also determines equity incentive compensation awards for the NEOs, taking into account services provided during the previous fiscal year and the intended incentive for long-term employment and performance. All budgeted annual base salaries, equity incentive awards, potential cash incentive awards and performance targets related thereto, which are applicable to the NEOs, are addressed by the Board of Directors in its final approval of the Company's annual budget.

Compensation Risk Assessment

Once a publicly traded company, we will be subject to SEC rules regarding risk assessment. Those rules require a publicly traded company to determine whether any of its existing incentive compensation plans, programs or arrangements create risks that are reasonably likely to have a material adverse effect on the Company. We do not believe that any of our incentive compensation plans, programs or arrangements create risks that are reasonably likely to have a material adverse effect on the Company.

Summary Compensation Table

The table below sets forth the annual compensation awarded to or earned by our NEOs for Fiscal 2023, Fiscal 2022 and Fiscal 2021.

Name and Principal Position	Year	Salary ($)[1]	Bonus ($)[2]	Stock Awards ($)[3]	Non-Equity Incentive Plan Compensation ($)[4]	All Other Compensation ($)[5]	Total ($)
Todd M. Hornbeck	2023	750,000	100,000	6,054,243	885,000	66,242	7,855,485
Chairman, President & Chief Executive Officer	2022	750,000	—	3,868,245	1,455,000	69,916	6,143,162
	2021	637,500	—	—	1,275,000	40,007	1,952,507
James O. Harp, Jr.	2023	400,000	100,000	2,522,664	472,000	52,173	3,546,837
EVP & Chief Financial Officer	2022	400,000	—	1,611,762	776,000	46,445	2,834,207
	2021	360,000	—	—	720,000	30,786	1,110,786
Samuel A. Giberga	2023	400,000	100,000	2,522,610	472,000	50,518	3,545,128
EVP, General Counsel, Chief Compliance Officer &	2022	400,000	—	1,611,762	776,000	44,751	2,832,513
Corporate Secretary	2021	305,000	—	—	610,000	34,065	949,065
John S. Cook	2023	400,000	100,000	2,522,610	472,000	53,935	3,548,545
EVP & Chief Commercial Officer[6]	2022	400,000	—	1,611,762	776,000	44,106	2,831,868
	2021	320,000	—	—	640,000	32,694	992,694
Carl G. Annessa	2023	400,000	100,000	2,522,664	472,000	52,073	3,546,737
EVP—Military, Engineering, Repair &	2022	400,000	—	1,611,762	776,000	44,623	2,832,385
Maintenance	2021	320,000	—	—	640,000	32,029	992,029

(1) The amounts in this column reflect the actual base salaries earned by our NEOs for Fiscal 2023, Fiscal 2022 and Fiscal 2021.

(2) The amounts in this column reflect the One-Time GIFI Litigation Bonus, which is described above in the section titled "Pay Mix—Bonus."

(3) The amounts in this column reflect the grant date fair values (computed in accordance with FASB ASC Topic 718) of the RSU and PSU awards granted to the NEOs in Fiscal 2023 and Fiscal 2022. See Note 13 to our Annual Financial Statements included elsewhere in this prospectus for the assumptions used in calculating the grant date fair values. For the RSUs, the amounts reported in this column reflect the aggregate grant date fair value computed in accordance with ASC Topic 718. For the PSUs, the amounts reported in this column reflect the aggregate grant date fair value computed in accordance with ASC Topic 718, and assumes that the maximum number of the PSUs vest and participate in distributions.

(4) The amounts in this column reflect bonuses paid to our NEOs for Fiscal 2023, Fiscal 2022 and Fiscal 2021 performance, pursuant to the terms of the annual cash incentive compensation opportunities set forth in their respective employment agreements and the Company's cash incentive compensation program in effect for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. The Company's cash incentive compensation program is described above in the section titled "Pay Mix—Bonus."

(5) The amounts in this column reflect the following amounts paid to our NEOs for Fiscal 2023: (i) employer-paid automobile lease, fuel and insurance expenses, which total $9,716, $19,447, $17,792, $21,208 and $18,939 for each of Messrs. Hornbeck, Harp, Giberga, Cook and Annessa, respectively, (ii) employer-paid term life insurance policy expenses for each NEO, (iii) employer-paid supplemental health insurance policy expenses in the amount of $17,904 for Mr. Annessa and $17,496 for each of the other NEOs, (iv) 401(k) matching contributions, which total $14,850 for each of our NEOs and (v) use of the Company's aircraft for Mr. Hornbeck of $23,800. For the aircraft use, the value shown is the incremental cost to the Company for such use, which is calculated based on a contracted hourly rate billed to the Company per hour of operation. Fixed costs that do not change based on usage are not included. We do not provide tax gross-ups related to the use of the Company's aircraft.

(6) In August 2024, Mr. Cook's title was changed from EVP, Chief Commercial Officer & Chief Information Officer to EVP & Chief Commercial Officer.

Grants of Plan-Based Awards for the 2023 Fiscal Year

The following table summarizes the non-equity incentive plan awards and equity incentive plan awards granted to our NEOs during Fiscal 2023. All numbers have been rounded to the nearest whole dollar or unit.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards[1]			All Other Stock Awards[2]	Grant Date Fair Value of Stock and Option Awards[3]
Name	Grant Date	Threshold ($)	Target ($)	Maximum ($)	(#)	($)
Todd M. Hornbeck	3/20/2023	375,000	750,000	1,500,000		
	3/23/2023				112,826	6,054,243
James O. Harp, Jr.	3/20/2023	200,000	400,000	800,000		
	3/23/2023				47,012	2,522,664
Samuel A. Giberga	3/20/2023	200,000	400,000	800,000		
	3/23/2023				47,011	2,522,610
John S. Cook	3/20/2023	200,000	400,000	800,000		
	3/23/2023				47,011	2,522,610
Carl G. Annessa	3/20/2023	200,000	400,000	800,000		
	3/23/2023				47,012	2,522,664

(1) For Fiscal 2023, each NEO was eligible to receive non-equity incentive plan compensation based on the achievement of objective performance goals (for the EBITDA and TRIR components) and the discretion of the compensation committee (for the Strategic Plan component only). The amount actually paid to each NEO in respect of Fiscal 2023 pursuant to these criteria is reflected in the "Summary Compensation Table" under the heading "Non-Equity Incentive Plan Compensation."

(2) The amounts in this column reflect the RSUs granted to our NEOs pursuant to the 2020 Management Incentive Plan in Fiscal 2023. All RSUs granted in Fiscal 2023 were subject to time-vesting conditions only.

(3) For the RSUs granted in Fiscal 2023, the total dollar amounts in this column equal the product of (i) the number of RSUs indicated in the "All Other Stock Awards" column, multiplied by (ii) the fair value of our common stock as of the grant date ($53.66 per share), determined in accordance with FASB ASC Topic 718.

Narrative Description to the Summary Compensation Table and the Grants of Plan-Based Awards Table for the 2023 Fiscal Year

Amended and Restated Employment Agreements

As noted above, each of our NEOs is a party to an EA that provides for such NEO's initial annual base salary, target annual cash incentive compensation opportunity, certain severance benefits (as described in detail

in the section titled "Potential Payments upon Termination or Change of Control"), entitlement to reimbursement of reasonable business expenses and eligibility to participate in our benefit plans generally.

At the end of Fiscal 2023, Mr. Hornbeck's annualized base salary was $750,000, and each of the other NEOs had an annualized base salary of $400,000, and each of the NEOs (including Mr. Hornbeck) had a target annual cash incentive compensation opportunity equal to 100% of his annualized base salary. As previously noted, the various components of our executive compensation program are related but distinct and are designed to emphasize "pay for performance," with a significant portion of total compensation reflecting a risk aspect tied to achieving our long-term and short-term financial and strategic goals. For Fiscal 2023, each NEO's annual base salary represents approximately 11.3% or less of the NEO's total compensation, and each NEO's annual cash incentive compensation represents approximately 16.1% or less of the NEO's total compensation.

The EAs subject the NEOs to the following restrictive covenants: (i) perpetual confidentiality, (ii) employment term and 2-year post-employment (A) non-competition and (B) employee and individual service provider (with a 6-month lookback) non-solicitation and no hire, (iii) mutual non-disparagement and (iv) assignment of inventions. The EAs also contain a Section 280G "best-net" cutback, which provides that any payments and/or benefits that constitute "parachute payments" (as defined under Section 280G of the Code) will be reduced to the extent necessary to avoid the imposition any excise tax under Section 4999 of the Code, but only to the extent that the reduction results in the NEO receiving a greater amount (on an after-tax basis) than the NEO would receive absent such reduction.

Grant of Equity Incentive Awards

In Fiscal 2023 and under the 2020 Management Incentive Plan (as described above), Mr. Hornbeck was granted 112,826 RSUs. Each of Messrs. Harp and Annessa were granted 47,012 RSUs and each of Messrs. Giberga and Cook were granted 47,011 RSUs. These equity incentive awards are described in more detail above in the section titled "Long-Term Equity-Based Compensation."

Outstanding Equity Awards at 2023 Fiscal Year-End

The following table provides information on the stock option and stock award holdings of our NEOs as of the end of Fiscal 2023. This table includes unexercised stock options and unvested RSUs and PSUs. The vesting dates for each award are shown in the accompanying footnotes. The market value of the stock awards was determined using a price per share of $67.23, which is the fair market value of a share of our common stock as of December 31, 2023, as determined based on the independent valuation report prepared on our behalf, dated January 31, 2024.

Name	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)[1]	Option Exercise Price ($)	Option Expiration Date	Stock Awards			
				Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)[5]	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)[5]
Todd M. Hornbeck	125,388	10.00	9/4/2030				
				37,510[2]	2,521,797		
				56,413[3]	3,792,646		
						33,758[4]	2,269,550
James O. Harp, Jr.	52,245	10.00	9/4/2030				
				15,629[2]	1,050,738		
				23,506[3]	1,580,308		
						14,066[4]	945,657
Samuel A. Giberga	52,245	10.00	9/4/2030				
				15,629[2]	1,050,738		
				23,506[3]	1,580,308		
						14,066[4]	945,657
John S. Cook	52,245	10.00	9/4/2030				
				15,629[2]	1,050,738		
				23,505[3]	1,580,241		
						14,066[4]	945,657
Carl G. Annessa	52,245	10.00	9/4/2030				
				15,629[2]	1,050,738		
				23,506[3]	1,580,308		
						14,066[4]	945,657

(1) On September 4, 2020, each of our NEOs received an award of stock options that is comprised of three equal tranches, with each tranche subject to both time-vesting and performance-vesting conditions. The stock options time-vested ratably on each of the first three anniversaries of June 19, 2020, subject to the NEO's continued employment through the applicable vesting date. The stock options performance-vest based on the achievement of specified total enterprise value ("TEV") levels, such that the NEO will only performance-vest if and when (i) a "change of control" (as defined in the 2020 Management Incentive Plan), an initial public offering or September 4, 2027 occurs and (ii) the implied TEV as of such time equals or exceeds the specified TEV threshold for such tranche.

(2) On June 9, 2022, each of our NEOs received an award of RSUs, all of which are subject to time-based vesting conditions. The first one-third tranche vested and was settled on February 15, 2023. The remainder of the award vested and became settleable (or will vest and become settleable, as applicable) in equal tranches on February 15th of 2024 and 2025, subject to the NEO's continued service through the applicable vesting date (except in the case of the NEO's "qualifying termination" occurring prior to the end of the vesting period, in which case the NEO will be entitled to vest in the next tranche of his RSUs that is scheduled to vest on the next vesting date). Notwithstanding the foregoing, all of an NEO's unvested RSUs will fully vest upon the consummation of a "change of control," subject to the NEO's continued service through the date of such "change of control."

(3) As previously described in greater detail in the sections titled "Grants of Plan-Based Awards for the 2023 Fiscal Year" and "Long-Term Equity Based Compensation," on March 23, 2023, each of our NEOs received an award of RSUs, all of which are subject to time-based vesting conditions only. The first one-half of the award vested and was settled immediately on the grant date. The remainder of the award vested and became

settleable (or will vest and become settleable, as applicable) in three equal tranches on February 15th of each of 2024, 2025 and 2026, subject to the NEO's continued service through the applicable vesting date except in the case of the NEO's "qualifying termination" occurring prior to the end of the vesting period, in which case the NEO will be entitled to vest in the next tranche of his RSUs that is scheduled to vest on the next vesting date). Notwithstanding the foregoing, all of an NEO's unvested RSUs will fully vest upon the consummation of a "change of control," subject to the NEO's continued service through the date of such "change of control."

(4) On June 9, 2022, each of our NEOs received an award of PSUs subject to both time-based and performance-based vesting conditions and the amounts reported assume the maximum number of PSUs would vest.

(5) Calculated by multiplying (i) the number of shares of our common stock underlying the unvested portion of the RSU or PSU award, as applicable, by (ii) the fair market value of our common stock as of December 31, 2023, which was $67.23.

Option Exercises and Stock Vested in the 2023 Fiscal Year

The following table provides information, on an aggregate basis, about our NEOs' stock awards that vested during Fiscal 2023. None of our NEOs exercised stock options in Fiscal 2023.

	Stock Awards	
Name	Number of Shares Acquired on Vesting (#)[1]	Value Realized on Vesting ($)[2]
Todd M. Hornbeck	145,899	8,246,966
James O. Harp, Jr.	60,792	3,436,278
Samuel A. Giberga	60,791	3,436,225
John S. Cook	60,792	3,436,278
Carl G. Annessa	60,792	3,436,278

(1) The amounts reported in this column represent (i) the RSUs that were granted to each NEO on March 23, 2023, of which 50% vested and was settled on the grant date, (ii) the RSUs that were granted to each NEO on June 9, 2022, of which 33.33% vested and was settled on February 15, 2023 and (iii) the RSUs that were granted to each NEO on September 4, 2020, of which 33.33% vested on June 19, 2023. For further information regarding such RSUs that vested during Fiscal 2023 for each of the NEOs, see the below section titled "Non-Qualified Deferred Compensation."

(2) The value realized on vesting was calculated by multiplying (i) the number of RSUs that vested in February 2023 and March 2023 by the fair market value of a share of our common stock as of March 23, 2023 (i.e., $53.66) and (ii) the number of RSUs that vested in June of 2023 by the fair market value of a share of our common stock as of June 30, 2023 (i.e., $59.57). None of the RSUs granted on September 4, 2020 will settle until the earlier to occur of a "change of control" and September 4, 2027.

Non-Qualified Deferred Compensation

The following table provides information, on an aggregate basis, about our NEOs' vested RSUs for which settlement was deferred during Fiscal 2023, Fiscal 2022 and Fiscal 2021.

Name	Registrant Contributions in Last FY[1] ($)	Aggregate Balance at Last FYE[2] ($)
Todd M. Hornbeck	$ 4,755,312	$ 14,265,870
James O. Harp, Jr.	$ 1,981,403	$ 5,944,140
Samuel A. Giberga	$ 1,981,403	$ 5,944,140
John S. Cook	$ 1,981,403	$ 5,944,140
Carl G. Annessa	$ 1,981,403	$ 5,944,140

(1) The amounts reported in this column represent the aggregate dollar value of the vested RSUs for which the settlement during Fiscal 2023 was deferred pursuant to the terms of the 2020 Management Incentive Plan. In the case of each NEO, these RSUs were granted on September 4, 2020 and vested on June 19, 2023, but settlement was subsequently deferred (i.e., 70,732 RSUs of Mr. Hornbeck were deferred, and 29,472 RSUs of each other NEO were deferred). For each NEO, the reported amount was calculated by multiplying (i) the number of RSUs that vested and were deferred during Fiscal 2023, by (ii) the fair market value of a share of our common stock as of December 31, 2023 (i.e., $67.23).

(2) The aggregate balance was calculated by multiplying (i) the aggregate number of RSUs that vested and was deferred during Fiscal 2023, Fiscal 2022 and Fiscal 2021, by (ii) the fair market value of a share of our common stock as of December 31, 2023 (i.e., $67.23). None of these RSUs will be settled until the earlier to occur of a "change of control" and September 4, 2027. Upon such settlement, amounts in this column will reflect any dividend equivalents that were previously accrued during the prior periods and be net of any vested RSUs that are used to satisfy any tax withholding obligations.

Potential Payments Upon Termination or a Change of Control

In this section, we describe payments and benefits that may be made to our NEOs upon the occurrence of certain terminations of employment and/or a change of control, assuming that such event occurred on the last day of Fiscal 2023. We note that this offering would not result in any payments or benefits to our NEOs or acceleration of equity awards to our NEOs, but upon this offering, the performance vesting of the outstanding performance-based stock options and PSUs held by our NEOs will be measured based on our achievement of specified TEV levels.

Payments upon Termination of Employment due to Death or Disability

The EAs provide that upon a termination of the NEO's employment due to the NEO's death or "disability" (as defined therein), the NEO will receive the following severance benefits: (i) a pro-rata annual bonus, based on actual performance for the year in which the termination occurs, and (ii) reimbursement for the employer portion of the NEO's COBRA premiums for 12 months.

Each NEO's outstanding stock options that have time-vested as of such NEO's termination due to death or "disability" will remain outstanding and eligible to performance-vest to the extent the applicable performance conditions are actually achieved.

Payments upon a Termination of Employment without Cause or for Good Reason

The EAs provide that upon a termination of the NEO's employment by the Company without "cause" (including due to the Company's non-renewal of the employment term) or by the NEO for "good reason" (each as defined therein and summarized below, and each such termination, a "Qualifying Termination"), subject to the NEO's execution and non-revocation of a release of claims in favor of the Company, the NEO will receive the following severance benefits (the "Severance Benefits"): (i) 2 times (or, for Mr. Hornbeck only, 2.5 times) the sum of the NEO's base salary and target bonus, payable over the 24-month period following termination; (ii) a pro-rata annual bonus (the "Pro-Rata Annual Bonus"), based on actual performance for the fiscal year in which the termination occurs, provided, that such termination occurs at least half way through the applicable fiscal year; and (iii) reimbursement for the employer portion of the COBRA premiums for 24 months (or, for Mr. Hornbeck only, 30 months, provided that such amount shall still be payable over the 24-month period following termination); provided, that, if the Qualifying Termination occurs within the 2-year period following (or within the 6-month period preceding) a "change of control," then the (x) Severance Benefits will be payable in a lump sum to the NEO on or about the 60th day following such "change of control" and (y) Pro-Rata Annual Bonus will be determined based on deemed achievement of target performance for the fiscal year in which the termination occurs regardless of when the termination occurs during such fiscal year.

Additionally, upon a Qualifying Termination, each NEO will (i) vest in the tranche of RSUs next scheduled to vest following such Qualifying Termination, if any; (ii) time-vest in the tranche of stock options next scheduled to time-vest following such Qualifying Termination, if any; and (iii) be entitled to, with respect to any stock options that have time-vested as of the Qualifying Termination date (after accounting for the acceleration set forth in clause (ii)), have such time-vested stock options remain outstanding and eligible to performance-vest to the extent the applicable performance conditions are actually achieved.

The EAs define "cause" as any of the NEO's: (i) conviction of either (A) a felony involving moral turpitude or (B) any crime in connection with the NEO's employment that causes the Company and each of its subsidiaries and affiliates (collectively, the "Company Group") a substantial detriment (in each case, excluding traffic offenses); (ii) actions or inactions that clearly are contrary to the best interests of the Company Group and the express directives of our Board of Directors; provided, that, such actions or inactions by the NEO cause the Company Group a substantial detriment or could reasonably be expected to cause a substantial detriment to the Company Group as determined by our Board of Directors in good faith; (iii) willful failure to take actions permitted by law and necessary to implement policies of our Board of Directors that our Board of Directors has communicated to the NEO in writing; provided, that, such policies that are reflected in minutes of our Board of Directors meeting attended in its entirety by the NEO shall be deemed communicated to the NEO to the extent the NEO received a copy of such minutes from the secretary or the general counsel of the Company promptly following approval by our Board of Directors; (iv) continued failure to attend to the NEO's material duties as an executive officer of the Company Group following the NEO's receipt of written notice from our Board of Directors of such failure; provided, that, such failure by the NEO causes the Company Group a substantial detriment or could reasonably be expected to cause a substantial detriment to the Company Group as determined by our Board of Directors in good faith; (v) commission of an act of fraud or material act of dishonesty or misappropriation involving the Company Group; (vi) willful violation of law or gross negligence that is substantially detrimental to the Company; (vii) material breach or material violation of the EA or any other written agreement with a member of the Company Group, or any material violation of any written policy of the Company Group; provided, that, such material breach or material violation by the NEO causes the Company Group a substantial detriment or could reasonably be expected to cause a substantial detriment to the Company Group as determined by our Board of Directors in good faith; or (viii) habitual use of illicit drugs or habitual abuse of alcohol that, in the reasonable good faith opinion of our Board of Directors, renders the NEO unfit to serve as an officer of the Company Group. If any determination of habitual use or substantial dependence under clause (viii) is disputed by the NEO, the Company and the NEO agree to abide by the decision of a panel of 3 physicians appointed in the manner specified in the applicable EA. For purposes of this "cause" definition, no action or inaction will be considered "willful" or constitute "gross negligence," if the NEO had a reasonable, good faith belief that such action or inaction was in the best interests of the Company Group. Anything in the EA to the contrary notwithstanding, the NEO shall not be terminated for "cause" under the EA, unless (A) written notice stating the basis for the termination is provided to the NEO, and (B) with the exception of the NEO's conviction of either a felony involving moral turpitude or any crime in connection with the NEO's employment that causes the Company Group a substantial detriment (in each case, excluding traffic offenses), the NEO is given 10 business days to cure the neglect or conduct that is the basis of such claim, to the extent curable.

The EAs define "good reason" as, unless otherwise agreed to in writing by the NEO, (i) any material diminution in the NEO's titles, duties, responsibilities, status or authorities with the Company or any of its material operating subsidiaries; (ii) a material reduction in the NEO's base salary or target bonus; (iii) a relocation of the NEO's primary place of employment to a location more than 35 miles farther from the NEO's primary residence than the current location of the Company's offices in Louisiana as of June 19, 2020; or (iv) a material breach by the Company of the EA or any other agreement between the Company and the NEO. In order to invoke a termination for "good reason," (A) the NEO must provide written notice within 45 days of the NEO becoming aware of the occurrence of any event of "good reason"; (B) the Company must fail to cure such event within 30 days of the giving of such notice; and (C) the NEO must terminate employment within 45 days following the expiration of the Company's cure period.

Payments upon a Change of Control

Upon a "change of control," (i) 100% of the NEO's then-unvested RSUs will accelerate and vest; (ii) the time-vesting condition of the NEO's then-unvested stock options will be deemed fully satisfied; and (iii) the NEO's then-unvested PSUs will vest only if the applicable performance hurdles are achieved in connection with such change of control. Upon a "Qualifying Termination" (as described above) in connection with a change of control, each NEO shall be entitled to the Severance Benefits described above in the section titled "—Payments upon a Termination of Employment without Cause or for Good Reason," except that the NEO shall be entitled to the Pro-Rata Annual Bonus regardless if such termination occurs prior to the midpoint of the fiscal year and shall be based on target performance and all amounts shall be paid in a lump sum.

The table sets forth the estimated payments and benefits payable upon the occurrence of the events described in this section. In estimating the value of such payments, the table assumes that (i) the NEO's employment was terminated and/or a "change of control" occurred, in each case on December 31, 2023; (ii) each NEO's compensation rates were the same as in effect on December 31, 2023; and (iii) the market value of the stock awards is based on the closing market price of our common stock as of December 31, 2023, which was $67.23.

Officer	Type of Payment	Termination Without Cause or for Good Reason ($)	Termination Due to Death ($)	Termination Due to Disability ($)	Occurrence of a Change of Control
Todd M. Hornbeck	**Cash Severance**	3,750,000	—	—	
	Stock Award Vesting(2)	2,525,092	—	—	13,413,977
	Pro-Rata Annual Bonus(1)	750,000	750,000	750,000	
	Health and Welfare Benefits	187,143	350,508	75,961	
	Total	7,212,234	1,100,508	825,961	13,413,977
James O. Harp, Jr.	**Cash Severance**	1,600,000	—	—	—
	Stock Award Vesting(2)	1,052,082	—	—	6,566,685
	Pro-Rata Annual Bonus(1)	400,000	400,000	400,000	—
	Health and Welfare Benefits	159,053	338,724	80,631	—
	Total	3,211,135	738,724	480,631	6,566,685
Samuel A. Giberga	**Cash Severance**	1,600,000	—	—	—
	Stock Award Vesting(2)	1,052,082	—	—	6,566,685
	Pro-Rata Annual Bonus(1)	400,000	400,000	400,000	—
	Health and Welfare Benefits	155,470	338,881	78,839	—
	Total	3,207,553	738,881	478,839	6,566,685
John S. Cook	**Cash Severance**	1,600,000	—	—	—
	Stock Award Vesting(2)	1,052,082	—	—	6,566,617
	Pro-Rata Annual Bonus(1)	400,000	400,000	400,000	—
	Health and Welfare Benefits	147,355	338,811	74,782	—
	Total	3,199,438	738,811	474,782	6,566,617
Carl G. Annessa	**Cash Severance**	1,600,000	—	—	—
	Stock Award Vesting(2)	1,052,082	—	—	6,566,685
	Pro-Rata Annual Bonus(1)	400,000	400,000	400,000	—
	Health and Welfare Benefits	146,931	329,913	74,569	—
	Total	3,199,013	729,913	474,569	6,566,685

(1) The Pro-Rata Annual Bonus amounts set forth above are based on deemed achievement of all performance criteria at target levels. Given that we assume payout of the Pro-Rata Annual Bonus at target levels, the total severance amount reported in this table under the "Termination Without Cause or for Good Reason" column would be the same if such termination occurred in connection with a change of control.

(2) The Stock Award Vesting amounts set forth do not include the value of RSUs that had previously vested, but such vested RSUs would be settled upon a change of control. The value of RSUs previously vested are as follows: $16,088,625 for Mr. Hornbeck and $6,703,625 for each of the other NEOs. All equity awards, including RSUs, were granted from the reserve under the 2020 Management Incentive Plan ("MIP Reserve"), which initially allocated 2,198,044 shares of common stock of the Company for issuance thereunder, of which 2,063,111 and 135,033 of such total shares were reserved for MIP participants and non-employee directors, respectively, and would have been paid to the MIP participants upon a change of control. The Stock Award Vesting amounts assume none of the remaining MIP Reserve would be granted to any of our NEOs at the time of a change of control.

Director Compensation

The table below sets forth the annual compensation awarded to or earned by certain of our non-employee directors for Fiscal 2023. Todd M. Hornbeck (our Chairman, President and Chief Executive Officer), Scott Graves, Jacob Mercer, Aaron Rosen and Larry Hornbeck (our Chairman Emeritus) did not receive any compensation for serving on our Board of Directors.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	Total ($)[1]
Kurt M. Cellar	103,635	192,264	295,899[2]
Evan B. Behrens	66,125	158,619	224,744[3]
Piyush "Bobby" Jindal	83,000	158,619	241,619[4]
John Richardson	65,500	158,619	224,119[5]
Lloyd Donelson Miller	66,135	158,619	224,754[6]
Sylvia Jo Sydow Kerrigan	63,625	158,619	222,244[7]

(1) As of December 31, 2023, all equity awards issued to our directors in our fiscal year ending December 31, 2020 and in Fiscal 2021 had vested in full, and such equity awards will settle upon the earlier of September 4, 2027 and a "change of control." No equity awards were issued to our directors in Fiscal 2022. On March 23, 2023, equity awards were issued to our directors. One-half of these awards vested and was settled on the grant date. The remaining one-half vested and became settleable on February 15, 2024. For the RSUs granted in Fiscal 2023, the total dollar amounts in this column equal the product of (i) the number of RSUs granted multiplied by (ii) the fair value of our common stock as of the grant date ($53.66 per share), determined in accordance with FASB ASC Topic 718.

(2) For Mr. Cellar, this amount represents the sum of the annual cash retainers due for his service as: (i) a non-employee director ($50,500), (ii) the chairperson of the audit committee ($20,000), (iii) co-chairperson of the M&A/Finance committee ($8,135), (iv) the lead independent director ($25,000) and (v) the value of 3,583 RSUs granted in Fiscal 2023 ($192,264).

(3) For Mr. Behrens, this amount represents the sum of the annual cash retainers due for his service as: (i) a non-employee director ($50,500), (ii) a member of the audit committee ($10,000), (iii) a member of the M&A/Finance committee ($5,625) and (iv) the value of 2,956 RSUs granted in Fiscal 2023 ($158,619), 35% of which Mr. Behrens elected to have settled in cash.

(4) For Mr. Jindal, this amount represents the sum of the annual cash retainers due for his service as: (i) a non-employee director ($50,500), (ii) the chairperson of the compensation committee ($15,000), (iii) a member of the audit committee ($10,000), (iv) a member of the business diversification/government contracting committee ($7,500) and (v) the value of 2,956 RSUs granted in Fiscal 2023 ($158,619).

(5) For Mr. Richardson, this amount represents the sum of the annual cash retainers due for his service as: (i) a non-employee director ($50,500), (ii) the chairperson of the business diversification/government contracting committee ($15,000) and (iii) the value of 2,956 RSUs granted in Fiscal 2023 ($158,619), 35% of which Mr. Richardson elected to have settled in cash.

(6) For Mr. Miller, this amount represents the sum of the annual cash retainers due for his service as: (i) a non-employee director ($50,500), (ii) a member of the compensation committee ($7,500), (iii) co-chairperson of the M&A/Finance committee ($8,135) and (iv) the value of 2,956 RSUs granted in Fiscal 2023 ($158,619).

(7) For Ms. Kerrigan, this amount represents the sum of the annual cash retainers due for her service as: (i) a non-employee director ($50,500), (ii) a member of the compensation committee ($5,625), (iii) a member of the business diversification/government contracting committee ($7,500) and (iv) the value of 2,956 RSUs granted in Fiscal 2023 ($158,619).

Go-Forward Compensation Arrangements

In connection with this offering, we expect to (1) adopt a new omnibus incentive plan (the "Omnibus Plan"), (2) grant non-qualified stock options ("NQSOs") and RSUs under the Omnibus Plan to certain of our employees, including our NEOs, (3) amend and restate the EAs with our NEOs, and (4) adopt a new non-employee director compensation policy. Each of these expected actions, as well as our compensation committee's retention of a compensation consultant to advise with respect to this offering and these actions, are described below.

Compensation Consultant and Peer Group

In anticipation of a public offering, in late 2023, the compensation committee retained an outside compensation consultant, FW Cook, to review and make recommendations concerning compensation in connection with a public offering and for the fiscal year ending 2024. In December 2023, at the compensation committee's request, FW Cook reviewed our public company Industry Peer Group and recommended removing Forum Energy Technologies, Inc. and Oil States International, Inc. and adding Cactus, Inc., Diamond Offshore Drilling, Inc. and Valaris Limited. The compensation committee approved this new peer group, which was used to benchmark executive compensation for the fiscal year ending 2024 and in connection with this offering, and consists of the following:

Industry Peer Group Used to Benchmark Executive Compensation for Fiscal Year 2024 and in Connection with this Offering

Bristow Group Inc. (VTOL)
Cactus, Inc. (WHD)
Diamond Offshore Drilling, Inc. (DO)
Dril-Quip, Inc. (DRQ)
Great Lakes Dredge & Dock Corporation (GLDD)
Helix Energy Solutions Group, Inc. (HLX)
Kirby Corporation (KEX)
Newpark Resources, Inc. (NR)
Oceaneering International, Inc. (OII)
SEACOR Marine Holdings Inc. (SMHI)
TETRA Technologies, Inc. (TTI)
Tidewater Inc. (TDW)
Valaris Limited (VAL)

2024 Omnibus Incentive Plan

In order to incentivize our employees, consultants and non-employee directors following the completion of this offering, we anticipate that our Board of Directors will adopt the Omnibus Plan for employees, consultants and non-employee directors prior to the completion of this offering. Our NEOs will be eligible to participate in the Omnibus Plan, which we expect will become effective upon the consummation of this offering. We anticipate that the Omnibus Plan will provide for the grant of stock options (in the form of either NQSOs or incentive stock options ("ISOs")), stock appreciation rights ("SARs"), restricted stock, RSUs, performance awards, other stock-

based awards, cash awards and substitute awards intended to align the interests of participants with those of our stockholders.

Securities Offered. Subject to adjustment in the event of certain transactions or changes of capitalization in accordance with the Omnibus Plan, a total of shares of common stock have been initially reserved for issuance pursuant to awards under the Omnibus Plan. The total number of shares of common stock reserved for issuance under the Omnibus Plan will be increased on January 1 of each calendar year beginning in 2025, and ending and including January 1, 2034, by the lesser of (i) 2.5% of the total number of shares of common stock outstanding on each December 31 of the immediately preceding calendar year or (ii) such smaller number of shares of common stock determined by our Board of Directors. No more than shares of common stock under the Omnibus Plan may be issued pursuant to ISOs. Shares of common stock subject to an award under the Omnibus Plan will again be made available for issuance or delivery if such shares of common stock are (i) delivered, withheld or surrendered in payment of the exercise or purchase price of an award, (ii) delivered, withheld, or surrendered to satisfy any tax withholding obligation or (iii) subject to an award that expires or is canceled, forfeited, or terminated without issuance of the full number of shares of common stock to which the award related.

Administration. The Omnibus Plan will be administered by the compensation committee of our Board of Directors. The compensation committee will have broad discretion to administer the Omnibus Plan, including the power to determine the eligible individuals to whom awards will be granted, the number and type of awards to be granted and the terms and conditions of awards. The compensation committee may also accelerate the vesting or exercise of any award and make all other determinations and take all other actions necessary or advisable for the administration of the Omnibus Plan.

Eligibility. Employees and consultants of the Company and its affiliates, and non-employee directors of the Company are eligible to receive awards under the Omnibus Plan.

Non-Employee Director Compensation Limits. Under the Omnibus Plan, in a calendar year, a non-employee director may not be granted awards for such individual's service on our Board of Directors that, taken together with any cash fees paid to such non-employee director during such calendar year for such individual's service on our Board of Directors, have a value in excess of $750,000 (calculating the value of any such awards based on the grant date fair value of such awards for financial reporting purposes); provided, that (i) the compensation committee may make exceptions to this limit, except that the non-employee director receiving such additional compensation may not participate in the decision to award such compensation or in other contemporaneous decisions involving compensation for non-employee directors and (ii) for any calendar year in which a non-employee director (a) first commences service on our Board of Directors, (b) serves on a special committee of our Board of Directors, or (c) serves as lead director or non-executive chair of our Board of Directors, such limit shall be increased to $1,000,000. This limit does not apply to awards or other compensation, if any, provided to a non-employee director during any period in which the individual was an employee or otherwise providing services to the Company or its affiliates in another capacity.

Types of Awards.

Options. We may grant options to eligible persons, except that ISOs may only be granted to persons who are our employees or employees of one of our subsidiaries, in accordance with Section 422 of the Code. The exercise price of an option cannot be less than 100% of the fair market value of a share of common stock on the date on which the option is granted and the option must not be exercisable for longer than 10 years following the date of grant. However, in the case of an ISO granted to an individual who owns (or is deemed to own) at least 10% of the total combined voting power of all classes of our equity securities, the exercise price of the option must be at least 110% of the fair market value of a share of common stock on the date of grant and the option must not be exercisable more than five years from the date of grant.

SARs. A SAR is the right to receive an amount equal to the excess of the fair market value of one share of common stock on the date of exercise over the grant price of the SAR. The grant price of a SAR cannot be less than 100% of the fair market value of a share of common stock on the date on which the SAR is granted. The term of a SAR may not exceed 10 years. SARs may be granted in connection with, or independent of, other awards. The compensation committee will have the discretion to determine other terms and conditions of a SAR award.

Restricted Stock Awards. A restricted stock award is a grant of shares of common stock subject to restrictions on transferability and risk of forfeiture imposed by the compensation committee. Unless otherwise determined by the compensation committee and specified in the applicable award agreement, the holder of a restricted stock award will have rights as a stockholder, including the right to vote the shares of common stock subject to the restricted stock award or to receive dividends on the shares of common stock subject to the restricted stock award during the restriction period. The compensation committee may determine on what terms and conditions the participant will be entitled to dividends payable on the shares of restricted stock.

Restricted Stock Units. An RSU is a right to receive cash, shares of common stock or a combination of cash and shares of common stock at the end of a specified period equal to the fair market value of one share of common stock on the date of vesting. RSUs may be subject to restrictions, including a risk of forfeiture, imposed by the compensation committee. The compensation committee may determine that a grant of RSUs will provide a participant a right to receive dividend equivalents, which entitles the participant to receive the equivalent value (in cash or shares of common stock) of dividends paid on the underlying shares of common stock. Dividend equivalents may be paid currently or credited to an account, settled in cash or shares, and may be subject to the same restrictions as the RSUs with respect to which the dividend equivalents are granted.

Performance Awards. A performance award is an award that vests and/or becomes exercisable or distributable subject to the achievement of certain performance goals during a specified performance period, as established by the compensation committee. Performance awards may be granted alone or in addition to other awards under the Omnibus Plan, and may be paid in cash, shares of common stock, other property or any combination thereof, in the sole discretion of the compensation committee.

Other Share-Based Awards. Other share-based awards are awards denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, the value of shares of common stock.

Cash Awards. Cash awards may be granted on a free-standing basis or as an element of, a supplement to, or in lieu of any other award and will be subject to such terms and conditions, including vesting conditions as determined by the compensation committee.

Substitute Awards. Awards may be granted under the Omnibus Plan in substitution for similar awards held for individuals who become participants as a result of a merger, consolidation or acquisition of another entity by or with the Company or one of our affiliates.

Certain Transactions. If any change is made to our capitalization, such as a stock split, stock combination, stock dividend, exchange of stock or other recapitalization, merger or otherwise, which results in an increase or decrease in the number of our outstanding shares of common stock, appropriate adjustments will be made by the compensation committee to (i) the shares of common stock subject to an outstanding award under the Omnibus Plan and (ii) the respective exercise price of such award. The compensation committee will also have the discretion to make certain adjustments to awards in the event of a change in control of the Company, such as the assumption or substitution of outstanding awards, the purchase of any outstanding awards in cash based on the applicable change in control price, the ability for participants to exercise any outstanding stock options, SARs or other stock-based awards upon the change in control (and if not exercised such awards will be terminated), and the acceleration of vesting or exercisability of any outstanding awards.

Clawback. All awards, amounts, or benefits received or outstanding under the Omnibus Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction, or other similar action in accordance with any Company clawback or similar policy or any applicable law related to such actions.

Plan Amendment and Termination. Our Board of Directors or the compensation committee may amend, in whole or in part, any or all of the provisions of the Omnibus Plan, or suspend or terminate it entirely, retroactively or otherwise, provided that the rights of a participant with respect to awards granted prior to such amendment, suspension, or termination may not be materially impaired without the consent of such participant. Without stockholder approval, no amendment may be made that would (i) increase the aggregate number of shares of common stock that may be issued under the Omnibus Plan or (ii) change the classification of individuals eligible to receive awards under the Omnibus Plan. The Omnibus Plan will remain in effect for a period of ten years (unless earlier terminated by our Board of Directors).

IPO Equity Grants

In connection with this offering, we expect to grant NQSOs and RSUs under the Omnibus Plan to certain of our employees, including our NEOs, with respect to a total of approximately shares of our common stock (calculated using the midpoint of the estimated offering price range shown on the cover page of this prospectus).

It is anticipated that the awards granted to our employees, including our NEOs, will be comprised (i) 50% of NQSOs and (ii) 50% of RSUs, each of which will vest ratably over a five-year period, in each case, subject to the employee's continued employment through the applicable vesting date.

Amended & Restated Employment Agreements

We expect to enter into amended and restated employment agreements (each, an "A&R EA") with each of our NEOs that will become effective upon the consummation of this offering. We expect that the terms of each A&R EA will be materially the same as the NEOs' current EAs, except for the amended terms described below.

Initial Term. The initial term will end on December 31, 2027.

CEO Board Service. For Mr. Hornbeck only, so long as he serves as our Chief Executive Officer, he will continue to serve as a member of our Board of Directors until his seat is first scheduled for election, following which we will nominate him for election as a member of our Board of Directors at each shareholders' meeting occurring during the term of his employment and use best efforts to have him elected. Mr. Hornbeck will also serve as Chairman of our Board of Directors through the second anniversary of the consummation of this offering (or, if earlier, his resignation or removal as either our Chief Executive Officer or a member of our Board of Directors).

Pro-Rata Bonus Upon Qualifying Termination. Each NEO will receive a pro-rata bonus upon a Qualifying Termination regardless of when in the applicable fiscal year the Qualifying Termination occurs.

Severance Multiplier for CIC Qualifying Termination. The severance multiplier for a Qualifying Termination in connection with a change of control will be fixed at 2.5x for Mr. Hornbeck and 2.0x for each of our other NEOs.

Automobile Benefits for CIC Qualifying Termination. For Mr. Hornbeck only, upon a Qualifying Termination in connection with a change of control, he will be eligible to continue to receive automobile benefits until the earlier of (i) his death and (ii) the 30-month anniversary of such termination.

Lapse of Transfer Restrictions on MIP Options and PSUs. Notwithstanding the terms of the 2020 Management Incentive Plan or the award agreements or transfer restriction agreements thereunder (the "MIP

Documents"), any transfer restrictions in the MIP Documents with respect to shares of our common stock issued in respect of options or PSUs granted under the 2020 Management Incentive Plan will terminate in accordance with the following schedule (to the extent not earlier terminated in accordance with their terms): (i) upon the consummation of this offering, the transfer restrictions will terminate with respect to 50% of each NEOs' outstanding stock options and PSUs that, in each case, are or become vested as of such time, (ii) upon the one-year anniversary of the consummation of this offering, the transfer restrictions will terminate with respect to 100% of each NEOs' outstanding stock options and PSUs that, in each case, are or become vested as of such time, and (iii) upon the applicable vesting date for each NEO's outstanding stock options and PSUs that vest following the one-year anniversary of the consummation of this offering, the transfer restrictions will terminate immediately upon such applicable vesting date. For clarity, the lapse of the transfer restrictions in the MIP Documents will not affect the transfer restrictions that the NEOs will become subject to pursuant to any lock-up agreements that they enter into with the underwriters.

Non-Employee Director Compensation Policy

In connection with this offering, we expect to adopt a non-employee director compensation policy to govern compensation paid to our non-employee directors. The non-employee director compensation policy will be designed to provide competitive compensation necessary to attract and retain high quality non-employee directors. We expect to continue to pay a combination of cash retainers and equity awards to each of our non-employee directors (other than those designated, nominated or appointed by or on behalf of our principal stockholders or those serving in an emeritus position, in each case, unless otherwise determined by our Board of Directors) for his or her services on our Board of Directors. We also expect to provide each non-employee director with reimbursement for reasonable travel and miscellaneous expenses incurred in attending meetings and activities of our Board of Directors and its committees.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth the beneficial ownership of our common stock as of August 31, 2024, after giving effect to the stock split, that, upon the consummation of this offering, and assuming the underwriters do not exercise their option to purchase additional common stock, will be owned by:

- each person known to us to beneficially own more than 5% of any class of our outstanding voting securities;
- each director and named executive officer;
- all of our directors and executive officers as a group; and
- each selling stockholder.

A person is a "beneficial owner" of a security if that person has or shares "voting power," which includes the power to vote or to direct the voting of the security, or "investment power," which includes the power to dispose of or to direct the disposition of the security or has the right to acquire such powers within 60 days.

To our knowledge, unless otherwise noted in the footnotes to the following table, and subject to applicable community property laws, the persons named in the table have sole voting and investment power with respect to their beneficially owned common stock.

Securities subject to option grants and restricted stock unit awards that have vested or will vest, and settled, or will settle, within 60 days are deemed outstanding for calculating the percentage ownership of the person holding the options, but are not deemed outstanding for calculating the percentage ownership of any other person.

The table below excludes any purchases that may be made in this offering through our directed share program or otherwise in this offering. See "Underwriting (Conflicts of Interest) — Directed Share Program."

Except as otherwise indicated in the footnotes below, the address of each beneficial owner is c/o Hornbeck Offshore Services, Inc., 103 Northpark Boulevard, Suite 300, Covington, Louisiana 70433.

	Shares Beneficially Owned			
	Prior to the Offering		After the Offering	
Name of Beneficial Owner	Amount of Beneficial Ownership	Percentage of Total[1]	Amount of Beneficial Ownership	Percentage of Total[1]
Greater than 5% Stockholders:				
Funds, investment vehicles or accounts managed or advised by Ares or its affiliates[2]		41.85%		%
Entities affiliated with Whitebox[3]		22.39%		%
Entities affiliated with Highbridge[4]		10.61%		%
Entities affiliated with Merced[5]		7.03%		%
Named Executive Officers, Directors and Director Nominees[6]:				
Todd M. Hornbeck[7]		3.04%		%
Carl G. Annessa[8]		*		%
James O. Harp, Jr.[9]		*		%
Samuel A. Giberga[10]		*		%
John S. Cook[11]		*		%
Kurt M. Cellar[12]		*		%
Evan Behrens[13]		*		%
Bobby Jindal[14]		*		%

Sylvia Jo Sydow Kerrigan		*	%
Jacob Mercer	—	*	%
L. Don Miller[15]		*	%
Aaron Rosen	—	*	%
James McConeghy	—	*	%
Admiral John Richardson (USN Ret)[16]		*	%
All directors and executive officers as a group (14 persons)[17]		7.94%	%

* Less than one percent.

(1) Includes shares of common stock underlying all Jones Act Warrants and Creditor Warrants owned by such person. The warrants are immediately exercisable but are subject to certain citizenship rules and limitations on exercise, sale, transfer or other disposition.

(2) Includes: (a) (i) shares of common stock held of record by ASSF IV HOS AIV 1, L.P., (ii) shares of common stock and shares of common stock issuable upon the exercise of Jones Act Warrants held of record by ASSF IV HOS AIV 2, L.P., (iii) shares of common stock and shares of common stock issuable upon the exercise of Jones Act Warrants held of record by ASSF IV AIV B, L.P. and (iv) shares of common stock, shares of common stock issuable upon the exercise of Jones Act Warrants and shares of common stock issuable upon the exercise of Creditor Warrants held of record by ASSF IV AIV B Holdings III, L.P. (the entities referred to in clause (a) collectively, the "Ares SSF Holders"); (b) (i) shares of common stock held of record by ASOF HOS AIV 1, L.P., (ii) shares of common stock and shares of common stock issuable upon the exercise of Jones Act Warrants held of record by ASOF HOS AIV 2, L.P., (iii) shares of common stock, shares of common stock issuable upon the exercise of Jones Act Warrants and shares of common stock issuable upon the exercise of Creditor Warrants held of record by ASOF Holdings I, L.P., (iv) shares of common stock and shares of common stock issuable upon the exercise of Jones Act Warrants held of record by and ASOF II Holdings I, L.P. and (v) shares of common stock and shares of common stock issuable upon the exercise of Jones Act Warrants held of record by ASOF II A (DE) Holdings I, L.P. (the entities referred to in clause (b) collectively, the "Ares SOF Holders"); and (c) shares of common stock, shares of common stock issuable upon the exercise of Jones Act Warrants and shares of common stock issuable upon the exercise of Creditor Warrants held of record by two accounts managed or subadvised by Ares Management LLC with respect to which the Ares Entities (as defined below) may be deemed to have shared voting or dispositive power with the owner of such account (the "Managed Accounts" and, such shares, the "Managed Shares"). The Ares SSF Holders, the Ares SOF Holders and the Managed Accounts are collectively referred to as the "Holders"). The Ares Entities disclaim beneficial ownership of the Managed Shares for purposes of Section 16 and this registration statement shall not be deemed an admission that any of the Ares Entities are the beneficial owner of the Managed Shares for purposes of Section 16 or for any other purpose.

Ares Partners Holdco LLC ("Ares Partners") is the sole member of each of Ares Voting LLC and Ares Management GP LLC, which are respectively the holders of the Class B and Class C common stock of Ares Management Corporation ("Ares Management"), which common stock allows them, collectively, to generally have the majority of the votes on any matter submitted to the stockholders of Ares Management if certain conditions are met. Ares Management is the sole member of Ares Holdco LLC, which is the general partner of Ares Management Holdings L.P., which is the sole member of Ares Management LLC, which is (x) the general partner of ASSF Operating Manager IV, L.P., which is the manager of each of the Ares SSF Holders, (y) the sole member of ASOF Investment Management LLC, which is the manager of each of the Ares SOF Holders (we refer to all of the foregoing entities collectively as the Ares Entities) and (z) the investment manager or investment subadvisor of each of the Managed Accounts.

Accordingly, each of the Ares Entities may be deemed to share beneficial ownership of the securities held of record by the Holders, but each disclaims any such beneficial ownership of securities not held of record by them.

Ares Partners is managed by a board of managers, which is composed of Michael J Arougheti, Ryan Berry, R. Kipp deVeer, David B. Kaplan, Antony P. Ressler and Bennett Rosenthal (collectively, the "Ares Board Members"). Mr. Ressler generally has veto authority over Ares Board Members' decisions. Each of these individuals disclaims beneficial ownership of the securities that may be deemed to be beneficially owned by Ares Partners. The address for each of the Ares Entities is 1800 Avenue of the Stars, Suite 1400, Los Angeles, CA 90067.

(3) Included in the total number of shares shown as beneficially owned are shares of common stock, shares issuable upon the exercise of Jones Act Warrants and shares issuable upon exercise of Creditor Warrants. Whitebox is the investment manager of its affiliated entities (each, a "Whitebox Entity" and collectively, the "Whitebox Entities") that own shares of our common stock and has voting and disposition control over the shares of common stock owned by the Whitebox Entities. Whitebox Advisors LLC is owned by the following members: Robert Vogel, Jacob Mercer, Nick Stukas, Brian Lutz, Paul Roos, Simon Waxley and Blue Owl GP Stakes II (A), LP, a non-voting member, and such individuals and entity disclaim beneficial ownership of the securities described in the table above held by the Whitebox Entities, except to the extent of his or its direct or indirect economic interest in Whitebox Advisors LLC or the selling shareholders. The address of the business office of each Whitebox Entity and Whitebox Advisors LLC is 3033 Excelsior Blvd., Suite 500, Minneapolis, MN 55416.

(4) Included in the total number of shares shown as beneficially owned are shares of common stock and shares issuable upon the exercise of Jones Act Warrants. Highbridge Capital Management, LLC is the trading manager of certain entities (collectively, the "Highbridge Entities") that own shares. The Highbridge Entities disclaim beneficial ownership over these shares. The address of Highbridge Capital Management, LLC is 277 Park Avenue, 23rd Floor, New York, NY 10172, and the address of the Highbridge Entities is c/o Maples Corporate Services Limited, #309 Ugland House, South Church Street, George Town, Grand Cayman KY1-1104, Cayman Islands.

(5) Included in the total number of shares shown as beneficially owned are shares of common stock and shares issuable upon exercise of Creditor Warrants. Merced Capital, L.P. ("Merced") is the general partner of and/or investment adviser to certain entities (collectively, the "Merced Entities") that directly hold shares of our common stock and Creditor Warrants. Merced is managed by Series E of Merced Capital Partners, LLC ("Merced Capital Partners"), a series of a Delaware limited liability company. David A. Ericson, Vincent C. Vertin, and Stuart B. Brown collectively have voting control over the interests in Merced Capital Partners. In such capacities, each of Merced, Merced Capital Partners, Mr. Ericson, Mr. Vertin, and Mr. Brown may be deemed to share voting and investment control over the shares of common stock reported in the table; however, each of Mr. Ericson, Mr. Vertin, and Mr. Brown disclaim beneficial ownership of the shares of common stock reported in the table. The business address for Merced, Merced Capital Partners, Mr. Ericson, Mr. Vertin, Mr. Brown, and each of the Merced Entities is 701 Carlson Parkway, Suite 1110, Minnetonka, MN, 55305.

(6) The number of shares reported includes shares covered by options and restricted stock units that are exercisable or may be settled within 60 days.

(7) Included in the total number of shares shown as beneficially owned are shares of common stock, shares of common stock under vested but unsettled RSUs and shares of common stock under stock options or PSUs that may vest in the event of a "change of control" (as defined in the 2020 Management Incentive Plan) or an initial public offering if certain performance criteria are met.

(8) Included in the total number of shares shown as beneficially owned are shares of common stock, shares of common stock under vested but unsettled RSUs and shares of common stock under stock options or PSUs that may vest in the event of a change of control or an initial public offering if certain performance criteria are met.

(9) Included in the total number of shares shown as beneficially owned are shares of common stock, shares of common stock under vested but unsettled RSUs and shares of common stock under stock options or PSUs that may vest in the event of a change of control or an initial public offering if certain performance criteria are met.

(10) Included in the total number of shares shown as beneficially owned are shares of common stock, shares of common stock under vested but unsettled RSUs and shares of common stock under stock options or PSUs that may vest in the event of a change of control or an initial public offering if certain performance criteria are met.

(11) Included in the total number of shares shown as beneficially owned are shares of common stock, shares of common stock under vested but unsettled RSUs and shares of common stock

under stock options or PSUs that may vest in the event of a change of control or an initial public offering if certain performance criteria are met.

(12) Included in the total number of shares shown as beneficially owned are shares of common stock and shares of common stock under vested but unsettled RSUs.

(13) Included in the total number of shares shown as beneficially owned are shares of common stock and shares of common stock under vested but unsettled RSUs.

(14) Included in the total number of shares shown as beneficially owned are shares of common stock and shares of common stock under vested but unsettled RSUs.

(15) Included in the total number of shares shown as beneficially owned are shares of common stock and shares of common stock under vested but unsettled RSUs.

(16) Included in the total number of shares shown as beneficially owned are shares of common stock and shares of common stock under vested but unsettled RSUs.

(17) Included in the total number of shares shown as beneficially owned are shares of common stock, shares of common stock under vested but unsettled RSUs and shares of common stock under stock options or PSUs that may vest in the event of a change of control or an initial public offering if certain performance criteria are met.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The following is a discussion of transactions between the Company and its executive officers, directors and stockholders beneficially owning more than 5% of our common stock. We believe that the terms of each of these transactions are at least as favorable as could have been obtained in similar transactions with unaffiliated third parties.

The Company has entered into a separate indemnity agreement with each of its officers and directors that provides, among other things, that the Company will indemnify such director, under the circumstances and to the extent provided in the agreement, for expenses, damages, judgments, fines and settlements he or she may be required to pay in actions or proceedings which he or she is or may be made a party by reason of his or her position as an executive officer or director of the Company, and otherwise to the fullest extent permitted under Delaware law and the Company's amended and restated bylaws. These agreements are in addition to the indemnification provided to the Company's officers and directors under its amended and restated bylaws and in accordance with Delaware law.

For the past 27 years, Larry D. Hornbeck's family has personally supported the development of the Company by hosting numerous events at the Hornbeck Family Ranch (the "Ranch"), located in Houston County, Texas, including constructing at their own expense a hunting lodge and related facilities and providing access to 4,700 acres adjoining the lodge and related facilities. The Ranch and related facilities have been used for functions intended to foster client and vendor relations, management retreats, Board meetings and special Company promotional events. The Ranch also plays a vital role in the Company's business continuity plan in the event our corporate headquarters is impacted by a natural disaster. Until December 31, 2005, these facilities were used by the Company without charge. The Company has determined that the use of the Ranch in the past and going forward has been and is beneficial to the Company's business. On September 4, 2020, the Company entered into an Amended and Restated Facilities Use Agreement and implemented the Second Amended and Restated Indemnification Agreement (the "Indemnification Agreement") with Larry D. Hornbeck, as well as certain other indemnitees, regarding the Ranch.

The Indemnification Agreement provides for indemnification by the Company of Larry D. Hornbeck, as well as certain other indemnitees, including the Company's Chairman, President and Chief Executive Officer, Todd M. Hornbeck, for any claims, demands, causes of action and damages that may arise out of the Company's use of the Ranch and related facilities and premises. The Indemnification Agreement also provides that the Company shall secure and maintain insurance coverage of the types and amounts sufficient to provide adequate protection against the liabilities that may arise under the Indemnification Agreement. The Indemnification Agreement was acknowledged by the independent members of the Board of Directors on September 9, 2020.

The agreements govern the Company's use of the Ranch and related facilities. The Facilities Use Agreement will remain in effect until December 31, 2024 unless it is terminated or extended by its terms. The Facilities Use Agreement automatically renews on an annual basis unless either party provides the other party 30 days written notice of termination. The Facilities Use Agreement also provides that the Company will pay Mr. Larry Hornbeck an annual use fee for the Company's use of the facilities and provides for an operating budget to reimburse Mr. Larry Hornbeck for certain variable costs related to the Company's use of the Ranch facilities and to replenish expendable goods used by Company invitees to the facilities. For 2022, the operating budget set by the Board was $325,000, inclusive of an annual use fee of $75,000. In the fall of 2022, in light of relaxed COVID-19 restrictions and market recovery, the Company fully reopened the lodge facilities, and the audit committee and the Board adjusted the operating budget to $415,000, inclusive of an annual use fee of $112,500. For 2023, the operating budget was set at $452,500, inclusive of an annual use fee of $150,000. For 2024, the operating budget was set at $450,000, inclusive of an annual use fee of $150,000.

In 2006, Larry D. Hornbeck transferred ownership of the land on which the Ranch is located to a family limited partnership in which trusts on behalf of the children of Todd M. Hornbeck and Troy A. Hornbeck are the

limited partners. The general partner of the family limited partnership is controlled by Todd M. Hornbeck and Troy A. Hornbeck. The family limited partnership has entered into a long-term lease of the property to Larry Hornbeck and acknowledged and agreed to the Company's use of the Ranch and related facilities under the Facilities Use Agreement and the Indemnification Agreement.

The Company has provided, and may, from time to time in the future at its own expense and with Mr. Larry Hornbeck's prior approval, provide additional amenities for its representatives and invitees. Certain of these amenities may, by their nature, remain with the property should the Company ever cease to use the Ranch. In approving the Facilities Use Agreement and establishing the use fee amount, the audit committee and independent members of the Board considered the costs of comparable third-party facilities and determined that the combined facilities use fee and anticipated reimbursement of variable costs were substantially lower than costs for the use of such comparable facilities.

Mr. Larry Hornbeck has also agreed, among other things, to make himself available to the Company, the Chief Executive Officer of the Company, the Board of Directors or any committee of the Board of Directors to assist in the assessment of potential targets for acquisitions, to travel for Company projects, to attend industry meetings and to aid in other ways, in exchange for consideration of $20,333 per month paid as consulting fees pursuant to a consulting agreement dated as of September 4, 2020. This consulting agreement automatically renews on an annual basis unless either party provides the other party 30 days written notice of termination.

On October 1, 2022, Ms. Kerrigan assumed an officer role with an existing Hornbeck customer. For the six months ended June 30, 2024 and the year ended December 31, 2023, the Company generated $45.8 and $111.9 million of revenues from contracts with such customer, respectively, which accounted for approximately 14.9% and 20% of the Company's total revenues, respectively. The Company had outstanding accounts receivable from this customer totaling $10.7 million and $8.0 million as of June 30, 2024 and December 31, 2023, respectively.

Third and Fourth Amended and Restated License Agreement

Pursuant to the Third A&R License Agreement, the Company is required to make an annual payment to HFR of $1.0 million for use of the Hornbeck Brands. An additional fee is due upon the Company achieving certain EBITDA thresholds. The Company made payments of $2.0 million and $1.0 million to HFR in 2023 and 2022, respectively, for licensing fees associated with the use of the Hornbeck Brands. Upon closing of this offering, the Company will have entered into a Fourth Amended and Restated Trade Name and Trademark License Agreement (the "Fourth A&R License Agreement") that eliminates the ongoing annual $1 million fee and EBITDA bonus in exchange for a single one-time payment of $10 million paid to HFR. The license will be for ten years and renewable for an additional ten years for a payment of $10 million (adjusted for inflation over the first ten-year term). For additional details and risks associated with the Fourth A&R License Agreement, see "Risk Factors—We do not own the Hornbeck Brands, but may use the Hornbeck Brands pursuant to the terms of a license granted by HFR, and our business may be materially harmed if we breach our license agreement or it is terminated."

Amended and Restated Securityholders' Agreement

Pursuant to the A&R Securityholders Agreement, we will agree to take all necessary action (subject to applicable law) to cause the election of each director designated by Ares, Highbridge or Whitebox in their capacities as Appointing Persons in accordance with the terms of our amended and restated certificate of incorporation. The A&R Securityholders' Agreement also provides that we will agree to take all necessary action (subject to applicable law) to cause any vacancies created by death, resignation, removal, retirement or disqualification of a director designated by an Appointing Person to be filled by such Appointing Person in accordance with the terms of our amended and restated certificate of incorporation. The A&R Securityholders Agreement will also provide our principal stockholders with certain information rights, including certain limited

access to our books, records and accounts and the ability to share such information with our principal stockholders, for so long as such holder owns at least the Minimum Threshold of our Fully Diluted Securities.

Registration Rights Agreement

In connection with the closing of this offering, we will enter into a registration rights agreement (the "Registration Rights Agreement") with our principal stockholders granting them certain registration rights. Specifically, we will agree to register the sale of shares of our common stock owned by, or issuable upon exercise of the Jones Act Warrants and Creditor Warrants owned by, such principal stockholders under certain circumstances, and to provide such principal stockholders with certain customary demand and "piggyback" rights. These registration rights will be subject to certain conditions and limitations. We will generally be obligated to pay all registration expenses in connection with these registration obligations, regardless of whether a registration statement is filed or becomes effective.

Directed Share Program

At our request, the underwriters have reserved up to 5% of the shares of common stock offered by this prospectus for sale, at the initial public offering price to certain individuals through a directed share program, including our directors, officers, employees and other persons identified by the Company. The number of shares of our common stock available for sale to the general public will be reduced to the extent these individuals purchase such reserved shares. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus. Participants in the directed share program will not be subject to the terms of any lock-up agreement with respect to any shares purchased through the directed share program, except in the case of shares purchased by any of our directors or officers, and our existing significant stockholders. J.P. Morgan Securities LLC will administer our directed share program. We have agreed to indemnify J.P. Morgan Securities LLC in connection with the directed share program, including for the failure of any participant to pay for its shares. Other than the underwriting discount set forth on the cover page of this prospectus, the underwriters will not be entitled to any commission with respect to shares of our common stock sold pursuant to the directed share program. See "Underwriting (Conflicts of Interest)—Directed Share Program."

Review, Approval or Ratification of Transactions with Related Persons.

We review any transaction in which the Company, a subsidiary of the Company, or our directors, executive officers or their immediate family members or any nominee for director or a holder of more than 5% of any class of our voting security are a participant and the amount of the transaction exceeds $120,000. Our General Counsel and Secretary is primarily responsible for the development and implementation of processes and controls to obtain information from directors and officers with respect to a related party transaction, including information provided to management in the annual director and officer questionnaires. The Company's practice when such matters have been disclosed has been to refer the matter for consideration and final determination by the audit committee or the independent directors of the Board of Directors, or both, which have considered the fairness of the transaction to the Company, as well as other factors bearing upon its appropriateness. In all such matters, any director having a conflicting interest abstains from voting on the matters.

DESCRIPTION OF CAPITAL STOCK AND WARRANTS

The following is a description of the material terms of, and is qualified in its entirety by, our amended and restated certificate of incorporation, our amended and restated bylaws, the A&R Securityholders Agreement, each of which will be in effect upon the consummation of this offering, the Jones Act Warrant Agreement (as defined below) and the Creditor Warrant Agreement (as defined below), all of which are filed as exhibits to the registration statement of which this prospectus is a part.

General

Upon completion of this offering and after giving effect to the stock split, our authorized capital stock of will consist of shares of common stock, par value $0.00001 per share, of which shares will be issued and outstanding, and shares of preferred stock, par value $0.00001 per share, of which no shares will be issued and outstanding.

Common Stock

Voting Rights. Following this offering, we will have one outstanding class of stock, our common stock, and all voting rights will be vested in the holders of our common stock. On all matters subject to a vote of stockholders, stockholders will be entitled to one vote for each share of common stock owned. Stockholders will not have cumulative voting rights with respect to the election of directors.

Dividend Rights. Holders of common stock will be entitled to receive dividends, if any, in the amounts and at the times declared by the Board of Directors.

Liquidation Rights. Upon our liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock and any participating preferred stock outstanding at that time after payment of liquidation preferences, if any, on any outstanding shares of preferred stock and payment of claims of creditors.

Assessment and Redemption. All shares of common stock that will be outstanding at the time of the completion of the offering will be validly issued, fully paid and nonassessable. There will be no provision for any voluntary redemption of common stock.

Preemptive Rights. Upon the completion of this offering, holders of our common stock will not have any preemptive right to subscribe to an additional issue of its common stock or to any security convertible into such stock.

Limitations on Ownership by Non-U.S. Citizens. We own and operate U.S.-flag vessels in the U.S. coastwise trade. Accordingly, we are subject to the Jones Act, which, subject to limited exceptions, restricts maritime transportation of merchandise between points in the United States (known as marine cabotage services or coastwise trade) to vessels built in the United States, registered under the U.S. flag, crewed by U.S. citizens or lawful permanent residents, and owned and operated by U.S. citizens within the meaning of the Jones Act. Under the Jones Act, at least 75% of our outstanding shares of each class or series of the capital stock must be owned and controlled by U.S. citizens. In order to ensure compliance with the Jones Act coastwise citizenship requirement that at least 75% of our outstanding common stock is owned by U.S. citizens, our amended and restated certificate of incorporation restricts ownership of the shares of our outstanding common stock by non-U.S. citizens in the aggregate to not more than 21%, with certain limited grandfathered circumstances allowing up to 24% of the outstanding shares of our common stock to be owned by non-U.S. citizens on and after the effective date of the initial public offering. As of August 31, 2024, approximately 22.9% of the Company's issued and outstanding common stock is owned by non-U.S. citizens and, after giving effect to this offering, the Company expects the percentage of its common stock owned by non-U.S. citizens to decrease to approximately %. Our amended and restated certificate of incorporation further prohibits the acquisition of shares by a non-U.S. citizen where (i) such acquisition would cause the aggregate number of shares held by all non-U.S. citizens to exceed 21% of our issued and outstanding common stock and (ii) such acquisition would cause the

aggregate number of shares held by any individual non-U.S. citizen to exceed 4.9% of our issued and outstanding common stock. Our amended and restated certificate of incorporation further provides the Board of Directors with authority to redeem any share of common stock that is owned by non-U.S. citizens that would result in ownership by non-U.S. citizens in the aggregate in excess of 21% of our issued and outstanding common stock, with certain limited grandfathered circumstances allowing up to 24% of the outstanding shares of our common stock to be owned by non-U.S. citizens on and after the effective date of the initial public offering. In the event the Board of Directors authorizes such a redemption, we would instruct our transfer agent to issue one Jones Act Warrant, or in certain situations, cash or interest bearing promissory notes, in respect of shares of common stock that caused ownership by non-U.S. citizens to exceed the applicable permitted limit, and such holder(s)' interests in those shares will be terminated. Our amended and restated certificate of incorporation further provides that we may require beneficial owners of our common stock to confirm their citizenship from time to time through written statement or affidavit and could, in the discretion of the Board of Directors, suspend the voting rights of such beneficial owner, pay into an escrow account dividends or other distributions (upon liquidation or otherwise) with respect to such shares held by such beneficial owner and restrict, prohibit or void the transfer of such shares and refuse to register such shares of common stock held by such beneficial owner until confirmation of its citizenship status is received.

Warrants

In addition, following this offering, we will have two series of outstanding warrants: (i) warrants issued to certain creditors of the Company in settlement of certain prepetition liabilities in connection with the consummation of the Chapter 11 Cases (the "Creditor Warrants") and (ii) warrants issued to certain non-U.S. citizens in settlement of certain prepetition liabilities in connection with the consummation of the Chapter 11 Cases (the "Jones Act Warrants" and together with the Creditor Warrants, the "Warrants").

The Creditor Warrants have seven-year terms and are exercisable through September 4, 2027. Each Creditor Warrant represents the right to purchase one share of common stock, par value $0.00001 per share, at an exercise price of $27.83 per share ($ per share after giving effect to the stock split), subject to certain adjustments as provided in the Creditor Warrant Agreement, dated as of September 4, 2020 (the "Creditor Warrant Agreement") pursuant to which such warrants were issued. All unexercised Creditor Warrants will expire, and the rights of the holders of Creditor Warrants to purchase shares of common stock will terminate on the first to occur of (i) the close of business on September 4, 2027, or (ii) upon their earlier exercise or settlement in accordance with the terms of the Creditor Warrant Agreement.

Following this offering and after giving effect to the stock split, there will be outstanding Creditor Warrants to purchase up to shares of common stock.

The Jones Act Warrants have a perpetual term and are exercisable until the date on which no Jones Act Warrants remain outstanding. Each Jones Act Warrant represents the right to purchase one share of common stock, par value $0.00001 per share, for an exercise price of $0.00001 per share, subject to certain adjustments as provided in, and all other terms and conditions of, the Jones Act Warrant Agreement, dated as of September 4, 2020 (the "Jones Act Warrant Agreement"), pursuant to which such warrants were issued, including the limitations on foreign ownership as set forth in our amended and restated certificate of incorporation that are intended to assist us in complying with the Jones Act.

Following this offering and after giving effect to the stock split, assuming no issuance or exercise of additional Jones Act Warrants, there will be outstanding Jones Act Warrants to purchase up to shares of common stock.

Preferred Stock

Our Board of Directors is authorized to issue up to shares of our preferred stock in one or more series, to establish from time to time the number of shares to be included in each series, to fix the designation,

powers, preferences and rights of the shares of each series and any qualifications, limitations or restrictions thereof, in each case without further action by our stockholders. Subject to the terms of any series of preferred stock so designated, our Board of Directors will also be authorized to increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding. Our Board of Directors will be able to authorize the issuance of preferred stock with voting or conversion or other rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in our control and could adversely affect the market price of our common stock and the voting and other rights of the holders of our common stock. We have no current plan to issue any shares of preferred stock in the foreseeable future.

Indemnification and Limitations on Liability of Directors and Officers

As permitted by the DGCL, our amended and restated certificate of incorporation contains provisions that eliminate the personal liability of our directors and officers to us and our stockholders to the fullest extent permitted by the DGCL. However, these provisions do not limit or eliminate the rights of us or any stockholder to seek an injunction or any other non-monetary relief in the event of a breach of a director or officer's fiduciary duty and do not limit or eliminate the liability of directors under the federal securities laws.

In addition, our amended and restated certificate of incorporation provides that, to the fullest extent authorized or permitted by the DGCL, as now in effect or as amended, we will indemnify any person who was or is a party or is threatened to be made a party to or is otherwise involved (including involvement, without limitation, as a witness) in any actual or threatened action, suit or proceeding by reason of the fact that such person is or was our director, advisory director, board observer or officer, or by reason of the fact that our director, advisory director, board observer or officer is or was serving, at our request, as a director, advisory director, board observer, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans. We will indemnify such persons against expenses, liabilities, and loss (including attorneys' fees and related disbursements, judgments, fines, excise taxes or penalties under the Employee Retirement Income Security Act of 1974, penalties and amounts paid in settlement) reasonably incurred or suffered in connection with such action. Our amended and restated certificate of incorporation further provides that we shall only be required to indemnify a person potentially eligible for indemnification (as specified above) in connection with a proceeding commenced by such person if the commencement of such proceeding (or part thereof) by the person was authorized by the Board of Directors.

The DGCL permits us to purchase and maintain insurance on behalf of any person who is such a director or officer for acts committed or omissions in their capacities as such directors or officers. We currently hold and intend to maintain such liability insurance.

Anti-Takeover Provisions

Certain provisions of the DGCL, and our amended and restated certificate of incorporation and bylaws may have an anti-takeover effect and may delay, defer or prevent a merger, acquisition, tender offer, takeover attempt or other change of control transaction or other attempts to influence or replace our incumbent directors and officers. These provisions are summarized below.

Section 203 of the DGCL. We have opted out of Section 203 of the DGCL. This statute prevents certain Delaware corporations, under certain circumstances, from engaging in a "business combination" with any interested shareholder for a period of three years following the date that the shareholder became an interested shareholder, with certain exceptions. We have opted out of the provisions of Section 203 of the DGCL because we believe this statute could prohibit or delay mergers or other change in control attempts, and thus may discourage attempts to acquire us.

Authorized but Unissued Shares of Common Stock

Our amended and restated certificate of incorporation authorizes the Board of Directors to issue authorized but unissued shares of common stock.

Undesignated Preferred Stock

Our amended and restated certificate of incorporation provides the Board of Directors with the authority to determine and fix the powers, preferences, rights, qualifications, limitations and restrictions of shares of preferred stock issued by the Board of Directors.

Director Nomination Rights

Our amended and restated certificate of incorporation will provide that following the completion of this offering, the Ares principal stockholders will have the right to nominate to our Board of Directors (i) two nominees for so long as the Ares principal stockholders beneficially own 20% or greater of our Fully Diluted Securities and (ii) one nominee for so long as the Ares principal stockholders beneficially own at least the Minimum Threshold of our Fully Diluted Securities, but less than 20% of our Fully Diluted Securities. Aaron Rosen and James McConeghy will be the initial director nominees of the Ares principal stockholders. The Highbridge principal stockholders will have the right to nominate to our Board of Directors one nominee for so long as the Highbridge principal stockholders beneficially own at least the Minimum Threshold of our Fully Diluted Securities. Sylvia Jo Sydow Kerrigan will be the initial director nominee of the Highbridge principal stockholders. The Whitebox principal stockholders will have the right to nominate to our Board of Directors one nominee for so long as the Whitebox principal stockholders beneficially own at least the Minimum Threshold of our Fully Diluted Securities. Jacob Mercer will be the initial director nominee of the Whitebox principal stockholders. Further, for so long as any Appointing Person beneficially owns at least the Minimum Threshold of our Fully Diluted Securities, subject to applicable law and NYSE rules, such Appointing Person shall have the right to designate one director to serve on each of the compensation and the nominating, corporate governance and sustainability committees of our Board of Directors.

Consent Rights

Subject to certain exceptions, for so long as the principal stockholders who retain director nomination rights collectively own at least 30% of the Fully Diluted Securities, the following actions will require the prior written consent of Ares and at least one of Highbridge or Whitebox:

- Merging or consolidating with or into any other entity, or transferring all or substantially all of our assets, taken as a whole, to another entity, or undertaking any transaction that would constitute a “Change of Control” as defined in the Company’s debt agreements;
- Acquiring or disposing of assets, in a single transaction or a series of related transactions, or entering into joint ventures, investments into an unrelated party or contracts (other than charter agreements consistent with past practice), in each case with a value in excess of the greater of (i) thirty percent of the total assets of the Company and its subsidiaries consolidated as of the end of the most recently completed fiscal year and (ii) $30 million;
- Incurring indebtedness in a single transaction or a series of related transactions in an aggregate principal amount that both (i) causes the Company’s ratio of debt to EBITDA to exceed 3:1 and (ii) exceeds $50 million;
- Appointing, removing, terminating, hiring or designating the Chief Executive Officer of the Company;
- Issuing the equity of the Company or any of its subsidiaries other than pursuant to an equity compensation plan approved by the stockholders or a majority of the directors nominated by the Appointing Persons;

- Entering into any transactions, agreements, arrangements or payments with any Appointing Person or any other person who, together with its affiliates, owns greater than or equal to 10% of the common stock then outstanding that are material or involve aggregate payments or receipts in excess of $250,000;
- Commencing any liquidation, dissolution or voluntary bankruptcy, administration, recapitalization or reorganization;
- Increasing or decreasing the size of the Board of Directors; and
- Entering into any agreement to do any of the foregoing.

For so long as any of the principal stockholders own any Fully Diluted Securities, each of the following actions shall require the prior written consent of such principal stockholder: (i) any amendment, waiver or other modification of the A&R Securityholders Agreement or any other stockholders' agreement with respect to the shares of common stock to which such principal stockholder is a party; and (ii) any amendment of our amended and restated certificate of incorporation or amended and restated certificate bylaws that adversely affects any personal right of such principal stockholder thereunder in any material respect or disproportionately and adversely affects such principal stockholder thereunder in any material respect.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our amended and restated bylaws provide advance notice procedures for stockholders to nominate candidates for election as directors at our annual and special meetings of stockholders and for stockholders seeking to bring business before its annual meeting of stockholders. Our amended and restated bylaws also specify certain requirements regarding the form and content of a stockholder's notice.

Amendments of the Amended and Restated Certificate of Incorporation or Bylaws

At any time after the date that the Appointing Persons cease to collectively own at least 35% of our outstanding common stock (the "Trigger Date"), the amendment of certain customary provisions of our amended and restated certificate of incorporation will require the approval of at least two-thirds of the voting power of our outstanding common stock. Subject to the consent rights described above, the Board of Directors may amend our amended and restated bylaws without stockholder approval, and the stockholders may amend our amended and restated bylaws by the affirmative vote of a majority of the voting power of our outstanding common stock; provided, however, that after the Trigger Date, the stockholders may amend our amended and restated bylaws only upon the affirmative vote of two-thirds of the voting power of our outstanding common stock.

Size of the Board of Directors and Vacancies

Our amended and restated certificate of incorporation provides that the Board of Directors consist of not less than seven members and not more than eleven members, and shall initially consist of ten members upon completion of this offering. Subject to the foregoing, the number of members may be fixed a resolution adopted by a majority of the Board of Directors from time to time.

Subject to the rights granted to the holders of any one or more series of preferred stock then outstanding, and unless otherwise required by law, any vacancies on the Board of Directors, and any newly created directorships resulting from any increase in the authorized number of directors, will be filled only by the affirmative vote of a majority of the directors then in office, even if less than a quorum, or by a sole remaining director, in each case, in the manner permitted by the A&R Securityholders Agreement and our amended and restated certificate of incorporation and subject to the rights of the Appointing Persons set forth in the A&R Securityholders Agreement and our amended and restated certificate of incorporation. Notwithstanding the foregoing, our amended and restated certificate of incorporation provides that if at any time the Chief Executive

Officer of the Company is removed, resigns or is otherwise replaced, then such person shall automatically, and without any action by the Board of Directors or the stockholders of the Company, cease to be a director, and such vacancy shall be reserved for and filled by the successor Chief Executive Officer.

Removal of Directors

Directors may be removed with or without cause by the affirmative vote of at least a majority of the voting power of our outstanding common stock. Each Appointing Person will have the right to remove without cause any director that is an employee of such Appointing Person and that was designated by such Appointing Person.

Limitations on Ownership by Non-U.S. Citizens

Because we own and operate U.S.-flag vessels in the U.S. coastwise trade, we are subject to the Jones Act, which, subject to limited exceptions, restricts maritime transportation of merchandise between points in the United States (known as marine cabotage services or coastwise trade) to vessels built in the United States, registered under the U.S. flag, crewed by U.S. citizens or lawful permanent residents, and owned and operated by U.S. citizens within the meaning of the Jones Act. Under the Jones Act, at least 75% of our outstanding shares of each class or series of the capital stock must be owned and controlled by U.S. citizens. In order to ensure compliance with the Jones Act coastwise citizenship requirement that at least 75% of our outstanding common stock is owned by U.S. citizens, our amended and restated certificate of incorporation restricts ownership of the shares of its outstanding common stock by non-U.S. citizens in the aggregate to not more than 21%, with certain limited grandfathered circumstances allowing up to 24% of the outstanding shares of our common stock to be owned by non-U.S. citizens on and after the effective date of the initial public offering. As of August 31, 2024, approximately 22.9% of the Company's issued and outstanding common stock is owned by non-U.S. citizens and, after giving effect to this offering, the Company expects the percentage of its common stock owned by non-U.S. citizens to decrease to approximately %. Our amended and restated certificate of incorporation further prohibits the acquisition of shares by a non-U.S. citizen where (i) such acquisition would cause the aggregate number of shares held by all non-U.S. citizens to exceed 21% of our issued and outstanding common stock and (ii) such acquisition would cause the aggregate number of shares held by any individual non-U.S. citizen to exceed 4.9% of our issued and outstanding common stock. Our amended and restated certificate of incorporation further provides the Board of Directors with authority to redeem any share of common stock that is owned by non-U.S. citizens that would result in ownership by non-U.S. citizens in the aggregate in excess of 21% of our issued and outstanding common stock, with certain limited grandfathered circumstances allowing up to 24% of the outstanding shares of our common stock to be owned by non-U.S. citizens on and after the effective date of the initial public offering. In the event the Board of Directors authorizes such a redemption, we would instruct our transfer agent to issue one Jones Act Warrant, or in certain situations, cash or interest bearing promissory notes, in respect of shares of common stock that caused ownership by non-U.S. citizens to exceed the applicable permitted limit, and such holder(s)' interests in those shares will be terminated. Our amended and restated certificate of incorporation also provides that we may require beneficial owners of our common stock to confirm their citizenship from time to time through written statement or affidavit and could, in the discretion of the Board of Directors, suspend the voting rights of such beneficial owner, pay into an escrow account dividends or other distributions (upon liquidation or otherwise) with respect to such shares held by such beneficial owner and restrict, prohibit or void the transfer of such shares and refuse to register such shares of common stock held by such beneficial owner until confirmation of its citizenship status is received.

Exclusive Forum

Our amended and restated certificate of incorporation provides that, unless we consent to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for: (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or agents to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws, or (iv) any action

asserting a claim against us that is governed by the internal affairs doctrine, in each such case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. If the Court of Chancery lacks subject matter jurisdiction, a federal district court of the United States of America located in the State of Delaware will be the exclusive forum for such actions.

Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder, and Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. There is uncertainty as to whether a court would enforce the forum selection provision with respect to such claims, and in any event, our stockholders would not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder.

Registration Rights

For a description of registration rights relating to our common stock (or shares of our common stock issuable upon the exercise of our Jones Act Warrants or Creditor Warrants), see "Certain Relationships and Related Party Transactions—Registration Rights Agreement."

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

Listing

We have applied to have our common stock approved for listing on the NYSE under the symbol "HOS."

SHARES ELIGIBLE FOR FUTURE SALE

Upon completion of this offering and after giving effect to the stock split, we will have a total of shares of our common stock outstanding. Additionally, shares of our common stock will be issuable upon the exercise of Jones Act Warrants and shares of our common stock will be issuable upon the exercise of Creditor Warrants, with an exercise price of $0.00001 per share and $ per share, respectively, and options to purchase an aggregate of approximately shares of our common stock will be outstanding as of the consummation of this offering and shares of our common stock will be reserved for issuance upon settlement of restricted stock units outstanding as of the consummation of this offering. In addition, shares of our common stock will be authorized and reserved for issuance in relation to potential future awards under our 2020 Management Incentive Plan and our 2024 Omnibus Incentive Plan to be adopted in connection with this offering. Of the outstanding shares of common stock, the shares sold in this offering (or shares if the underwriters exercise in full their option to purchase additional shares) will be freely tradable, other than certain shares sold pursuant to our directed share program that are subject to "lock up" restrictions as described under "Underwriting (Conflicts of Interest)," without restriction or further registration under the Securities Act, except that any shares held by our affiliates, as that term is defined under Rule 144 of the Securities Act, or Rule 144, including our directors, executive officers and other affiliates (including our principal stockholders), may be sold only in compliance with the limitations described below. of the remaining shares of common stock that we will have outstanding upon completion of this offering that were not sold in this offering, as well as the Jones Act Warrants and the Creditor Warrants, were issued under Section 1145 of the U.S. Bankruptcy Code in connection with our emergence from Chapter 11 bankruptcy protection. Such shares of common stock (along with the shares of common stock issuable upon exercise of the Jones Act Warrants and the Creditor Warrants) were deemed (or will be deemed, in the case of shares underlying warrants) to have been issued in a public offering and may be resold as freely tradeable securities under the Securities Act, except for such shares held by our affiliates, or holders deemed to be "underwriters" as that term is defined in Section 1145(b) of the U.S. Bankruptcy Code, and except as subject to the limitations described below.

The shares of common stock (after giving effect to the stock split) held by our principal stockholders and certain of our directors and executive officers after this offering, representing % of the total outstanding shares of our common stock following this offering, will be "restricted securities" within the meaning of Rule 144 and 701 under the Securities Act, which are subject to certain restrictions on resale. Restricted securities may be sold in the public market only if they are registered under the Securities Act or are sold pursuant to an exemption from registration such as Rule 144 and Rule 701, as described below.

Prior to this offering, there has not been a public market for our common stock, and we cannot predict what effect, if any, market sales of shares of common stock or the availability of shares of common stock for sale will have on the market price of our common stock prevailing from time to time. Nevertheless, sales of substantial amounts of common stock, including shares issued upon the exercise of outstanding options and warrants or settlement of restricted stock units, in the public market, or the perception that such sales could occur, could materially and adversely affect the market price of our common stock and could impair our future ability to raise capital through the sale of our equity or equity-related securities at a time and price that we deem appropriate. See "Risk Factors—Risks Related to this Offering and Ownership of Our Common Stock—Future sales, or the perception of future sales, by us or our existing stockholders in the public market following this offering could cause the market price for our common stock to decline."

Rule 144

In general, under Rule 144, as currently in effect, once we have been subject to public company reporting requirements for at least 90 days, a person (or persons whose shares are aggregated) who is not deemed to be or have been one of our affiliates for purposes of the Securities Act at any time during 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least six months, including the holding period of

any prior owner other than an affiliate, is entitled to sell such shares without complying with the manner of sale, volume limitation or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of a prior owner other than an affiliate, then such person is entitled to sell such shares without complying with any of the requirements of Rule 144.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares of our common stock on behalf of our affiliates, who have met the six month holding period for beneficial ownership of "restricted shares" of our common stock, are entitled to sell upon the expiration of the lock-up agreements described below, within any three-month period beginning 90 days after the date of this prospectus, a number of shares that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately shares immediately after this offering; or
- the average reported weekly trading volume of our common stock on the NYSE during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us. The sale of these shares, or the perception that sales will be made, could adversely affect the price of our common stock after this offering because a great supply of shares would be, or would be perceived to be, available for sale in the public market.

Rule 701

In general, under Rule 701 as currently in effect, any of our employees, directors, officers, consultants or advisors who received shares from us in connection with a compensatory stock or option plan or other written agreement, including our 2020 Management Incentive Plan and our 2024 Omnibus Incentive Plan to be adopted in connection with this offering, before the effective date of this offering are entitled to sell such shares 90 days after the effective date of this offering in reliance on Rule 144, in the case of affiliates, without having to comply with the holding period requirements of Rule 144 and, in the case of non-affiliates, without having to comply with the public information, holding period, volume limitation or notice filing requirements of Rule 144.

Lock-Up Agreements

In connection with this offering, we, our directors and executive officers and certain holders of our outstanding common stock, including our principal stockholders, prior to this offering, including the selling stockholders, will sign lock-up agreements with the underwriters that will, subject to certain exceptions, restrict the disposition of, or hedging with respect to, the shares of our common stock or securities convertible into or exchangeable for shares of our common stock, each held by them (including any shares purchased by them pursuant to the directed share program), during the period ending 180 days after the date of this prospectus, except with the prior written consent of J.P. Morgan Securities LLC and Barclays Capital Inc. See "Underwriting (Conflicts of Interest)" for a description of these lock-up agreements.

Registration Rights

For a description of registration rights relating to our common stock (or shares of our common stock issuable upon the exercise of our Jones Act Warrants or Creditor Warrants), see "Certain Relationships and Related Party Transactions—Registration Rights Agreement."

Registration Statement on Form S-8

We intend to file one or more registration statements on Form S-8 under the Securities Act to register all of the shares of common stock subject to outstanding stock options and the shares of common stock subject to

issuance under our 2020 Management Incentive Plan and our 2024 Omnibus Incentive Plan to be adopted in connection with this offering. We expect to file these registration statements as promptly as possible after the completion of this offering. Any such Form S-8 registration statements will automatically become effective upon filing. Accordingly, shares registered under such registration statements will be available for sale in the open market. We expect that the initial registration statement on Form S-8 relating to the outstanding options, restricted stock, restricted stock units and performance stock units issued under our 2020 Management Incentive Plan and our 2024 Omnibus Incentive Plan will cover shares.

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS

The following is a summary of the material U.S. federal income tax considerations related to the purchase, ownership and disposition of our common stock by a non-U.S. holder (as defined below) that acquired such common stock pursuant to this offering and holds our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally property held for investment). This summary is based on the provisions of the Code, U.S. Department of Treasury regulations promulgated thereunder ("Treasury Regulations"), administrative rulings and pronouncements and judicial decisions, all as in effect on the date hereof, and all of which are subject to change and differing interpretations, possibly with retroactive effect. A change in law may alter the tax considerations that we describe in this summary. We have not sought and do not intend to seek any ruling from the Internal Revenue Service ("IRS") with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to non-U.S. holders in light of their personal circumstances. In addition, this summary does not address the Medicare tax on certain investment income, U.S. federal estate or gift tax laws, any state, local or non-U.S. tax laws or any tax treaties. This summary also does not address tax considerations applicable to investors that may be subject to special treatment under the U.S. federal income tax laws, such as:

- banks, insurance companies or other financial institutions;
- tax-exempt or governmental organizations;
- "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code (or any entities all of the interests of which are held by a qualified foreign pension fund);
- dealers in securities or foreign currencies;
- persons whose functional currency is not the U.S. dollar;
- "controlled foreign corporations," "passive foreign investment companies" and corporations that accumulate earnings to avoid U.S. federal income tax;
- traders in securities that use the mark-to-market method of accounting for U.S. federal income tax purposes;
- persons subject to the alternative minimum tax;
- entities or other arrangements treated as a partnership or pass-through entity for U.S. federal income tax purposes or holders of interests therein;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons that acquired our common stock through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan;
- certain former citizens or long-term residents of the United States; and
- persons that hold our common stock as part of a straddle, appreciated financial position, synthetic security, hedge, conversion transaction or other integrated investment or risk reduction transaction.

PROSPECTIVE INVESTORS ARE ENCOURAGED TO CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS (INCLUDING ANY POTENTIAL CHANGES THERETO) TO THEIR PARTICULAR SITUATION, AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK ARISING UNDER ANY OTHER TAX LAWS, INCLUDING THE U.S. FEDERAL ESTATE OR GIFT TAX

LAWS OR UNDER THE LAWS OF ANY U.S. STATE OR LOCAL, NON-U.S. OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Non-U.S. Holder Defined

For purposes of this discussion, a "non-U.S. holder" is a beneficial owner of our common stock that is not for U.S. federal income tax purposes a partnership (or a partner therein) or any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust (i) the administration of which is subject to the primary supervision of a U.S. court and which has one or more United States persons (within the meaning of Section 7701(a)(30) of the Code, a "United States person") who have the authority to control all substantial decisions of the trust or (ii) which has made a valid election under applicable Treasury Regulations to be treated as a United States person.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our common stock, the tax treatment of a partner in the partnership generally will depend upon the status of the partner, upon the activities of the partnership and upon certain determinations made at the partner level. Accordingly, we urge partners in partnerships (including entities or arrangements treated as partnerships for U.S. federal income tax purposes) considering the purchase of our common stock to consult their tax advisors regarding the U.S. federal income tax considerations of the purchase, ownership and disposition of our common stock by such partnership.

Distributions

As described in the section entitled "Dividend Policy," while we do not currently anticipate paying dividends, depending on factors deemed relevant by our Board of Directors, following completion of this offering, our Board of Directors may elect to declare dividends on our common stock. If we do make distributions of cash or other property (other than certain stock distributions) on our common stock, those distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed our current and accumulated earnings and profits, the distributions will instead be treated as a non-taxable return of capital to the extent of the non-U.S. holder's tax basis in our common stock (and will reduce such tax basis, until such basis equals zero) and thereafter as capital gain from the sale or exchange of such common stock. See "—Gain on Disposition of Common Stock."

Subject to the withholding requirements under FATCA (as defined below) and with respect to effectively connected dividends, each of which is discussed below, any distribution made to a non-U.S. holder on our common stock generally will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the distribution unless an applicable income tax treaty provides for a lower rate. To receive the benefit of a reduced treaty rate, a non-U.S. holder must timely provide the applicable withholding agent with a properly executed IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form) certifying qualification for the reduced rate. A non-U.S. holder that does not timely furnish the required documentation, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. holders are urged to consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

Dividends paid to a non-U.S. holder that are effectively connected with a trade or business conducted by the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, are treated as

attributable to a permanent establishment maintained by the non-U.S. holder in the United States) generally will be taxed on a net income basis at the rates and in the manner generally applicable to United States persons. Such effectively connected dividends will not be subject to U.S. federal withholding tax (including backup withholding discussed below) if the non-U.S. holder satisfies certain certification requirements by providing the applicable withholding agent with a properly executed IRS Form W-8ECI certifying eligibility for exemption. If the non-U.S. holder is a corporation for U.S. federal income tax purposes, it may also be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items), which will include effectively connected dividends.

Gain on Disposition of Common Stock

Subject to the discussions below under "—Backup Withholding and Information Reporting" and "—Additional Withholding Requirements under FATCA," a non-U.S. holder generally will not be subject to U.S. federal income or withholding tax on any gain realized upon the sale or other taxable disposition of our common stock unless:

- the non-U.S. holder is an individual who is present in the United States for a period or periods aggregating 183 days or more during the calendar year in which the sale or disposition occurs and certain other conditions are met;
- the gain is effectively connected with a trade or business conducted by the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States); or
- our common stock constitutes a United States real property interest by reason of our status as a United States real property holding corporation ("USRPHC") for U.S. federal income tax purposes and as a result such gain is treated as effectively connected with a trade or business conducted by the non-U.S. holder in the United States.

A non-U.S. holder described in the first bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate as specified by an applicable income tax treaty) on the amount of such gain, which generally may be offset by U.S. source capital losses, provided the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses.

A non-U.S. holder whose gain is described in the second bullet point above or, subject to the exceptions described in the next paragraph, the third bullet point above, generally will be taxed on a net income basis at the rates and in the manner generally applicable to United States persons unless an applicable income tax treaty provides otherwise. If the non-U.S. holder is a corporation for U.S. federal income tax purposes whose gain is described in the second bullet point above, then such gain would also be included in its effectively connected earnings and profits (as adjusted for certain items), which may be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty).

With regard to the third bullet point above, generally, a corporation is a USRPHC if the fair market value of its United States real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. We believe that we currently are not, and do not expect to become, a USRPHC for U.S. federal income tax purposes. However, if we are classified as a USRPHC or become a USRPHC in the future, as long as our common stock is and continues to be "regularly traded on an established securities market" (within the meaning of the Treasury Regulations), only a non-U.S. holder that actually or constructively owns, or owned at any time during the shorter of the five-year period ending on the date of the disposition or the non-U.S. holder's holding period for the common stock, more than 5% of our common stock will be treated as disposing of a U.S. real property interest and will be taxable on gain realized on the disposition of our common stock as a result of our status as a

USRPHC. If we are classified as a USRPHC or become a USRPHC in the future, and our common stock were not considered to be regularly traded on an established securities market, such non-U.S. holder (regardless of the percentage of stock owned) would be treated as disposing of a U.S. real property interest and would be subject to U.S. federal income tax on a taxable disposition of our common stock (as described in the preceding paragraph), and a 15% withholding tax would apply to the gross proceeds from such disposition (and to any distributions treated as a non-taxable return of capital or capital gain from the sale or exchange of such common stock as described above under "—Distributions").

NON-U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE FOREGOING RULES TO THEIR PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK.

Backup Withholding and Information Reporting

Any dividends paid to a non-U.S. holder must be reported annually to the IRS and to the non-U.S. holder. Copies of these information returns may be made available to the tax authorities in the country in which the non-U.S. holder resides or is established. Payments of dividends to a non-U.S. holder generally will not be subject to backup withholding if the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form).

Payments of the proceeds from a sale or other disposition by a non-U.S. holder of our common stock effected by or through a U.S. office of a broker generally will be subject to information reporting and backup withholding (at the applicable rate, which is currently 24%) unless the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form) and certain other conditions are met. Information reporting and backup withholding generally will not apply to any payment of the proceeds from a sale or other disposition of our common stock effected outside the United States by a non-U.S. office of a broker. However, unless such broker has documentary evidence in its records that the non-U.S. holder is not a United States person and certain other conditions are met, or the non-U.S. holder otherwise establishes an exemption, information reporting will apply to a payment of the proceeds of the disposition of our common stock effected outside the United States by such a broker if it has certain relationships within the United States.

Backup withholding is not an additional tax. Rather, the U.S. federal income tax liability (if any) of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is timely furnished to the IRS.

Additional Withholding Requirements under FATCA

Sections 1471 through 1474 of the Code, and the Treasury Regulations and administrative guidance issued thereunder ("FATCA"), impose a 30% withholding tax on any dividends paid on our common stock if paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code) (including, in some cases, when such foreign financial institution or non-financial foreign entity is acting as an intermediary), unless (i) in the case of a foreign financial institution, such institution enters into an agreement with the U.S. government to withhold on certain payments, and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are non-U.S. entities with U.S. owners), (ii) in the case of a non-financial foreign entity, such entity certifies that it does not have any "substantial United States owners" (as defined in the Code) or timely provides the applicable withholding agent with a certification identifying the direct and indirect substantial United States owners of the entity (in either case, generally on an IRS Form W-8BEN-E), or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules and provides appropriate documentation (such as an IRS Form W-8BEN-E). Foreign

financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing these rules may be subject to different rules. Under certain circumstances, a non-U.S. holder might be eligible for refunds or credits of such taxes. Non-U.S. holders are encouraged to consult their own tax advisors regarding the effects of FATCA on an investment in our common stock.

Although FATCA withholding could apply to gross proceeds on the disposition of our common stock, the U.S. Treasury released proposed Treasury Regulations (the "Proposed Regulations") the preamble to which specifies that taxpayers may rely on them pending finalization. The Proposed Regulations eliminate FATCA withholding on the gross proceeds from a sale or other disposition of our common stock. There can be no assurance that the Proposed Regulations will be finalized in their present form.

INVESTORS CONSIDERING THE PURCHASE OF OUR COMMON STOCK ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS (INCLUDING ANY POTENTIAL CHANGES THERETO) TO THEIR PARTICULAR SITUATIONS AND THE APPLICABILITY AND EFFECT OF ANY OTHER TAX LAWS, INCLUDING U.S. FEDERAL ESTATE AND GIFT TAX LAWS AND ANY U.S. STATE OR LOCAL OR NON-U.S. TAX LAWS AND TAX TREATIES.

UNDERWRITING (CONFLICTS OF INTEREST)

We and the selling stockholders are offering the shares of common stock described in this prospectus through a number of underwriters. J.P. Morgan Securities LLC and Barclays Capital Inc. are acting as joint book-running managers of the offering and as representatives of the underwriters. We and the selling stockholders have entered into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we and the selling stockholders have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, the number of shares of common stock listed next to its name in the following table:

Name	Number of Shares
J.P. Morgan Securities LLC	
Barclays Capital Inc.	
Goldman Sachs & Co. LLC	
DNB Markets, Inc.	
Piper Sandler & Co.	
Guggenheim Securities, LLC	
Raymond James & Associates, Inc.	
BTIG, LLC	
Johnson Rice & Company L.L.C.	
PEP Advisory LLC	
Seaport Global Securities LLC	
Academy Securities, Inc.	
Drexel Hamilton, LLC	
Total	

The underwriters are committed to purchase all the shares of common stock offered by us and the selling stockholders if they purchase any shares. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may also be increased or the offering may be terminated.

The underwriters propose to offer the shares of common stock directly to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers at that price less a concession not in excess of $ per share. Any such dealers may resell shares to certain other brokers or dealers at a discount of up to $ per share from the initial public offering price. After the initial offering of the shares to the public, if all of the shares of common stock are not sold at the initial public offering price, the underwriters may change the offering price and the other selling terms.

The underwriters have options to buy up to additional shares of common stock from the selling stockholders to cover sales of shares by the underwriters which exceed the number of shares specified in the table above. The underwriters have 30 days from the date of this prospectus to exercise these options to purchase additional shares. If any shares are purchased with these options to purchase additional shares, the underwriters will purchase shares in approximately the same proportion as shown in the table above. If any additional shares of common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

The underwriting fee is equal to the public offering price per share of common stock less the amount paid by the underwriters to us and the selling stockholders per share of common stock. The underwriting fee is $ per share. The following table shows the per share and total underwriting discounts and commissions

to be paid to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Without option to purchase additional shares exercise	With full option to purchase additional shares exercise
Per Share	$	$
Total	$	$

We and the selling stockholders estimate that the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be approximately $. We have also agreed to reimburse the underwriters for certain of their expenses in connection with this offering in an amount up to $.

A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in the offering. The underwriters may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

Other than the prospectus in electronic format, the information on any underwriter's or selling group member's web site and any information contained in any other web site maintained by an underwriter or selling group member is not part of the prospectus or the registration statement of which this prospectus forms a part, has not been approved and/or endorsed by us or any underwriter or selling group member in its capacity as underwriter or selling group member and should not be relied upon by investors.

We have agreed that we will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the SEC a registration statement under the Securities Act relating to, any shares of our common stock or securities convertible into or exercisable or exchangeable for any shares of our common stock, or publicly disclose the intention to make any of the foregoing, or (ii) enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequences associated with the ownership of any shares of common stock or any such other securities (regardless of whether any of these transactions are to be settled by the delivery of shares of common stock or such other securities, in cash or otherwise), in each case without the prior written consent of J.P. Morgan Securities LLC and Barclays Capital Inc. for a period of one hundred eighty (180) days after the date of this prospectus, other than the shares of our common stock to be sold in this offering.

The restrictions on our actions, as described above, do not apply to certain transactions, including (i) the offer, issuance, sale and disposition of the shares of our common stock under the underwriting agreement, (ii) the issuance of shares of common stock or securities convertible into or exercisable for shares of our common stock pursuant to the conversion or exchange of convertible or exchangeable securities, warrants or options (including net exercise) or the settlement of RSUs or PSUs (including net settlement), in each case outstanding on the date of the underwriting agreement and described in this prospectus; (iii) grants of stock options, stock awards, restricted stock, RSUs, PSUs or other equity awards and the issuance of shares of our common stock or securities convertible into or exercisable or exchangeable for shares of our common stock (whether upon the exercise of stock options or otherwise) to our employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the closing of this offering and described in this prospectus, provided that any such recipient who is an executive officer or director of ours enters into a lock-up agreement with the underwriters; (iv) the issuance of up to 10% of the outstanding shares of our common stock, or securities convertible into, exercisable for, or which are otherwise exchangeable for, our common stock, immediately

following the closing of this offering, in acquisitions or other similar strategic transactions, provided that such recipients enter into a lock-up agreement with the underwriters; (v) the facilitation of the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act, provided that such plan does not provide for the transfer of Common Stock during the one hundred eighty (180)-day restricted period; (vi) our filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to any plan in effect on the date of the underwriting agreement and described in this prospectus or any assumed benefit plan pursuant to an acquisition or similar strategic transaction; or (vii) submission to the SEC of a draft registration statement under the Securities Act on a confidential basis pursuant to the rules of the SEC, provided that with respect to this clause (viii), (a) no public filing with the SEC or any other public announcement may be made during the one hundred eighty (180)-day restricted period in relation to such registration, (b) J.P. Morgan Securities LLC and Barclays Capital Inc. must have received prior written consent from the Company of such submission with the SEC during the one hundred eighty (180)-day restricted period at least seven (7) business days prior to such submission, and (c) no securities of the Company may be sold, distributed or exchanged prior to the expiration of the one hundred eighty (180)-day restricted period.

Our directors and executive officers, the selling stockholders and substantially all of our stockholders holding in the aggregate approximately 95% of the outstanding shares of our common stock (such persons, the "lock-up parties") have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each lock-up party, with limited exceptions, for a period of 180 days after the date of this prospectus (such period, the "restricted period"), may not (and may not cause any of their direct or indirect affiliates to), without the prior written consent of J.P. Morgan Securities LLC and Barclays Capital Inc., (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock or any securities convertible into or exercisable or exchangeable for our common stock (including, without limitation, common stock or such other securities which may be deemed to be beneficially owned by such lock-up parties in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant (collectively with the common stock, the "lock-up securities")), (2) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the lock-up securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of lock-up securities, in cash or otherwise, (3) make any demand for, or exercise any right with respect to, the registration of any lock-up securities, or (4) publicly disclose the intention to do any of the foregoing. Such persons or entities have further acknowledged that these undertakings preclude them from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (by any person or entity, whether or not a signatory to such agreement) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any lock-up securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of lock-up securities, in cash or otherwise.

The restrictions described in the immediately preceding paragraph and contained in the lock-up agreements between the underwriters and the lock-up parties do not apply, subject in certain cases to various conditions, to certain transactions, including (a) transfers of lock-up securities: (i) as bona fide gifts, charitable contributions or for bona fide estate planning purposes, (ii) by will or intestacy, (iii) to any trust for the direct or indirect benefit of the lock-up party or any immediate family member or, if the lock-up party is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust, (iv) to a partnership, limited liability company or other entity of which the lock-up party and its immediate family members are the legal and beneficial owner of all of the outstanding equity securities or similar interests, (v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv), (vi) in the case of a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate of the lock-up party, or to any investment fund, vehicle, account, portion of a fund, vehicle or account or other entity controlling, controlled by,

managing or managed by or under common control with the lock-up party or its affiliates (including, for the avoidance of doubt, where the lock-up party is a partnership, to its general partner or a successor partnership or fund, vehicle, accounts or portions of funds, vehicles or accounts or any other funds, managed by such partnership) or (B) as part of a distribution to partners, members. stockholders or other equityholders of the lock-up party; (vii) by operation of law, (viii) to us from an employee upon death, disability or termination of employment of such employee, (ix) as part of a sale of lock-up securities acquired in open market transactions after the completion of this offering, (x) to us in connection with the vesting, settlement or exercise of RSUs, PSUs, options, warrants or other rights to purchase shares of our common stock (including "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments, or (xi) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction approved by our Board of Directors and made to all shareholders involving a change in control, provided that if such transaction is not completed, all such lock-up securities would remain subject to the restrictions in the immediately preceding paragraph; (b) exercise of the outstanding options, settlement of RSUs or other equity awards granted pursuant to plans described in this prospectus or the exercise of warrants, provided that any lock-up securities received upon such exercise, vesting or settlement would be subject to restrictions similar to those in the immediately preceding paragraph; (c) the conversion of outstanding preferred stock, warrants to acquire preferred stock, or convertible securities into shares of our common stock or warrants to acquire shares of our common stock, provided that any common stock or warrant received upon such conversion would be subject to restrictions similar to those in the immediately preceding paragraph; (d) the establishment by lock-up parties of trading plans under Rule 10b5-1 under the Exchange Act, provided that such plan does not provide for the transfer of lock-up securities during the restricted period (other than for the payment of exercise price and tax remittance payments due as a result of the vesting, settlement, or exercise of restricted stock units, performance stock units, options, warrants or rights); and (e) the sale of our common stock pursuant to the terms of the underwriting agreement.

J.P. Morgan Securities LLC and Barclays Capital Inc., in their sole discretion, may release the securities subject to any of the lock-up agreements with the underwriters described above, in whole or in part at any time.

We and the selling stockholders have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

We have applied to have our common stock approved for listing on the NYSE under the symbol "HOS".

In connection with this offering, the underwriters may engage in stabilizing transactions, which involves making bids for, purchasing and selling shares of common stock in the open market for the purpose of preventing or retarding a decline in the market price of the common stock while this offering is in progress. These stabilizing transactions may include making short sales of common stock, which involves the sale by the underwriters of a greater number of shares of common stock than they are required to purchase in this offering, and purchasing shares of common stock on the open market to cover positions created by short sales. Short sales may be "covered" shorts, which are short positions in an amount not greater than the underwriters' option to purchase additional shares referred to above, or may be "naked" shorts, which are short positions in excess of that amount. The underwriters may close out any covered short position either by exercising their option to purchase additional shares, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the option to purchase additional shares. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market that could adversely affect investors who purchase in this offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the common stock, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase common stock in

the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those shares as part of this offering to repay the underwriting discount received by them.

These activities may have the effect of raising or maintaining the market price of the common stock or preventing or retarding a decline in the market price of the common stock, and, as a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on the NYSE, in the over-the-counter market or otherwise.

Our prior class of common stock was delisted in July 2020, and 4,366,348 shares of our new common stock were issued in connection with the consummation of the Chapter 11 Cases on September 4, 2020. As a result, since July 2020, there has been no public market for our common stock. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters. In determining the initial public offering price, we and the representatives of the underwriters expect to consider a number of factors including:

- the information set forth in this prospectus and otherwise available to the representatives;
- our prospects and the history and prospects for the industry in which we compete;
- an assessment of our management;
- our prospects for future earnings;
- the general condition of the securities markets at the time of this offering;
- the recent market prices of, and demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

Neither we nor the underwriters can assure investors that an active trading market will develop for our shares of common stock, or that the shares will trade in the public market at or above the initial public offering price.

Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, consulting, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, certain of the underwriters and their affiliates are, or may become, lenders under the First Lien Revolving Credit Facility, for which such underwriters and their affiliates have received customary fees. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

Conflict of Interest

Highbridge is an indirect subsidiary of J.P. Morgan Chase & Co. and, prior to this offering, beneficially owns more than 10% of our common stock on a fully diluted basis (including both shares of common stock and shares issuable upon the exercise of Jones Act Warrants and Creditor Warrants). Highbridge is a selling stockholder in this offering and, as such, may receive more than 5% of the net proceeds of this offering.

Because of this relationship, J.P. Morgan Securities LLC is deemed to have a “conflict of interest” under FINRA Rule 5121. Accordingly, this offering is being conducted in accordance with the applicable provisions of FINRA Rule 5121, including the requirement that a “qualified independent underwriter” participate in the

preparation of the prospectus and exercise the usual standards of due diligence in connection with such participation. Barclays Capital Inc. has agreed to serve as the qualified independent underwriter for this offering and will not receive any additional fees for serving in that capacity. We have agreed to indemnify Barclays Capital Inc. against any liabilities arising in connection with its role as a qualified independent underwriter, including liabilities under the Securities Act. Additionally, in accordance with FINRA Rule 5121(c), no sales of the shares in this offering will be made to any discretionary account over which J.P. Morgan Securities LLC exercises discretion without the prior specific written approval of the account holder.

Directed Share Program

At our request, the underwriters have reserved up to 5% of the shares offered by this prospectus for sale, at the initial public offering price, to certain individuals through a directed share program, including our directors, officers, employees and certain other individuals identified by us. The sales will be made at our direction by J.P. Morgan Securities LLC and its affiliates. The number of shares of our common stock available for sale to the general public in this offering will be reduced to the extent that such persons purchase such reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of common stock offered by this prospectus. We have agreed to indemnify the underwriters against certain liabilities and expenses, including liabilities under the Securities Act, in connection with the sales of the shares reserved for the directed share program.

Shares purchased through the directed share program will not be subject to a lock-up restriction, except in the case of shares purchased by any of our directors and officers, which shares will be subject to a 180-day lock-up restriction (as described above).

Jones Act

Because we own and operate U.S.-flagged vessels in the U.S. coastwise trade, the Jones Act requires that at least 75% of the outstanding shares of each class or series of the capital stock of the Company must be owned and controlled by U.S. citizens. If we do not continue to comply with such requirements, we would be prohibited from operating our U.S.-flagged vessels in the U.S. coastwise trade and may incur severe penalties, such as fines and/or forfeiture of such vessels and/or permanent loss of U.S. coastwise trading privileges for such vessels. As a result, we have restricted participation in this offering to U.S. citizens as defined under the Jones Act. As of August 31, 2024, approximately 22.9% of the Company's issued and outstanding common stock is owned by non-U.S. citizens and, after giving effect to this offering, the Company expects the percentage of its common stock owned by non-U.S. citizens to decrease to approximately %.

In order to ensure compliance with the U.S. citizenship and cabotage laws principally contained in the Jones Act, sales in the offering will be limited so that shares will only be allocated to U.S. citizens (as determined in accordance with the Jones Act). A "U.S. citizen" for purposes of the Jones Act includes the following:

- If the investor is an individual, the investor is deemed a citizen of the United States (for Jones Act purposes) if the investor is native-born, naturalized, or a derivative citizen of the United States, or otherwise qualifies as a United States citizen.
- If the investor is a partnership, limited liability company or limited partnership, the entity is deemed a citizen of the United States (for Jones Act purposes) if the investor: (a) is organized under the laws of the United States or a State, (b) each general partner or manager is a citizen of the United States and (c) is not less than 75.0% of the interest and voting power of the partnership, limited liability company or limited partnership is ultimately held by citizens of the United States free of any voting trust, fiduciary arrangement or other agreement, arrangement or understanding whereby non-citizens may directly or indirectly assert control.
- If the investor is a corporation, the investor is deemed a citizen of the United States (for Jones Act purposes) if: (a) the investor is organized under the laws of the United States or a State, (b) each of its

president or other chief executive and the chairman of its board of directors is a citizen of the United States, (c) the investor is no more than a minority of the number of its directors necessary to constitute a quorum for the transaction of business are non-citizens of the United States and (d) not less than 75.0% of the shares (beneficially and of record) are owned by citizens of the United States, and free of any voting trust, fiduciary arrangement or other agreement, arrangement or understanding whereby non-citizens may directly or indirectly assert control.

- Where the investor is an entity (and not an individual), the requirement that at least 75.0% of the interests and voting power be owned and controlled by U.S. citizens extends up through the various tiers to all levels of direct and indirect ownership in the entity. Accordingly, each entity in the chain of ownership, at each tier of ownership, of the underlying entity must meet the definition of citizen of the United States (for Jones Act purposes) applicable to such entity.

Our amended and restated certificate of incorporation further provides the Board of Directors with authority to take certain actions to protect our Jones Act status. These actions may include: (i) refusing to recognize any transfer (including our original issuance) that would result in ownership by non-U.S. citizens in the aggregate exceeding 21% of our issued and outstanding common stock, with certain limited grandfathered circumstances allowing up to 24% of the outstanding shares of our common stock to be owned by non-U.S. citizens on and after the effective date of the initial public offering, (ii) treating any such purported transfer as void *ab initio* or (iii) redeeming any share of our common stock that caused the ownership by non-U.S. citizens to exceed such 21% ownership limitation, with certain limited grandfathered circumstances allowing up to 24% of the outstanding shares of our common stock to be owned by non-U.S. citizens on and after the effective date of the initial public offering. In the event the Board of Directors authorizes such a redemption, we would instruct our transfer agent to issue one Jones Act Warrant, or in certain situations, cash or interest bearing promissory notes, in respect of shares of common stock that caused ownership by non-U.S. citizens to exceed the applicable permitted limit, and such holder(s)' interests in those shares will be terminated. For a description of the Jones Act citizenship restrictions and redemption procedures, see "Description of Capital Stock and Warrants—Limitations on Ownership by Non-U.S. Citizens."

LEGAL MATTERS

The validity of the shares of common stock offered by this prospectus will be passed upon for us by Kirkland & Ellis LLP, Houston, Texas. Certain legal matters relating to this offering will be passed upon for the underwriters by Vinson & Elkins LLP, Houston, Texas.

EXPERTS

The consolidated financial statements of Hornbeck Offshore Services, Inc. at December 31, 2023 and 2022, and for each of the three years in the period ended December 31, 2023, appearing in this prospectus or the registration statement of which this prospectus forms a part have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

With respect to the unaudited consolidated interim financial information of Hornbeck Offshore Services, Inc. as of June 30, 2024 and for the three-month and six-month periods ended June 30, 2024 and June 30, 2023, appearing in this prospectus or the registration statement of which this prospectus forms a part, Ernst & Young LLP reported that they have applied limited procedures in accordance with professional standards for a review of such information. However, their separate report dated August 14, 2024 appearing elsewhere herein states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. Ernst & Young LLP is not subject to the liability provisions of Section 11 of the Securities Act for their report on the unaudited interim financial information because that report is not a “report” or a “part” of the registration statement of which this prospectus forms a part prepared or certified by Ernst & Young LLP within the meaning of Sections 7 and 11 of the Securities Act.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common stock offered in this prospectus. This prospectus, filed as part of the registration statement, does not contain all of the information set forth in the registration statement and its exhibits and schedules, portions of which have been omitted as permitted by the rules and regulations of the SEC. For further information about us and our common stock, we refer you to the registration statement and to its exhibits and schedules. Statements in this prospectus about the contents of any contract, agreement or other document are not necessarily complete and, in each instance, we refer you to the copy of such contract, agreement or document filed as an exhibit to the registration statement, with each such statement being qualified in all respects by reference to the document to which it refers.

The SEC maintains a website that contains reports, proxy statements and other information about companies like us, who file electronically with the SEC. The address of that website is http://www.sec.gov. This reference to the SEC’s website is an inactive textual reference only and is not a hyperlink.

Upon the effectiveness of the registration statement, we will be subject to the reporting, proxy and information requirements of the Exchange Act and will be required to file periodic reports, proxy statements and other information with the SEC. These periodic reports, proxy statements and other information will be available on the website of the SEC referred to above, as well as on our website, www.hornbeckoffshore.com. This reference to our website is an inactive textual reference only and is not a hyperlink. The contents of, or other information accessible through, our website are not part of this prospectus or the registration statement of which this prospectus forms a part, and you should not consider the contents of our website in making an investment

decision with respect to our common stock. We will furnish our stockholders with annual reports containing audited financial statements and quarterly reports containing unaudited interim financial statements for each of the first three quarters of each year.

INDEX TO FINANCIAL STATEMENTS

Review Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Hornbeck Offshore Services, Inc.

Results of Review of Interim Financial Statements

We have reviewed the accompanying consolidated balance sheet of Hornbeck Offshore Services, Inc. and Subsidiaries (the Company) as of June 30, 2024, the related consolidated statements of operations, comprehensive income and changes in stockholders' equity for the three-month and six-month periods ended June 30, 2024 and 2023, and cash flows for the six-month periods ended June 30, 2024 and 2023, and the related notes (collectively referred to as the "consolidated interim financial statements"). Based on our reviews, we are not aware of any material modifications that should be made to the consolidated interim financial statements for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB) and in accordance with auditing standards generally accepted in the United States of America (GAAS), the consolidated balance sheet of the Company as of December 31, 2023, and the related consolidated statements of operations, comprehensive income, changes in stockholders' equity and cash flows for the year then ended, and the related notes (not presented herein); and in our report dated March 14, 2024, we expressed an unqualified audit opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2023, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

These financial statements are the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the SEC and the PCAOB. We conducted our review in accordance with the standards of the PCAOB and in accordance with GAAS applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB and GAAS, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ Ernst & Young LLP

New Orleans, Louisiana

August 14, 2024

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 91,078	$ 120,055
Accounts receivable, net of allowance for credit losses of $6,273 and $6,307, respectively	142,738	126,438
Prepaid expenses	11,635	4,870
Taxes receivable	16,072	7,961
Other current assets	11,276	11,500
Total current assets	272,799	270,824
Property, plant and equipment, net	625,270	602,422
Restricted cash	765	765
Deferred charges, net	62,758	48,336
Operating lease right-of-use assets	24,260	22,905
Finance lease right-of-use assets	960	827
Other assets	440	440
Total assets	$ 987,252	$ 946,519
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 63,257	$ 76,484
Accrued interest	5,357	5,357
Accrued payroll and benefits	22,224	26,511
Operating lease liabilities	6,961	5,096
Finance lease liabilities	399	342
Accrued taxes payable	15,558	12,328
Deferred revenue	12,334	2,822
Other current liabilities	6,827	1,475
Total current liabilities	132,917	130,415
Long-term debt	349,001	349,001
Deferred tax liabilities, net	1,332	1,996
Liability-classified warrants	74,779	75,475
Operating lease liabilities	19,931	20,309
Finance lease liabilities	419	351
Other long-term liabilities	7,597	7,679
Total long-term liabilities	453,059	454,811
Total liabilities	585,976	585,226
Stockholders' equity:		
Common stock: $0.00001 par value; 50,000 shares authorized; 5,642 and 5,554 shares issued and outstanding, respectively	—	—
Additional paid-in capital	211,389	210,776
Retained earnings	192,654	148,428
Accumulated other comprehensive income (loss)	(2,767)	2,089
Total stockholders' equity	401,276	361,293
Total liabilities and stockholders' equity	$ 987,252	$ 946,519

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(Unaudited)		(Unaudited)	
Revenues:				
Vessel revenues	$163,998	$135,912	$283,207	$256,487
Non-vessel revenues	11,982	10,986	23,569	21,902
	175,980	146,898	306,776	278,389
Costs and expenses:				
Operating expense	90,153	74,592	181,818	141,501
Depreciation expense	9,507	6,029	18,093	11,753
Amortization expense	6,363	5,655	12,163	10,366
General and administrative expense	16,882	15,609	32,430	32,366
Stock-based compensation expense	2,584	2,361	4,423	15,363
Terminated debt refinancing costs	—	3,633	—	3,633
	125,489	107,879	248,927	214,982
Gain on sale of assets	27	2,576	31	2,566
Operating income	50,518	41,595	57,880	65,973
Interest expense	6,706	11,123	13,437	22,972
Interest income	(1,327)	(2,614)	(3,007)	(4,830)
Net interest expense	5,379	8,509	10,430	18,142
	45,139	33,086	47,450	47,831
Other income (expense):				
Foreign currency loss	(537)	(629)	(757)	(857)
Fair value adjustment of liability-classified warrants	(8,490)	(7,947)	696	(4,533)
Other income	—	42	—	756
	(9,027)	(8,534)	(61)	(4,634)
Income before income taxes	36,112	24,552	47,389	43,197
Income tax expense	3,014	4,168	3,163	6,362
Net income	$ 33,098	$ 20,384	$ 44,226	$ 36,835
Basic earnings per common share	$ 1.94	$ 1.20	$ 2.59	$ 2.17
Diluted earnings per common share	$ 1.71	$ 1.07	$ 2.29	$ 1.94

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(Unaudited)		(Unaudited)	
Net income	$33,098	$20,384	$44,226	$36,835
Other comprehensive income:				
Foreign currency translation income (loss), net	(3,899)	1,321	(4,856)	2,222
Total comprehensive income	$29,199	$21,705	$39,370	$39,057

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(in thousands)

	Three Months Ended June 30, 2024 (Unaudited)					
	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders Equity
	Shares	Amount				
Balance at April 1, 2024 (1)	16,931	$ —	$212,631	$159,556	$ 1,132	$ 373,319
Issuance of common stock and warrants	88	—	130	—	—	130
Stock-based compensation expense	—	—	2,344	—	—	2,344
Shares withheld for employee withholding taxes	—	—	(3,716)	—	—	(3,716)
Net income	—	—	—	33,098	—	33,098
Foreign currency translation loss, net	—	—	—	—	(3,899)	(3,899)
Balance at June 30, 2024 (2)	17,019	$ —	$211,389	$192,654	$ (2,767)	$ 401,276

	Six Months Ended June 30, 2024 (Unaudited)					
	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders Equity
	Shares	Amount				
Balance at January 1, 2024 (1)	16,931	$ —	$210,776	$148,428	$ 2,089	$ 361,293
Issuance of common stock and warrants	88	—	130	—	—	130
Stock-based compensation expense	—	—	4,199	—	—	4,199
Shares withheld for employee withholding taxes	—	—	(3,716)	—	—	(3,716)
Net income	—	—	—	44,226	—	44,226
Foreign currency translation loss, net	—	—	—	—	(4,856)	(4,856)
Balance at June 30, 2024 (2)	17,019	$ —	$211,389	$192,654	$ (2,767)	$ 401,276

	Three Months Ended June 30, 2023 (Unaudited)					
	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders Equity
	Shares	Amount				
Balance at April 1, 2023 (1)	16,931	$ —	$208,927	$ 90,341	$ 837	$ 300,105
Stock-based compensation expense	—	—	2,116	—	—	2,116
Shares withheld for employee withholding taxes	—	—	(3,834)	—	—	(3,834)
Net income	—	—	—	20,384	—	20,384
Foreign currency translation income, net	—	—	—	—	1,321	1,321
Balance at June 30, 2023 (1)	16,931	$ —	$207,209	$110,725	$ 2,158	$ 320,092

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(in thousands)

	Six Months Ended June 30, 2023 (Unaudited)					
	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders Equity
	Shares	Amount				
Balance at January 1, 2023 (3)	16,763	$ —	$197,006	$ 73,890	$ (64)	$ 270,832
Issuance of common stock and warrants	168	—	—	—	—	—
Stock-based compensation expense	—	—	15,118	—	—	15,118
Shares withheld for employee withholding taxes	—	—	(4,915)	—	—	(4,915)
Net income	—	—	—	36,835	—	36,835
Foreign currency translation income, net	—	—	—	—	2,222	2,222
Balance at June 30, 2023 (1)	16,931	$ —	$207,209	$110,725	$ 2,158	$ 320,092

(1) Reflects 5,554 shares of common stock and 11,377 Jones Act Warrants issued and outstanding.
(2) Reflects 5,642 shares of common stock and 11,377 Jones Act Warrants issued and outstanding.
(3) Reflects 5,386 shares of common stock and 11,377 Jones Act Warrants issued and outstanding.

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Six Months Ended June 30,	
	2024	2023
	(Unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 44,226	$ 36,835
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	18,093	11,753
Amortization	12,163	10,366
Stock-based compensation expense	4,423	15,363
Provision for (recovery of) credit losses	(34)	386
Deferred tax expense (benefit)	(110)	1,965
Amortization of deferred financing costs	—	283
Amortization of deferred contract-specific costs of sales	431	489
Accumulated paid-in-kind interest	—	7,763
Mark-to-market adjustment of creditor warrants	(696)	4,533
Gain on sale of assets	(31)	(2,566)
Changes in operating assets and liabilities:		
Accounts receivable	(19,153)	(21,295)
Other current and long-term assets	(17,750)	(3,374)
Deferred drydocking charges	(26,106)	(15,416)
Accounts payable	(4,402)	1,781
Accrued liabilities and other liabilities	15,612	13,657
Accrued interest	—	(174)
Net cash provided by operating activities	26,666	62,349
CASH FLOWS FROM INVESTING ACTIVITIES:		
Maintenance capital improvements	(9,969)	(3,782)
Growth capital expenditures	(26,313)	(32,254)
Commercial capital expenditures	(12,923)	(10,277)
Non-vessel capital expenditures	(315)	(415)
Net proceeds from sale of assets	38	2,756
Net cash used in investing activities	(49,482)	(43,972)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of first-lien term loans	—	(1,870)
Cash paid in lieu of shares	(70)	(54)
Cash paid for withholding taxes on net share settlements	(3,716)	(4,915)
Principal payments under finance lease obligations	(156)	(139)
Net cash used in financing activities	(3,942)	(6,978)
Effects of foreign currency exchange rate changes on cash	(2,219)	1,494
Net increase (decrease) in cash, cash equivalents and restricted cash	(28,977)	12,893
Cash, cash equivalents and restricted cash at beginning of period	120,820	217,651
Cash, cash equivalents and restricted cash at end of period	$ 91,843	$230,544
SUPPLEMENTAL DISCLOSURES OF CASH FLOW ACTIVITIES:		
Cash paid for interest	$ 14,556	$ 15,502
Cash paid for income taxes, net of refunds	$ 13,035	$ 1,136

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Basis of Presentation

The accompanying unaudited consolidated financial statements reflect the financial position, results of operations, comprehensive income, cash flows, and changes in stockholders' equity of Hornbeck Offshore Services, Inc., a Delaware corporation, and its consolidated subsidiaries, collectively referred to as "Hornbeck", "Company," "we," "us," or "our".

The accompanying unaudited consolidated financial statements have been prepared in accordance with United States (U.S.) generally accepted accounting principles (GAAP) for interim financial information. Accordingly, certain information and footnote disclosures normally included in our annual financial statements have been condensed or omitted. These unaudited consolidated financial statements should be read in conjunction with our audited consolidated financial statements and notes thereto as of and for the year ended December 31, 2023. In the opinion of management, the accompanying financial information reflects all normal recurring adjustments necessary to fairly state our results of operations, financial position and cash flows for the periods presented and are not indicative of the results that may be expected for a full year.

Our financial statements have been prepared on a consolidated basis. Under this basis of presentation, our financial statements consolidate all subsidiaries (entities in which we have a controlling financial interest), and all intercompany accounts and transactions have been eliminated.

2. Recent Accounting Pronouncements

The following table provides a brief description of recent accounting pronouncements that could have a material effect on the Company's financial statements:

Standard	Description	Date of Adoption	Effect on the financial statements and other significant matters
Standards that have been adopted:			
ASU No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures	The amendments in this update improve reportable segment disclosure requirements, primarily related to significant segment expenses. In addition, the amendments enhance interim disclosures, clarify circumstances in which an entity can disclose multiple segment measures of profit or loss, provide new disclosure requirements for entities with a single reportable segment, and contain other related disclosure requirements. Retrospective application is required.	Effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted.	The Company adopted the annual reporting requirements under ASU No. 2023-07 on January 1, 2024 and will implement the interim disclosure requirements in fiscal year 2025. This adoption had no material impact on its consolidated financial statements.

Standard	Description	Date of Adoption	Effect on the financial statements and other significant matters
Standards that have not been adopted:			
ASU No. 2023-05, Business Combinations—Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement	This standard requires a joint venture to initially measure all contributions received upon its formation at fair value. ASU No. 2023-05 requires prospective application for all newly-formed joint venture entities with a formation date on or after January 1, 2025. Joint ventures formed prior to the adoption date may elect to apply the guidance retrospectively back to their original formation date. Early adoption is permitted.	January 1, 2025	The Company will adopt ASU No. 2023-05 on January 1, 2025 and elect to apply the standard prospectively. The Company does not believe implementation will have a material impact on its consolidated financial statements.
ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures	This standard requires disaggregated information about a reporting entity's effective tax rate reconciliation, as well as information on income taxes paid. ASU No. 2023-09 requires prospective application with the option to apply the standard retrospectively. Early adoption is permitted.	January 1, 2026	The Company will adopt ASU No. 2023-09 on January 1, 2026 and elect to apply the standard prospectively. The Company does not believe that the implementation of this guidance will have a material impact on its consolidated financial statements.

3. Allowance for Credit Losses

Customers are primarily major and independent, domestic and international, oil and oilfield service companies, as well as national oil companies, the U.S. military and offshore wind companies. The Company's customers are granted credit on a short-term basis and related credit risks are considered minimal. The Company usually does not require collateral, but does occasionally require letters of credit or payment-in-advance if undue credit risk is determined to exist with a particular contract or customer. The Company provides an estimate for credit losses based primarily on management's judgment using the relative age of customer balances, historical losses, current economic conditions and individual evaluations of each customer to record an allowance for credit losses. Direct write-offs of receivables only occur when amounts are deemed uncollectible and all options for collection have been exhausted.

Activity in the allowance for credit losses is as follows (in thousands):

	Three Months Ended June 30,	
	2024	2023
Balance at April 1	$6,207	$5,830
Current period provision for credit losses	66	342
Write-offs	—	—
Balance at June 30	$6,273	$6,172

	Six Months Ended June 30,	
	2024	2023
Balance at January 1	$6,307	$5,786
Current period provision for (recovery of) credit losses	(34)	386
Write-offs	—	—
Balance at June 30	$6,273	$6,172

4. Revenues from Contracts with Customers

As of June 30, 2024, the Company had certain remaining performance obligations representing contracted vessel revenue for which work had not been performed and such contracts had an original expected duration of more than one year. As of June 30, 2024, the aggregate amount of the transaction price allocated to remaining performance obligations for such contracts totaled $110.6 million, of which $44.3 million is expected to be fully recognized in 2024, $47.8 million in 2025 and $18.5 million in 2026. These amounts are a result of multi-year vessel charters that commenced in either 2022, 2023 or 2024.

As of June 30, 2024, we had $12.3 million of deferred revenue included in current liabilities related to unsatisfied performance obligations that will be recognized during the remainder of 2024 and 2025.

Disaggregation of Revenues

The Company recognized revenues as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Vessel revenues	$ 163,998	$ 135,912	$ 283,207	$ 256,487
Vessel management revenues	11,262	10,609	22,454	21,097
Shore-based facility revenues	720	377	1,115	805
	$ 175,980	$ 146,898	$ 306,776	$ 278,389

Revenues by geographic region [1] were as follows (in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024	% of Total	2023	% of Total	2024	% of Total	2023	% of Total
United States	$127,441	72.4%	$110,762	75.4%	$227,170	74.1%	$214,895	77.2%
International [2][3]	48,539	27.6%	36,136	24.6%	79,606	25.9%	63,494	22.8%
	$175,980	100.0%	$146,898	100.0%	$306,776	100.0%	$278,389	100.0%

(1) The Company attributes revenues to individual geographic regions based on the location where services are performed.

(2) International revenues of $6.7 million and $24.4 million were attributed to services performed in Mexico, and international revenues of $23.9 million and $10.6 million were attributed to services performed in Brazil for the three months ended June 30, 2024 and 2023, respectively. Revenues attributed to other countries were not individually material for the periods presented.

(3) International revenues of $12.8 million and $44.6 million were attributed to services performed in Mexico, and international revenues of $44.5 million and $17.7 million were attributed to services performed in Brazil for the six months ended June 30, 2024 and 2023, respectively. Revenues attributed to other countries were not individually material for the periods presented.

Major Customers

Revenues from the following customers represented 10% or more of consolidated revenues:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Customer A	16%	n/a (1)	15%	n/a (1)
Customer B	14%	20%	15%	21%
Customer C	14%	14%	16%	16%

(1) Customer represented less than 10% of consolidated revenues in such period.

5. Earnings Per Share

Basic earnings per common share was calculated by dividing net income by the weighted-average number of common shares and Jones Act Warrants outstanding during the period. Diluted earnings per common share was calculated by dividing net income by the weighted-average number of common shares and Jones Act Warrants outstanding during the period plus the effect of dilutive Creditor Warrants, dilutive stock options and restricted stock unit awards. Weighted-average number of common shares outstanding was calculated by using the sum of the shares and Jones Act Warrants determined on a daily basis divided by the number of days in the period.

The table below reconciles the Company's earnings per share (in thousands, except for per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income	$33,098	$20,384	$44,226	$36,835
Weighted-average number of shares of common stock outstanding (1)(2)	17,099	17,036	17,068	16,971
Add: Net effect of dilutive stock options, restricted stock units, and Creditor Warrants (3)(4)(5)	2,194	2,083	2,215	2,045
Weighted-average number of dilutive shares of common stock outstanding	19,293	19,119	19,283	19,016
Earnings per common share:				
Basic earnings per common share	$ 1.94	$ 1.20	$ 2.59	$ 2.17
Diluted earnings per common share	$ 1.71	$ 1.07	$ 2.29	$ 1.94

(1) The Company included 11,377 Jones Act Warrants in the weighted-average number of shares of common stock outstanding for the three and six months ended June 30, 2024 and 2023, which represents the weighted-average number of Jones Act Warrants existing at each period-end.

(2) Includes 105 and 105 fully vested, equity-settled restricted stock units that will be settled on the earlier of the occurrence of a contractually-designated event and the passage of a certain period of time for the three and six month periods ended June 30, 2024 and 2023, respectively.

(3) Includes 171 and 163 unvested restricted stock units and 619 and 619 contingently-exercisable vested restricted stock units in the weighted average calculation for the three and six months ended June 30, 2024, respectively, and 165 and 146 unvested restricted stock units and 615 and 610 contingently-exercisable, vested restricted stock units in the weighted average calculation for the three and six months ended June 30, 2023, respectively.

(4) Includes 490 and 493 dilutive unvested stock options granted under the MIP in the weighted-average calculation for the three and six months ended June 30, 2024, respectively, and 469 and 467 dilutive unvested stock options granted under the MIP in the weighted-average calculation for the three and six months ended June 30 2023, respectively. Dilutive unvested stock options issued by the Company are expected to fluctuate from quarter to quarter depending on the Company's performance compared to a predetermined set of performance criteria.

(5) Includes 914 and 940 of in-the-money, liability-classified Creditor Warrants in the weighted-average calculation for the three and six months ended June 30, 2024, respectively, and 834 and 822 of in-the-money, liability-classified Creditor Warrants in the weighted-average calculation for the three and six months ended June 30, 2023, respectively.

6. Deferred Charges

The Company's vessels are required by regulation to be recertified after certain periods of time. The Company defers the drydocking costs incurred due to regulatory marine inspections and amortizes the costs on a straight-line basis over the period to be benefited from such expenditures (typically between 24 and 36 months).

The amounts reported for deferred charges on the consolidated balance sheets as of June 30, 2024 and December 31, 2023, include costs associated with ongoing drydockings. Included in such capital costs are accruals for vendor costs incurred but not yet invoiced and paid. These accrual amounts totaling $12.9 million and $13.5 million as of June 30, 2024 and December 31, 2023, respectively, are excluded from cash flows from operating activities on the consolidated statement of cash flows as non-cash items for the periods presented.

7. Property, Plant and Equipment

Property, plant and equipment consisted of the following (in thousands):

	June 30, 2024	December 31, 2023
Offshore supply vessels and multi-purpose support vessels	$604,002	$ 510,882
Non-vessel related property, plant and equipment	25,492	19,533
Less: Accumulated depreciation	(83,909)	(65,890)
	545,585	464,525
Construction in progress (1)	79,685	137,897
	$625,270	$ 602,422

(1) Includes $10.3 million and $17.6 million of accrued accounts payable as of June 30, 2024 and December 31, 2023, respectively. These amounts were excluded from the consolidated statement of cash flows as non-cash items for the respective periods.

The table below presents net book value of property, plant and equipment by geographic regions(1) (in thousands):

	June 30, 2024	% of Total	December 31, 2023	% of Total
United States	$548,080	87.7%	$ 522,347	86.7%
International (2)	77,190	12.3%	80,075	13.3%
	$625,270	100.0%	$ 602,422	100.0%

(1) Book values are attributed to geographic regions based on the country of domicile of the specific asset-owning subsidiary of the Company, not the physical operating location of the asset as of any of the dates presented.

(2) International property, plant and equipment of $68.8 million and $70.6 million were owned by certain Mexican subsidiaries of the Company as of June 30, 2024 and December 31, 2023, respectively. Property, plant and equipment attributed to other countries were not individually material as of any of the dates presented.

8. Long-Term Debt

As of the dates indicated below, the Company had the following outstanding long-term debt (in thousands):

	June 30, 2024	December 31, 2023
Second Lien Term Loans due 2026 (including accumulated paid-in-kind interest)	$349,001	$ 349,001

In June 2023, we elected to stop accruing paid-in-kind interest and began cash paying the interest on the Second Lien Term Loans. Effective September 4, 2023, the Second Lien Term Loans contractually converted to full cash-pay obligations with an annual fixed interest rate of 8.25% based on our prevailing total leverage ratio, which was below 3.00 to 1.00.

The table below summarizes the Company's cash interest payments (in thousands):

	Cash Interest Payments (1)	Payment Dates
Second Lien Term Loans due 2026	$ 7,278	March 31, June 30, September 30, December 31

(1) The interest rate on the Second Lien Term Loans is variable at 8.25% or 10.25% per annum based on the Company's total leverage ratio on a quarterly basis. The amount reflected in this table is consistent with the current 8.25% interest rate applicable to the Company's current total leverage ratio.

As of June 30, 2024, certain lenders of the Second Lien Term Loans were considered related parties due to their ownership of Jones Act Warrants and/or shares of common stock of the Company.

9. Liability-Classified Warrants

The Company's outstanding Creditor Warrants are currently classified as liabilities pursuant to ASC 815, *Derivatives and Hedging*. Warrants that are classified as liabilities are recorded at their estimated fair value on a recurring basis at each balance sheet date. To estimate the fair value of the Creditor Warrants, the Company, assisted by third-party valuation advisors, uses a Black-Scholes model, which utilizes the following input assumptions at the applicable valuation date: (i) the current estimated fair value of the underlying common stock based on a controlling interest equity valuation, (ii) the exercise price, (iii) the contractual expiry term, (iv) an estimated equity volatility based on the historical asset and equity volatilities of comparable publicly traded companies, (v) a term-matched risk-free rate based on the U.S. Treasury separate trading of registered interest and principal securities (STRIPS) yield, and (vi) an expected dividend yield. The Company's third-party valuation advisors estimate the fair value of the underlying common stock using the income approach and the market approach with each equally weighted. The income approach involves the use of various judgmental assumptions including the use of prospective financial information, the weighted average cost of capital and an exit multiple. The fair value of the Creditor Warrants falls within Level 3 of the hierarchy, as there is currently no active trading market and certain inputs of the Black-Scholes model are not observable or corroborated by available market data. Based on the lack of trading history of our privately-held equity, the Company currently considers the estimated fair value of its common stock to be the most critical assumption in the determination of the fair value of the Creditor Warrants. As of June 30, 2024, every one-dollar change in the estimated fair value per share of the underlying common stock would have an approximate $1.5 million impact on the estimated fair value of the Creditor Warrants.

There were no exercises of Creditor Warrants during the three and six months ended June 30, 2024 and 2023. The estimated fair value of the Creditor Warrants was determined to be $74.8 million, or $46.97 per warrant, as of June 30, 2024, representing an increase in value since their original issuance on September 4, 2020 of approximately $66.6 million, or $41.81 per warrant.

The inputs to the Black-Scholes model utilized for the valuation of the Creditor Warrants at June 30, 2024 and December 31, 2023 were as follows:

	June 30, 2024	December 31, 2023
Fair value per share of the underlying common stock	$68.39	$ 67.23
Warrant exercise price	$27.83	$ 27.83
Remaining contractual term (years)	3.18	3.68
Expected volatility	55%	60%
Risk-free rate	4.45%	3.91%
Expected dividend yield	0%	0%

10. Stock-Based Compensation

The Company's 2020 Management Incentive Plan, or MIP, provides for the issuance of a maximum of 2.2 million shares of common stock for the Company to grant as incentive awards in the form of stock options, stock appreciation rights, restricted stock units, restricted stock and other stock-based and cash-based awards to certain eligible individuals. As of June 30, 2024, there were 2.1 million shares reserved for issuance related to granted awards and 0.1 million shares available for future grants to eligible individuals under the MIP.

The financial impact of stock-based compensation expense related to the MIP on the Company's operating results is reflected in the table below (in thousands, except for per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Income before taxes	$2,584	$2,361	$4,423	$15,363
Net income	$2,368	$1,960	$4,128	$13,100
Earnings per common share:				
Basic	$ 0.14	$ 0.12	$ 0.24	$ 0.77
Diluted	$ 0.12	$ 0.10	$ 0.21	$ 0.69

In April 2024, the Company issued certain restricted stock unit awards pursuant to the MIP of which 50% immediately vested and settled upon issuance while the remaining 50% vests one year following the grant date. The Company recorded $0.3 million of stock-based compensation expense in 2024 related to the portion of the awards that immediately vested and settled upon issuance.

In March 2023, the Company issued certain restricted stock unit awards pursuant to the MIP of which 50% immediately vested and settled upon issuance while the remaining 50% vests ratably over the three-year period following the grant date. The Company recorded $10.6 million of stock-based compensation expense in 2023 related to the portion of the awards that immediately vested and settled upon issuance.

The Company recorded $0.2 million and $0.2 million of stock-based compensation expense related to restricted stock awards redeemable in cash to other accrued liabilities on the consolidated balance sheet during the six months ended June 30, 2024 and 2023, respectively.

11. Income Taxes

The Company's effective income tax expense rate for the six months ended June 30, 2024 and 2023 was 6.7% and 14.7%, respectively. The Company's current income tax expense reflects its current foreign tax liabilities and certain deferred tax liabilities that could not be offset with a reduction in the valuation allowance. The Company's effective tax rate differs from the federal statutory rate primarily due to foreign taxes and the reversal of valuation allowance for certain deferred tax assets.

The Company is no longer subject to tax audits being initiated by U.S. federal, state, local or foreign taxing authorities for years prior to 2020. The Company has ongoing examinations by various foreign tax authorities, but does not believe that the results of these examinations will have a material adverse effect on the Company's financial position or results of operations. Please see Note 12 below for further discussion regarding the relevant ongoing foreign tax examinations.

12. Commitments and Contingencies

Vessel Construction

In October 2023, the Company entered into a final settlement of a dispute with Zurich American Insurance Company and Fidelity & Deposit Company of Maryland, together the Surety, and Gulf Island Shipyards, LLC, or Gulf Island, related to the construction of two MPSV newbuilds. Pursuant to the settlement agreement, Gulf Island released all claims asserted against the Company and the Company released its claims against Gulf Island and the Surety. Further, the Surety agreed to take over and complete the construction of the two U.S.-flagged, Jones Act-qualified, HOS 400 class MPSVs at a shipyard acceptable to the Company. In December 2023, Eastern Shipbuilding Group, Inc., or Eastern, was mutually selected by the parties and contracted by the Surety to complete the construction of the two MPSVs. The Company is obligated to pay only the remaining portion of the original shipyard contract price for the two MPSVs, which amounted to $53.8 million in the aggregate on the settlement date. The Surety is required to cure all defaults of Gulf Island and pay all completion costs in excess of the $53.8 million remaining original contract price, excluding any approved change orders arising after the settlement date. There is no cap on the Surety's completion costs. As of June 30, 2024, the Company had paid $5.3 million to Eastern related to the completion of these two MPSVs.

Pursuant to the settlement, the Surety is contractually required to deliver both MPSVs in 2025. However, in June 2024, the Company was provided an updated schedule by the Surety and Eastern indicating that they currently expect a six-month shipyard delay for the first of the two MPSVs. An updated delivery schedule has not yet been provided for the second vessel. Following physical delivery by Eastern, the Company expects each vessel to undergo crane and other system installations, which will make the first vessel available for commercial service in the first half of 2026 and the second vessel thereafter. The Company expects to incur an additional $91.2 million in the aggregate for outfitting, overhead and the post-delivery discretionary enhancements, of which $63.6 million solely relates to the purchase and installation of the cranes. As of June 30, 2024, the Company had incurred $0.8 million of such amounts.

Contingencies

In the normal course of its business, the Company becomes involved in various claims and legal proceedings in which monetary damages are sought. It is management's opinion that the Company's liability, if any, under such claims or proceedings would not materially affect the Company's financial position or results of operations. The Company insures against losses relating to its vessels, pollution and third party liabilities, including claims by employees under Section 33 of the Merchant Marine Act of 1920. Third party liabilities and pollution claims that relate to vessel operations are covered by the Company's entry in a mutual protection and indemnity association, or P&I Club, as well as by marine liability policies in excess of the P&I Club's coverage. The Company provides reserves for any individual claim deductibles for which the Company remains responsible by using an estimation process that considers Company-specific and industry data, as well as

management's experience, assumptions and consultation with outside counsel. As additional information becomes available, the Company will assess the potential liability related to its pending claims and revise its estimates. Although historically revisions to such estimates have not been material, changes in estimates of the potential liability could materially impact the Company's results of operations, financial position or cash flows. The Company had accrued $0.8 million and $0.5 million for potential insurance deductibles or losses associated with such claims as of June 30, 2024 and December 31, 2023, respectively.

Mexico Tax Audits

The Company is subject to audit by various Mexican statutory bodies, including the Mexican tax authorities, or SAT. In recent years, SAT has initiated several audits of the Company's Mexican subsidiaries for tax years between 2014 and 2021. In November 2018, SAT commenced an audit of a Mexican subsidiary's 2015 tax return and asserted certain positions that disallowed a significant portion of the Company's deductible expenses, which resulted in additional taxes, interest and penalties being assessed. As a result, the Company engaged in non-binding mediation proceedings, which concluded in 2021 without resolution. In April 2022, the Company received an official assessment from SAT and initiated an appeal process in June 2022 through the Mexican tax judicial system. As of June 30, 2024, the Company had accrued a liability totaling $2.6 million for potential losses from additional taxes, interest and penalties resulting from this assessment based upon estimates developed in collaboration with its Mexican tax advisors for the ongoing 2015 audit and appeal. The Company believes it has properly applied the applicable tax laws and has reasonably supported its positions. The ultimate impact resulting from the 2015 tax assessment and appeal process and other ongoing tax audits may materially differ from the current estimates. The Company will continue to update its estimates related to these pending proceedings as new information warrants.

Brazil Importation Tax Assessment

In April 2021, the Company received notification from the Brazilian tax authorities of an importation tax assessment against the *HOS Achiever* with respect to the vessel's services contract in Brazil from February 2019 to January 2020. At the time of the *HOS Achiever's* importation, the Company was granted a statutorily available tax exemption based on the vessel's functional capabilities and intended use under the services contract. The tax authorities are now asserting that the *HOS Achiever* does not qualify for the applicable exemption. The Company believes the *HOS Achiever* does, in fact, meet the criteria set forth under the applicable law and intends to defend its position in a Brazilian court. While the final outcome of this assessment is uncertain and could possibly result in the payment and loss of an estimated $6.0 million to $10.0 million in related importation taxes and penalties, the Company believes there is a high likelihood that its position will prevail and the exemption will be granted in accordance with the law. Furthermore, the Company believes that any amounts that may become due in connection with this matter should be recoverable from its customer under the terms of the vessel's services contract.

13. Reportable Segments

The Company has one reportable segment, which encompasses all aspects of its marine transportation services business. As the chief operating decision maker, the Company's Chief Executive Officer evaluates operating results on a consolidated basis to assess performance and allocate resources. While the Company's vessels operate in various geographic regions and customer markets, they are centrally managed, share multiple forms of common costs, provide similar or complementary marine transportation services, are manned by crews that may move from location to location or market to market as needed, and are marketed on a portfolio basis with the goal of maximizing Adjusted EBITDA and Adjusted Free Cash Flow and generating the highest possible rate of return on invested capital without a permanent commitment to any particular geographic region or customer market.

14. Related Party Transactions

Pursuant to the terms of the Trade Name and Trademark License Agreement entered into by and between the Company and HFR, LLC, the Company made payments of $1.5 million during each of the six months ended June 30, 2024 and 2023, respectively, for licensing fees associated with the use of Hornbeck trade names, trademarks, and related logos. HFR, LLC is a Texas Limited Liability Company owned by Todd M. Hornbeck and Troy A. Hornbeck. Todd M. Hornbeck serves as the Company's Chairman of the Board of Directors, President and Chief Executive Officer. Troy A. Hornbeck is the brother of Todd M. Hornbeck and serves as the Company's Purchasing Director. As of June 30, 2024 and December 31, 2023, the Company had accrued amounts payable to HFR, LLC totaling $0.8 million and $1.3 million, respectively.

On October 1, 2022, a member of the Company's Board of Directors, assumed an officer role with an existing Hornbeck customer. For the six months ended June 30, 2024 and 2023, the Company generated $45.8 million, or 14.9%, and $59.8 million, or 21.5%, of revenues, respectively, from contracts with such customer. The Company had outstanding accounts receivable from this customer totaling $10.7 million and $8.0 million as of June 30, 2024 and December 31, 2023, respectively.

15. Subsequent Events

The Company has evaluated subsequent events through August 14, 2024, which represents the date its financial statements were available to be issued and determined that all materially relevant information known through this date was appropriately addressed within the consolidated financial statements and notes herein except for the following:

First Lien Revolving Credit Facility

On August 13, 2024, the Company entered into a first lien revolving credit facility pursuant to that certain Credit Agreement with DNB Bank ASA, New York Branch, as administrative agent, Wilmington Trust, National Association, as collateral agent, and the lenders party thereto, or the First Lien Revolving Credit Facility. The current aggregate revolving loan commitments under the new First Lien Revolving Credit Facility total $75 million. The First Lien Revolving Credit Facility also has a customary uncommitted incremental facility in an amount up to $50 million, plus additional amounts if consented to by all lenders. As of August 14, 2024, there were no revolving loan amounts outstanding under the First Lien Revolving Credit Facility.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Hornbeck Offshore Services, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Hornbeck Offshore Services, Inc. and subsidiaries (the Company) as of December 31, 2023 and 2022, the related consolidated statements of operations**,** comprehensive income, changes in stockholders' equity and cash flows for each of the three years in the period ended December 31, 2023 and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosure to which it relates.

Fair Value of the Creditor Warrants

Description of the Matter	As described in Note 11 to the consolidated financial statements, the Company issued 1.6 million Creditor Warrants upon emergence from voluntary reorganization under Chapter 11. The Creditor Warrants estimated fair value was $75.5 million as of December 31, 2023 and was recorded as a non-current liability on the consolidated balance sheets. The Company utilizes a Black-Scholes model to estimate the fair value of the Creditor Warrants, which uses inputs including the current estimated fair value of the underlying common stock, the exercise price, the contractual expiry term, an estimated equity volatility, a term-match risk-free rate and an expected dividend yield. Auditing management's fair value estimate of the Creditor Warrants was complex and highly judgmental due to the estimation required to determine the fair value of the Creditor Warrants. In particular, the current estimated fair value of the underlying common stock involves a high degree of subjectivity including the use of prospective financial information, weighted average cost of capital, and an exit multiple.
How We Addressed the Matter in Our Audit	To test the estimated fair value of the Creditor Warrants, we performed audit procedures that included, among others, assessing methodologies and testing the significant assumptions used in estimating the fair value of the underlying common stock, and testing the underlying data used by the Company in its analysis. For example, we compared the prospective financial information used by management in estimating the fair value of the underlying common stock to current industry and economic trends and other relevant factors, such as the Company's historical financial results. We also assessed the historical accuracy of management's prospective financial information. We involved our valuation specialists to assist in our evaluation of the methodology applied by the Company and the significant assumptions used in estimating the fair value of the underlying common stock, which is used to estimate the fair value of the Creditor Warrants.

/s/ Ernst & Young LLP

We have served as the Company's auditors since 2002.

New Orleans, Louisiana

March 14, 2024

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands)

	December 31, 2023	December 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 120,055	$ 217,303
Accounts receivable, net of allowance for doubtful accounts of $6,307 and $5,786, respectively	126,438	117,621
Prepaid expenses	4,870	4,190
Assets held for sale	—	146
Taxes receivable	7,961	5,956
Other current assets	11,500	12,717
Total current assets	270,824	357,933
Property, plant and equipment, net	602,422	449,249
Restricted cash	765	348
Deferred charges, net	48,336	26,778
Operating lease right-of-use-assets	22,905	24,634
Finance lease right-of-use assets	827	934
Other assets	440	344
Total assets	$ 946,519	$ 860,220
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 76,484	$ 42,975
Accrued interest	5,357	5,517
Accrued payroll and benefits	26,511	19,447
Operating lease liabilities	5,096	6,607
Finance lease liabilities	342	286
Accrued taxes payable	12,328	8,087
Deferred revenue	2,822	3,416
Other accrued liabilities	1,475	1,868
Total current liabilities	130,415	88,203
Long-term debt, net of original discount of $0 and $1,090, and deferred financing costs of $0 and $495	349,001	410,258
Deferred tax liabilities, net	1,996	103
Liability-classified warrants	75,475	64,558
Operating lease liabilities	20,309	20,100
Finance lease liabilities	351	475
Other long-term liabilities	7,679	5,691
Total liabilities	585,226	589,388
Stockholders' equity:		
Common stock: $0.00001 par value; 50,000 shares authorized; 5,554 and 5,386 shares issued and outstanding, respectively	—	—
Additional paid-in capital	210,776	197,006
Retained earnings	148,428	73,890
Accumulated other comprehensive income (loss)	2,089	(64)
Total stockholders' equity	361,293	270,832
Total liabilities and stockholders' equity	$ 946,519	$ 860,220

The accompanying notes are an integral part of these consolidated financial statements.

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Year ended December 31,		
	2023	2022	2021
Revenues:			
Vessel revenues	$528,780	$406,034	$214,680
Non-vessel revenues	44,669	45,192	41,620
	573,449	451,226	256,300
Costs and expenses:			
Operating expense	305,463	214,788	142,819
Depreciation expense	26,355	18,601	15,672
Amortization expense	21,496	10,339	2,711
General and administrative expense	66,108	58,946	40,632
Stock-based compensation expense	19,097	5,330	3,372
Terminated debt refinancing costs	3,693	—	—
	442,212	308,004	205,206
Gain on sale of assets	2,702	21,837	2,679
Operating income	133,939	165,059	53,773
Interest expense	39,802	41,172	35,794
Interest income	(9,755)	(2,832)	(510)
Net interest expense	30,047	38,340	35,284
	103,892	126,719	18,489
Other income (expense):			
Loss on early extinguishment of debt	(1,236)	(44)	—
Foreign currency loss	(1,559)	(198)	(434)
Fair value adjustment of liability-classified warrants	(10,917)	(41,408)	(15,150)
Other income	853	2,867	1,615
	(12,859)	(38,783)	(13,969)
Income before income taxes	91,033	87,936	4,520
Income tax expense	16,495	7,174	1,533
Net income	$ 74,538	$ 80,762	$ 2,987
Earnings per share:			
Basic earnings per common share	$ 4.38	$ 4.80	$ 0.20
Diluted earnings per common share	$ 3.89	$ 4.39	$ 0.19
Weighted-average basic shares outstanding	17,004	16,829	14,980
Weighted-average diluted shares outstanding	19,157	18,394	15,497

The accompanying notes are an integral part of these consolidated financial statements.

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	Year ended December 31,		
	2023	2022	2021
Net income	$74,538	$80,762	$ 2,987
Other comprehensive income (loss):			
Foreign currency translation income (loss), net	2,153	867	(1,217)
Total comprehensive income	$76,691	$81,629	$ 1,770

The accompanying notes are an integral part of these consolidated financial statements.

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In thousands)

	Common Stock		Additional Paid-In Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Stockholders Equity
	Shares	Amount				
Balance at January 1, 2021	14,911	$ —	$152,223	$ (9,859)	$ 286	$ 142,650
Issuance of common stock and warrants (1)	1,852	—	36,081	—	—	36,081
Stock-based compensation expense	—	—	3,372	—	—	3,372
Net income	—	—	—	2,987	—	2,987
Foreign currency translation loss, net	—	—	—	—	(1,217)	(1,217)
Balance at December 31, 2021 (2)	16,763	$ —	$191,676	$ (6,872)	$ (931)	$ 183,873
Stock-based compensation expense	—	—	5,330	—	—	5,330
Net income	—	—	—	80,762	—	80,762
Foreign currency translation income, net	—	—	—	—	867	867
Balance at December 31, 2022 (3)	16,763	$ —	$197,006	$ 73,890	$ (64)	$ 270,832
Issuance of common stock	168	—	—	—	—	—
Stock-based compensation expense	—	—	18,828	—	—	18,828
Shares withheld for employee withholding taxes	—	—	(5,058)	—	—	(5,058)
Net income	—	—	—	74,538	—	74,538
Foreign currency translation income, net	—	—	—	—	2,153	2,153
Balance at December 31, 2023 (4)	16,931	$ —	$210,776	$148,428	$ 2,089	$ 361,293

(1) Consists of 183 shares of common stock and 1,568 Jones Act Warrants issued through a preemptive rights offering and 101 shares of common stock issued under the Stock Purchase Plan, net of issuance costs, in 2021. See Note 12 to these consolidated financial statements for further information regarding the preemptive rights offering and the Stock Purchase Plan.
(2) Reflects 4,652 shares of common stock and 12,111 Jones Act Warrants issued and outstanding as of December 31, 2021.
(3) Reflects 5,386 shares of common stock and 11,377 Jones Act Warrants issued and outstanding as of December 31, 2022.
(4) Reflects 5,554 shares of common stock and 11,377 Jones Act Warrants issued and outstanding as of December 31, 2023.

The accompanying notes are an integral part of these consolidated financial statements.

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year ended December 31,		
	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 74,538	$ 80,762	$ 2,987
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	26,355	18,601	15,672
Amortization	21,496	10,339	2,711
Stock-based compensation expense	19,097	5,330	3,372
Loss on early extinguishment of debt	1,236	44	—
Provision for credit losses	551	257	44
Deferred tax expense	1,340	55	14
Amortization of deferred financing costs	383	572	26
Amortization of deferred contract-specific costs	1,028	—	—
Accumulated paid-in-kind interest	7,763	30,407	29,250
Mark-to-market adjustment of creditor warrants	10,917	41,408	15,150
Gain on sale of assets	(2,702)	(21,837)	(2,608)
Changes in operating assets and liabilities:			
Accounts receivable	(8,553)	(45,467)	(20,186)
Other current and long-term assets	(3,550)	(11,454)	6,877
Deferred drydocking charges	(29,828)	(19,114)	(14,113)
Accounts payable	15,385	8,303	10,050
Accrued liabilities and other liabilities	10,819	14,540	3,408
Accrued interest	(160)	221	(3,043)
Net cash provided by operating activities	146,115	112,967	49,611
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of offshore supply vessels	(128,547)	(116,047)	—
Net proceeds from sale of assets	2,898	22,925	3,145
Vessel capital expenditures	(41,609)	(14,707)	(6,581)
Non-vessel capital expenditures	(1,087)	(1,328)	(688)
Net cash used in investing activities	(168,345)	(109,157)	(4,124)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from Replacement First Lien Term Loans	—	37,500	36,750
Fees for repayment of Replacement First Lien Term Loans	(34)	—	—
Principal payments under finance lease obligations	(287)	(200)	(96)
Repayment of first-lien term loans	(70,605)	(4,436)	(18,655)
Deferred financing costs	—	11	(1,456)
Cash paid in lieu of shares	(54)	—	—
Shares withheld for employee withholding taxes	(5,058)	—	—
Rights offering proceeds from equity issued	—	—	20,000
Rights offering costs	—	—	(934)
Net cash proceeds from other equity issued	—	—	2,015
Net cash provided by (used in) financing activities	(76,038)	32,875	37,624
Effects of exchange rate changes on cash	1,437	196	(463)
Net increase (decrease) in cash, cash equivalents and restricted cash	(96,831)	36,881	82,648
Cash, cash equivalents and restricted cash at beginning of period	217,651	180,770	98,122
Cash, cash equivalents and restricted cash at end of period	$ 120,820	$ 217,651	$ 180,770
SUPPLEMENTAL DISCLOSURES OF CASH FLOW ACTIVITIES:			
Cash paid for interest	$ 32,970	$ 8,868	$ 8,467
Cash paid for income taxes, net of refunds	$ 9,311	$ 474	$ 2,399

The accompanying notes are an integral part of these consolidated financial statements.

HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements

1. Organization

Nature of Operations and Basis of Presentation

Hornbeck Offshore Services, Inc., or the Company, was incorporated in the state of Delaware in 1997. The Company, through its subsidiaries, operates offshore supply vessels, or OSVs, multi-purpose support vessels, or MPSVs, and a shore-base facility to provide marine transportation, logistics support and specialty services to customers in the offshore oil and gas exploration industry, primarily in the U.S. Gulf of Mexico, or the GoM, Latin America and select international markets, as well as diversified non-oilfield markets, including military support services, renewable energy development and other non-oilfield service offerings in various markets. The consolidated financial statements include the accounts of Hornbeck Offshore Services, Inc. and its subsidiaries. All significant intercompany accounts and transactions have been eliminated. Certain reclassifications have been made to prior-year results to conform to current-year presentation.

2. Summary of Significant Accounting Policies

Revenue Recognition

The services that are provided by the Company represent a single performance obligation under its contracts that are satisfied at a point in time or over time. Revenues are earned primarily by (i) chartering the Company's vessels, including the operation of such vessels, (ii) providing vessel management services to third-party vessel owners, and (iii) providing shore-based port facility services, including rental of land. Revenues associated with performance obligations satisfied over time are recognized on a daily basis throughout the contract period.

Cash and Cash Equivalents

Cash and cash equivalents consist of all highly liquid investments in money market funds, deposits and investments available for current use with an initial maturity of three months or less.

Restricted Cash

The Company considers cash as restricted when there are contractual agreements that govern the use or withdrawal of the funds.

Accounts Receivable

Accounts receivable consists of trade receivables, net of reserves, and amounts to be rebilled to customers.

Concentration of Credit Risk

Customers are primarily major and independent, domestic and international, oil and oilfield service companies, as well as national oil companies, the U.S. military and offshore wind companies. The Company's customers are granted credit on a short-term basis and related credit risks are considered minimal. The Company usually does not require collateral, but does occasionally require letters of credit or payment-in-advance if undue credit risk is determined to exist with a particular contract or customer. The Company provides an estimate for uncollectible accounts based primarily on management's judgment using the relative age of customer balances, historical losses, current economic conditions and individual evaluations of each customer to record an allowance for doubtful accounts.

Activity in the allowance for doubtful accounts was as follows (in thousands):

	December 31,		
	2023	2022	2021
Balance, beginning of year	$5,786	$5,530	$ 7,643
Current period provision for credit losses	551	256	(2,107)
Write-offs	(30)	—	(6)
Balance, end of year	$6,307	$5,786	$ 5,530

Property, Plant and Equipment

Property, plant and equipment is recorded at cost. However, upon adoption of fresh-start accounting effective September 4, 2020, the Company's property, plant and equipment recorded as of that date was adjusted to its estimated fair market value in accordance with ASC 852, *Reorganizations*. Depreciation and amortization of equipment and leasehold improvements are computed using the straight-line method based on the estimated useful lives and estimated salvage values of the related assets. Major modifications and improvements that extend the useful life or functional operating capability of a vessel are capitalized and amortized over the remaining useful life of the vessel. Estimated useful lives and salvage values are reassessed when there are relevant indications that the original estimates may no longer be appropriate. Gains and losses from retirements or other dispositions are recognized as incurred.

The estimated useful lives by classification are as follows:

Offshore supply vessels	25 years
Multi-purpose support vessels	25 years
Non-vessel property, plant and equipment	3-15 years

Deferred Charges

The Company's vessels are required by regulation to be recertified after certain periods of time. The Company defers the drydocking costs incurred due to regulatory marine inspections and amortizes the costs on a straight-line basis over the period to be benefited from such expenditures (typically between 24 and 36 months).

Mobilization Costs

The Company occasionally incurs mobilization costs to prepare its vessels and/or transit them to and from certain regions in order to obtain and fulfill vessel charter contracts. These contract-specific costs are typically expensed as incurred, but may in certain circumstances be deferred and amortized over the contract term dependent upon criteria set forth in ASC 606, *Revenue from Contracts with Customers*, and ASC 340, *Other Assets and Deferred Costs*.

Stock-Based Compensation

Stock-based compensation awards are accounted for in accordance with ASC 718, *Compensation – Stock Compensation,* which requires all share-based payments to the Company's employees and directors to be recognized in the consolidated financial statements based on their fair values on the grant date. The fair value of the underlying common stock is based upon a valuation of the Company's equity developed with the assistance of third-party valuation experts using a combination of income and market approaches as of the appropriate measurement date. The Company recognizes compensation expense on a straight-line basis over the expected vesting period of stock-based awards that are ultimately expected to vest based on their estimated fair value on the grant date. Forfeitures are recognized during the period in which they actually occur.

Income Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using currently enacted tax rates. The effect on deferred tax assets and liabilities of a statutory change in tax rates is recognized in income in the period that includes the enactment date. The provision for income taxes includes provisions for federal, state and foreign income taxes. Interest and penalties relating to uncertain tax positions are recorded as interest expense and general and administrative expenses, respectively. In addition, the Company provides a valuation allowance for deferred tax assets if it is more likely than not that such items will either expire before the Company is able to realize the benefit or the future deductibility is uncertain.The Company established valuation allowances of $264.6 million and $246.4 million against its deferred tax assets as of December 31, 2023 and 2022, respectively.

The Company has made an accounting policy election to account for global intangible low-taxed income, or GILTI, in the year the tax is incurred.

Use of Estimates

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Legal Liabilities

In the ordinary course of business, the Company may become party to lawsuits, administrative proceedings, or governmental investigations. These matters may involve large or unspecified damages or penalties that may be sought from the Company and may require years to resolve. The Company records a liability related to a loss contingency for such legal matters in accrued liabilities if the Company determines the loss to be both probable and estimable. The liability is recorded for an amount that is management's best estimate of the loss, or when a best estimate cannot be made, the minimum loss amount of a range of possible outcomes. Significant judgment is required in estimating such liabilities, the results of which can vary significantly from the actual outcomes of lawsuits, administrative proceedings or governmental investigations.

Foreign Currency Transaction Gains and Losses

Foreign currency transaction gains and losses are recorded in the period incurred except for advances to and investments in foreign subsidiaries. Foreign currency gains and losses related to advances to or investments in foreign operations are accounted for as a foreign currency translation adjustment and recorded as other comprehensive income (loss). The balance in accumulated other comprehensive income (loss) as of December 31, 2023 and 2022 relates primarily to the Company's long-term investments in its foreign subsidiaries.

Warrants

Common stock warrants are accounted for as either equity instruments or liabilities depending on the specific terms of the applicable warrant agreement. Warrants that are classified as liabilities are recorded at their estimated fair value on a recurring basis at each balance sheet date. Changes in the estimated fair value of such warrants are recognized as a non-cash gain or loss on the consolidated statements of operations. All outstanding warrants are reassessed each reporting period to determine whether their classification continues to be appropriate.

Fair Value of Financial Instruments

The Company evaluates its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period pursuant to ASC 820, *Fair Value Measurements*. Each applicable asset and liability carried at fair value is required to be classified into one of the following categories:

- Level 1: Quoted market prices in active markets for identical assets or liabilities
- Level 2: Observable market-based inputs or observable inputs that are corroborated by market data
- Level 3: Unobservable inputs that are not corroborated by market data

Fair value is calculated based on assumptions that market participants would use in pricing assets and liabilities. Significant judgments are required in the determination of these assumptions.

Leases

The Company determines if an agreement is a lease or contains a lease at inception. The lease term for accounting purposes may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise the option. Right-of-use assets and the corresponding lease liabilities are recorded at the commencement date based on the present value of lease payments over the expected lease term. The Company uses its incremental borrowing rate, which would be the rate incurred to borrow on a collateralized basis over a similar term in a similar economic environment, to calculate the present value of lease payments for its operating leases. The Company uses the rate implicit in the lease for its finance leases.

The Company is obligated under certain operating leases for shore-based facilities, office space, temporary housing and equipment. The Company is obligated under finance leases for vehicles. Such leases will often include options to extend the lease and the Company will include option periods that, on commencement date, it is reasonably likely that it will exercise. Some leases may require variable lease payments such as real estate taxes and maintenance expenses. These costs are expensed in the period in which they are incurred. The Company's finance leases contain residual value guarantees, which may require additional payments at the end of the lease term if the net book value of the vehicle is less than the greater of the wholesale value of such vehicle or 20% of the delivered price of the vehicle.

For leases with a term of 12 months or less, the Company has made a policy election in which the right-of-use asset and lease liability will not be recognized on its balance sheet.

Reportable Segments

The Company has one reportable segment, which encompasses all aspects of its marine transportation services business. As the chief operating decision maker, our Chief Executive Officer evaluates the Company's operating results on a consolidated basis to assess performance and allocate resources. While the Company's vessels operate in various geographic regions and customer markets, they are centrally managed, share multiple forms of common costs, provide similar or complementary marine transportation services, are manned by crews that may move from location to location or market to market as needed, and are marketed on a portfolio basis with the goal of maximizing Adjusted EBITDA and Adjusted Free Cash Flow and generating the highest possible rate of return on invested capital without a permanent commitment of particular assets to geographic region or customer market.

3. Recent Accounting Pronouncements

The following table provides a brief description of recent accounting pronouncements that could have a material effect on the Company's consolidated financial statements:

Standard	Description	Date of Adoption	Effect on the financial statements and other significant matters
Standards that have been adopted:			
ASU No. 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*	This standard requires measurement and recognition of expected credit losses for financial assets held. ASU No. 2016-13 requires modified retrospective application. Early adoption is permitted.	January 1, 2023	The Company adopted ASU No. 2016-13 on January 1, 2023. This adoption had no material impact on its consolidated financial statements.
ASU No. 2020-04, *Reference Rate Reform (Topic 848), Facilitation of the Effects of Reference Rate Reform on Financial Reporting*	The amendments in this update provide optional expedients and exceptions for applying generally accepted accounting principles (GAAP) to contracts, hedging relationships, and other transactions affected by the reference rate reform if certain criteria are met.	Effective upon issuance (March 12, 2020) and generally can be adopted at the reporting entity's election through December 31, 2024.	The Company adopted ASU No. 2020-04 on July 27, 2023. This adoption had no material impact on its consolidated financial statements.
ASU No. 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*	The amendments in this update defer the sunset date of Topic 848 from December 31, 2022, to December 31, 2024.	Effective upon issuance (December 21, 2022) through December 31, 2024.	The Company adopted ASU No. 2022-06 on January 1, 2023. This adoption had no material impact on its consolidated financial statements.
Standards that have not been adopted:			
ASU No. 2023-05, *Business Combinations—Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement*	This standard requires a joint venture to initially measure all contributions received upon its formation at fair value. ASU No. 2023-05 requires prospective application for all newly-formed joint venture entities with a formation date on or after January 1, 2025. Joint ventures formed prior to the adoption date may elect to apply the guidance retrospectively back to their original formation date. Early adoption is permitted.	January 1, 2025	The Company will adopt ASU No. 2023-05 on January 1, 2025 and elect to apply the standard prospectively. The Company does not believe that the implementation of this guidance will have a material impact on its consolidated financial statements.

Standard	Description	Date of Adoption	Effect on the financial statements and other significant matters
ASU No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*	The amendments in this update improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. In addition, the amendments enhance interim disclosure requirements, clarify circumstances in which an entity can disclose multiple segment measures of profit or loss, provide new segment disclosure requirements for entities with a single reportable segment, and contain other disclosure requirements. ASU No. 2023-07 requires retrospective application.	Effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted.	The Company adopted ASU No. 2023-07 on January 1, 2024. This adoption had no material impact on its consolidated financial statements.
ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*	This standard requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. ASU No. 2023-09 requires prospective application with the option to apply the standard retrospectively. Early adoption is permitted.	January 1, 2026	The Company will adopt ASU No. 2023-09 on January 1, 2026 and elect to apply the standard prospectively. The Company does not believe that the implementation of this guidance will have a material impact on its consolidated financial statements.

4. Revenues from Contracts with Customers

The services that are provided by the Company represent a single performance obligation under its contracts that are satisfied at a point in time or over time. Revenues are earned primarily by (i) chartering the Company's vessels, including the operation of such vessels, (ii) providing vessel management services to third-party vessel owners, and (iii) providing shore-based port facility services, including rental of land. The services generating these revenue streams are provided to customers based on contracts that include fixed or determinable prices and do not generally include right of return or other significant post-delivery obligations. The Company's vessel revenues, vessel management revenues and port facility revenues are recognized either at a point in time or over the passage of time when the customer has received or is receiving the benefit from the applicable service. Revenues are recognized when the performance obligations are satisfied in accordance with contractual terms and in an amount that reflects the consideration that the Company expects to be entitled to in exchange for the services rendered or rentals provided. Revenues are recognized net of any taxes collected from customers, which are subsequently remitted to governmental authorities. Invoices are typically billed to customers on a monthly basis, and payment terms on customer invoices typically range 30 to 60 days.

A performance obligation under contracts with the Company's customers to render services is the unit of account under ASC 606, *Revenue from Contracts with Customers*. The Company accounts for services rendered separately if they are distinct and the service is separately identifiable from other items provided to a customer and if a customer can benefit from the services rendered provided on its own or with other resources that are readily available to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied.

As of December 31, 2023, the Company had certain remaining performance obligations representing contracted vessel revenue for which work had not been performed and such contracts had an original expected duration of more than one year. As of December 31, 2023, the aggregate amount of the transaction price allocated to remaining performance obligations for such contracts totaled $92.2 million, of which $76.2 million is expected to be fully recognized in 2024 and $16.0 million in 2025. These amounts are a result of multi-year vessel charters that commenced in 2022 and 2023.

As of December 31, 2023, we had $2.8 million and $0.8 million of deferred revenue included in current liabilities and other long-term liabilities, respectively, related to unsatisfied performance obligations that will be recognized during 2024 and 2025.

Disaggregation of Revenues

The Company recognized revenues as follows (in thousands):

	Year Ended December 31,		
	2023	2022	2021
Vessel revenues	$528,780	$406,034	$214,680
Vessel management revenues	43,128	42,893	39,177
Shore-based facility revenues	1,541	2,299	2,443
	$573,449	$451,226	$256,300

Revenues by geographic region[1] were as follows (in thousands):

	Year Ended December 31,					
	2023	% of Total	2022	% of Total	2021	% of Total
United States	$432,621	75.4%	$362,830	80.4%	$196,357	76.6%
International[2]	140,828	24.6%	88,396	19.6%	59,943	23.4%
	$573,449	100.0%	$451,226	100.0%	$256,300	100.0%

(1) The Company attributes revenues to individual geographic regions based on the location where services are performed.

(2) International revenues of $62.1 million, $41.3 million and $40.7 million were attributed to services performed in Mexico for the years ended December 31, 2023, 2022 and 2021, respectively. International revenues of $53.2 million, $15.4 million and $8.7 million were attributed to services performed in Brazil for the years ended December 31, 2023, 2022 and 2021, respectively. Revenues attributed to other countries were not individually material for the periods presented.

5. Earnings Per Share

Basic earnings per common share was calculated by dividing net income by the weighted-average number of common shares and Jones Act Warrants outstanding during the period. Diluted earnings per common share was calculated by dividing net income by the weighted-average number of common shares and Jones Act

Warrants outstanding during the period plus the effect of dilutive Creditor Warrants, dilutive stock options and restricted stock unit awards. Weighted-average number of common shares outstanding was calculated by using the sum of the shares and Jones Act Warrants determined on a daily basis divided by the number of days in the period. The table below reconciles the Company's earnings per share (in thousands, except for per share data):

	Year Ended December 31,		
	2023	2022	2021
Net income	$74,538	$80,762	$ 2,987
Weighted-average number of shares of common stock outstanding (1) (2)	17,004	16,829	14,980
Add: Net effect of dilutive stock options, restricted stock units, and Creditor Warrants (3)(4)(5)	2,153	1,565	517
Weighted-average number of dilutive shares of common stock outstanding	19,157	18,394	15,497
Earnings per common share:			
Basic earnings per common share	$ 4.38	$ 4.80	$ 0.20
Diluted earnings per common share	$ 3.89	$ 4.39	$ 0.19

(1) The Company included 11,377, 11,488 and 10,588 Jones Act Warrants in the weighted-average number of shares of common stock outstanding for the years ended December 31, 2023, 2022 and 2021, respectively, which represents the weighted-average number of Jones Act Warrants existing at each period-end. See Note 12 to these consolidated financial statements for further information regarding the Jones Act Warrants.

(2) Includes 105, 105 and 53 fully vested, equity-settled restricted stock units that will be settled on the earlier of the occurrence of a contractually-designated event and the passage of a certain period of time for the years ended December 31, 2023, 2022 and 2021, respectively. See Note 13 to these consolidated financial statements for further information regarding the equity-settled restricted stock units granted under the MIP.

(3) Includes 196, 254 and 257 unvested restricted stock units and 611, 380 and 128 vested restricted stock units that will be settled on the earlier of the occurrence of a contractually-designated event and the passage of a certain period of time, subject to certain employment requirements of the grantee, for the years ended December 31, 2023, 2022 and 2021, respectively. See Note 13 to these consolidated financial statements for further information regarding the equity-settled restricted stock units granted under the MIP.

(4) Includes 476, 403 and 83 dilutive unvested stock options granted under the MIP in the weighted-average calculation for the years ended December 31, 2023, 2022 and 2021, respectively. Dilutive unvested stock options issued by the Company are expected to fluctuate from quarter to quarter depending on the Company's performance compared to a predetermined set of performance criteria. See Note 13 to these consolidated financial statements for further information regarding the Company's stock options granted under the MIP.

(5) Includes 870 and 488 of in-the-money, liability-classified Creditor Warrants in the weighted-average calculation for the years ended December 31, 2023 and 2022, respectively. Excludes 1,592 of out-of-the-money, liability-classified Creditor Warrants for the year ended December 31, 2021. See Note 11 to these consolidated financial statements for further information regarding the Creditor Warrants.

6. Defined Contribution Plan

The Company offers a 401(k) plan to all full-time employees. Employees must be at least eighteen years of age and are eligible to participate the first of the month following their date of hire. Participants may elect to defer up to 60% of their compensation, subject to certain statutorily established limits. The Company may elect to make annual matching and profit sharing contributions to the 401(k) plan. In response to weak market conditions at the advent of the offshore industry downturn that began in October 2014, the Company ceased matching contributions to the 401(k) plan and did not match any contributions in 2015 through 2019 and then

again in 2021. Effective January 1, 2022, the Company reinstated a discretionary match of employee contributions to the 401(k) plan. During the years ended December 31, 2023 and 2022, the Company made contributions to the 401(k) plan of approximately $5.6 million and $2.6 million, respectively.

7. Property, Plant and Equipment

Property, plant and equipment consisted of the following (in thousands):

	December 31,	
	2023	2022
Offshore supply vessels and multi-purpose support vessels	$510,882	$437,561
Non-vessel related property, plant and equipment	19,533	15,964
Less: Accumulated depreciation	(65,890)	(39,842)
	464,525	413,683
Construction in progress (1)	137,897	35,566
	$602,422	$449,249

(1) Includes $17.6 million and $7.7 million of accrued accounts payable as of December 31, 2023 and 2022, respectively. These amounts were excluded from the statement of cash flows as non-cash items for the respective periods.

The following table presents the net book value of property, plant and equipment by geographic region(1) (in thousands):

	As of December 31,			
	2023	% of Total	2022	% of Total
United States	$522,347	86.7%	$365,769	81.4%
International(2)	80,075	13.3%	83,480	18.6%
	$602,422	100.0%	$449,249	100.0%

(1) Book values are attributed to geographic regions based on the country of domicile of the specific asset-owning subsidiary of the Company, not the physical operating location of the asset as of any of the dates presented.

(2) International property, plant and equipment of $70.6 million and $74.5 million were owned by certain Mexican subsidiaries of the Company as of December 31, 2023 and 2022, respectively. Property, plant and equipment attributed to other countries were not individually material as of any of the dates presented. No other individual foreign location accounted for a material portion of property, plant and equipment as of any of the dates presented.

Vessel Construction

During the first quarter of 2018, the Company notified Gulf Island Shipyards, LLC, or Gulf Island, the shipyard that was constructing the remaining two vessels in the Company's fifth OSV newbuild program, that it was terminating the construction contracts for such vessels based on the shipyard's statements that it would be more than one year late in the delivery of the vessels, among other reasons. On October 2, 2018, Gulf Island filed suit against the Company in the 22nd Judicial District Court for the Parish of St. Tammany in the State of Louisiana, claiming that the Company's termination was improper. In October 2023, the Company entered into a final settlement agreement with Zurich American Insurance Company and Fidelity & Deposit Company of Maryland, together the Surety, and Gulf Island. Pursuant to the settlement agreement, the Surety agreed to take

over and complete the construction of the two U.S.-flagged, Jones Act-qualified, HOS 400 class MPSVs at a shipyard acceptable to the Company. Gulf Island released all claims asserted against the Company and the Company released its claims against Gulf Island and the Surety. The Company is obligated to pay only the remaining portion of the original shipyard contract price for the two MPSVs, which amounts to $53.8 million in the aggregate. The Surety is required to cure all defaults of Gulf Island and pay all completion costs in excess of the $53.8 million remaining contract price, excluding approved change orders. In addition, the Company is currently exploring discretionary post-delivery enhancements to add, among other things, secondary cranes to both vessels. On December 20, 2023, Eastern Shipbuilding Group, Inc. was contracted by the Surety to complete the construction of the two MPSVs. Pursuant to the settlement, the Surety is required to deliver both MPSVs in 2025.

8. Assets Held for Sale

Pursuant to ASC 360, *Property, Plant, and Equipment*, the Company considers an asset to be held for sale when all of the following criteria are met: (i) management commits to a plan to sell the asset, (ii) the asset is available for immediate sale in its present condition, (iii) actions required to complete the sale of the asset have been initiated, (iv) the sale of the asset is probable and the sale is expected to be completed within one year, (v) the asset is being actively marketed for sale at a price that is reasonable given its current fair value, and (vi) it is unlikely that the plan to sell will be significantly modified or withdrawn.

Upon designation as held for sale, an asset is recorded at the lower of its carrying value or estimated fair value, less estimated costs to sell, as of the reporting date. If at any time the above criteria are no longer met, subject to certain exceptions, the asset previously classified as held for sale is reclassified as held and used and measured individually at the lower of: (i) the carrying amount before being classified as held for sale, adjusted for any depreciation expense that would have been recognized had the asset been continuously classified as held and used, or (ii) the fair value at the date of the subsequent decision to not sell.

The Board of Directors previously approved a plan to scrap or sell certain low-spec and mid-spec vessels. The Company sold all but two such vessels during 2021, 2022 and 2023 for net gains of $2.2 million, $20.5 million, and $0.8 million, respectively. The Company consummated the sale of four low-spec vessels for net proceeds totaling $2.7 million in 2021, seven low-spec and three mid-spec vessels for net proceeds totaling $21.5 million in 2022 and two low-spec vessels for net proceeds totaling $1.0 million in 2023. In 2021, 2022, and 2023, the Company also sold certain non-vessel assets for proceeds of $0.5 million, $1.3 million, and $2.0 million, at net gains of $0.5 million, $1.3 million, $1.9 million, respectively.

As of December 31, 2022, the Company had two vessels that met all of the held-for-sale criteria and were included in assets held for sale on the consolidated balance sheet at an aggregate carrying value of $0.1 million, which represented their estimated net scrap value. Based on current assessments, the Company did not have any vessels that met the held-for-sale criteria as of December 31, 2023.

9. Vessel Acquisitions

ECO Acquisitions #1

On January 10, 2022, the Company entered into definitive vessel purchase agreements with certain affiliates of Edison Chouest Offshore, or collectively ECO, to acquire up to ten high-spec, 280 class DP-2 OSVs for an aggregate price of $130.0 million. In November 2022, ECO exercised an option to terminate the vessel purchase agreements relating to the last four vessels. ECO refunded initial deposits of $1.5 million in the aggregate and paid an additional amount equal to such deposits as a termination fee. After accounting for such terminations and certain purchase price adjustments, the aggregate purchase price for ECO Acquisitions #1 was $82.4 million. Pursuant to the purchase agreements, final payment and the transfer of ownership of each of the vessels occurred on the date of delivery and acceptance for such vessel following the completion of reactivation and regulatory drydockings by ECO. The Company took delivery of the six vessels between May 2022 and August 2023.

As of December 31, 2023, the Company had paid $82.2 million for the original purchase price and $1.7 million in purchase price adjustments associated with discretionary enhancements of the ECO Acquisitions #1 vessels, prior to the $1.5 million termination fee paid by ECO. In addition, the Company had incurred $4.8 million of costs associated with additional outfitting of the six vessels through the fourth quarter of 2023. The Company expects to incur an additional $0.1 million related to post-closing modifications of the sixth vessel during the first quarter of 2024.

MARAD Acquisition and SOV/Flotel Conversion

On February 4, 2022, the Company completed the acquisition of three high-spec new generation OSVs from the U.S. Department of Transportation's Maritime Administration, or MARAD, for an aggregate price of $37.2 million. All three vessels are U.S.-flagged, Jones Act-qualified, 280 class DP-2 OSVs with cargo-carrying capacities of circa 4,500 DWT. In September 2022, the Company placed two of these vessels into service for immediate time charters in the U.S. GoM. Since taking physical delivery of the vessels from MARAD, the Company has incurred approximately $27.1 million for the reactivation and regulatory drydockings of all three vessels. The Company has also incurred $23.5 million, excluding capitalized interest, associated with the conversion of the third vessel into a dual-use SOV/flotel to support the domestic offshore wind and oilfield markets. The Company currently expects to spend an additional $54.2 million toward the SOV/flotel conversion of the third vessel, which is expected to be completed by mid-year 2025.

ECO Acquisitions #2

On December 22, 2022, the Company executed a controlling purchase agreement with Nautical Solutions, L.L.C., or Nautical, an ECO affiliate. Pursuant to the controlling purchase agreement, the Company subsequently entered into separate, individual vessel purchase agreements to acquire six high-spec, 280 class DP-2 OSVs from Nautical for $17.0 million per vessel. Nautical completed regulatory drydocking and reactivation activities for each vessel prior to closing. Payment of 10% of the purchase price for each vessel was made upon arrival of such vessel to the shipyard and the remaining 90% was paid at the closing and delivery of each vessel. The Company took delivery of the first five vessels during 2023.

As of December 31, 2023, the Company had paid $86.7 million, including deposits, of the original purchase price and $0.8 million in purchase price adjustments associated with discretionary enhancements for the ECO Acquisitions #2 vessels. In addition, the Company had incurred $4.1 million of costs associated with additional outfitting of the six vessels through the fourth quarter of 2023.

In January 2024, the Company took delivery of the sixth vessel and paid $15.3 million for the remaining 90% of the original purchase price and $0.1 million for purchase price adjustments related to discretionary enhancements. The Company expects to incur an additional $4.4 million related to additional outfitting, discretionary enhancements and post-closing modifications of these vessels during the first quarter of 2024 for these acquired vessels.

The Company has determined that substantially all of the fair value of the assets acquired from ECO, MARAD and Nautical are concentrated in a group of similar identifiable assets and therefore, will account for such transactions as asset acquisitions under ASU 2017-01. The Company did not acquire any contracts, employees, business systems, trade names or trademarks in connection with these acquisitions.

10. Long-Term Debt

As of the dates indicated below, the Company had the following outstanding long-term debt (in thousands):

	December 31, 2023	December 31, 2022
Replacement First Lien Term Loans due 2025, net of original issue discount of $0 and $1,090 and deferred financing costs of $0 and $495	$ —	$ 69,020
Second Lien Term Loans due 2026 (including accumulated paid-in-kind interest)	349,001	341,238
	$349,001	$410,258

The table below summarizes the Company's cash interest payments (in thousands) based on the most recent payment amount:

	Cash Interest Payments (1)	Payment Dates
Second Lien Term Loans due 2026	$ 7,278	March 31, June 30, September 30, December 31

(1) The interest rate on the Second Lien Term Loans is variable at either 8.25% or 10.25% per annum based on the Company's total leverage ratio on a quarterly basis. The amount reflected in this table is consistent with the interest applicable to the Company's total leverage ratio for the quarter ended December 31, 2023.

The Company incurred $41.0 million of interest related to debt instruments in 2023 of which $1.5 million related to certain capital projects was capitalized to the consolidated balance sheet as of December 31, 2023. In 2022 and 2021, the Company incurred $40.1 million and $34.7 million of interest related to debt instruments, respectively, but recorded no capitalized interest during such years.

Annual maturities of debt during each year ending December 31, are as follows (in thousands):

2024	$ —
2025	—
2026	349,001
2027	—
2028	—
Thereafter	—
	$349,001

Second Lien Term Loans

The Second Lien Credit Agreement, as subsequently amended, was entered into by and among the Company, as Parent Borrower, Hornbeck Offshore Services. LLC, or HOS, as Co-Borrower, the prepetition first-lien term lenders, and Wilmington Trust, National Association, as Administrative Agent and Collateral Agent for the lenders, resulting in $287.6 million of Second Lien Term Loans initially outstanding as of September 4, 2020. The Second Lien Term Loans will mature on March 31, 2026. The Company may voluntarily prepay, in whole or in part, any amounts due under the Second Lien Credit Agreement without penalty prior to maturity. The Second Lien Term Loans are guaranteed by certain of the Company's domestic and foreign subsidiaries and are secured by a security interest in, and lien on, substantially all of the Company's property (whether tangible, intangible, real, personal or mixed). The Second Lien Credit Agreement continues to permit the Company to incur up to

$75 million of first lien senior secured debt that would be senior in priority to the Second Lien Term Loans, subject to certain terms and conditions set forth in the Second Lien Credit Agreement. Until such time as any future first lien senior secured debt is entered into by the Company, the Second Lien Term Loans are effectively first lien senior secured in priority. The credit agreement contains customary representations and warranties, covenants and events of default, and one maintenance covenant, which is a $25 million minimum liquidity requirement.

For the time periods set forth below, borrowings accrued or accrue interest at a cash rate or cash plus paid-in-kind (PIK) rate, at the Company's option, but in no event to exceed the highest lawful rate:

Time Period	Cash Interest Only	Cash Interest and PIK Interest
From September 4, 2020 until September 4, 2022	9.25% per annum	1.00% per annum cash interest plus 9.50% per annum PIK interest
From the September 4, 2022 until September 4, 2023	10.25% per annum	2.50% per annum cash interest plus 9.00% per annum PIK interest
From and after September 4, 2023	If the Total Leverage Ratio is greater than or equal to 3.00:1.00, 10.25% per annum	PIK option not available
	If the Total Leverage Ratio is less than 3.00:1.00, 8.25% per annum	PIK option not available

The outstanding balance of Second Lien Term Loans increased by $7.8 million, $30.4 million and $29.3 million as a result of accumulated PIK interest incurred during 2023, 2022 and 2021, respectively. This increase in Second Lien Term Loans was reduced by $15.0 million in 2021 in connection with the preemptive rights offering of equity discussed below.

On December 22, 2021, the Company concluded a preemptive rights offering of equity to certain eligible stockholders and Jones Act Warrant holders. As a result, certain related party lenders converted $15.0 million in the aggregate principal amount of the Second Lien Term Loans in lieu of cash payments to acquire a total of 750,000 shares of common stock and Jones Act Warrants at a purchase price of $20.00 per share or warrant. See Note 12 to these consolidated financial statements for further information regarding the preemptive rights offering.

In June 2023, the Company elected to stop accruing PIK interest and began paying the full amount of interest in cash on the Second Lien Term Loans. Effective September 4, 2023, the PIK option on the Second Lien Term Loans is no longer available and interest payments have converted to full cash-pay obligations with an annual interest rate of 8.25% or 10.25% depending on the prevailing Total Leverage Ratio. As of December 31, 2023, the Total Leverage Ratio remains below 3.0, resulting in the applicable lower annual interest rate of 8.25%. The carrying value of the Company's Second Lien Term Loans approximates their fair value (a level 2 measurement).

As of December 31, 2023, certain lenders of the Second Lien Term Loans were considered related parties due to their ownership of Jones Act Warrants and/or shares of common stock.

Replacement First Lien Term Loans

On September 4, 2020, the Company entered into that certain first lien term loan credit agreement (as amended and restated pursuant to that certain Amendment No. 1 to First Lien Credit Agreement and Amendment

No. 1 to the Effective Date Junior Lien Intercreditor Agreement, dated December 22, 2021, as further amended pursuant to that certain First Amendment to Restated First Lien Credit Agreement, dated June 6, 2022, as further amended pursuant to that certain Interest Rate Replacement Index Agreement and Second Amendment to First Lien Credit Agreement, dated July 27, 2023), or the First Lien Credit Agreement, with Hornbeck Offshore Services, LLC, as co-borrower, Wilmington Trust, National Association, as administrative agent and collateral agent, and the lenders from time to time party thereto. The initial aggregate principal amount of the initial term loans under the First Lien Credit Agreement, or the Existing Initial Term Loans, was $18.7 million. In connection with the First Lien Credit Agreement, certain lenders agreed to make additional first lien term loans in an aggregate principal amount of $37.5 million and delayed draw term loans in an aggregate principal amount of $37.5 million, or together the Replacement First Lien Term Loans, the proceeds of which were applied to, among other things, repay in full the outstanding principal amount of the Existing Initial Term Loans. Pursuant to ASC 470-50, *Debt – Modification and Extinguishments,* the repayment of the Existing Initial Terms Loans qualified as a debt extinguishment and was accounted for accordingly.

On August 31, 2023, the Company repaid the full $68.7 million then-outstanding principal balance of the Replacement First Lien Term Loans and terminated the obligations and commitments under the First Lien Credit Agreement. As a result, the Company incurred a $1.2 million loss on early extinguishment of debt; most of which related to the write-off of deferred issuance costs and original issue discount.

Postponed Debt Refinancing

In the second quarter of 2023, the Company postponed plans to refinance all of its then-existing debt. As a result, the Company recorded a non-recurring charge of $3.7 million for expenses incurred in connection with the terminated process as a refinancing did not occur within 90 days of the postponement date. Pursuant to ASC 340, *Other Assets and Deferred Costs*, costs associated with a postponed or terminated offering of debt or equity securities must be expensed if the offering is not completed or expected to be completed within 90 days of the postponement.

11. Liability-Classified Warrants

Jones Act Warrants

On September 4, 2020, the Company entered into the Jones Act Warrant Agreement, pursuant to which the Company issued 10.5 million Jones Act Warrants. Upon issuance, the Jones Act Warrants were classified as liabilities due to certain anti-dilution provisions in the Jones Act Warrant Agreement, which indexed the warrants to other equity-linked instruments. On December 31, 2020, the Jones Act Warrant Agreement was amended to remove those provisions. As a result, the Jones Act Warrants were reclassified to equity as of December 31, 2020. See Note 12 for further information regarding the Jones Act Warrants.

Creditor Warrants

On September 4, 2020, the Company entered into the Creditor Warrant Agreement, pursuant to which the Company issued 1.6 million Creditor Warrants. The Creditor Warrants are exercisable at $27.83 per share, which was based on an enterprise value of $621.2 million, for seven years from September 4, 2020 for: (i) one share of common stock, or up to 1.6 million shares in the aggregate, or (ii) one Jones Act Warrant if the holder cannot establish, at the time of exercise, that it is a U.S. Citizen and conversion of the Creditor Warrant would result in a violation of the Jones Act.

The Creditor Warrants are freely tradable and are not subject to any restrictions on transfer that are not also applicable to the Company's common stock. The warrant holders are not entitled to any of the rights of the Company's stockholders, including the right to vote, receive dividends, or receive notice of, or attend, meetings or any other proceeding of the stockholders. In the event of a reorganization, reclassification, merger, sale of all or substantially all of the Company's assets, or similar transaction, each warrant shall be, immediately after such event, exercisable for the shares or other securities the warrant holder would have been entitled to had the warrant been exercised prior to the event.

In order to prevent dilution of the rights granted to the Creditor Warrants and to provide the warrant holders certain additional rights, shares obtainable upon exercise of the Creditor Warrants are subject to a proportionate adjustment in the event the Company executes any of the following actions:

- Issues shares of common stock, options or convertible securities for an amount per share below the then-current market price;
- Repurchases shares of common stock above the then-current market price;
- Effects a subdivision of the outstanding shares of common stock into a greater number of shares;
- Effects a combination of the outstanding shares of common stock into a smaller number of shares; or
- Issues a dividend or distribution in shares of common stock, cash or property to stockholders.

In the event of an adjustment to the number of shares pursuant to the above, the exercise price of the Creditor Warrants will be adjusted by a proportionate amount. Furthermore, if the terms of any option or convertible security: (i) that resulted in an adjustment pursuant to the first bulleted item above are revised, the number of shares issuable upon exercise of the Creditor Warrants will be readjusted to the number of shares that would have been obtainable had such revised terms been in effect upon the original issuance date of such option or convertible security; (ii) that did not result in an adjustment pursuant to the first bulleted item above are revised such that the consideration per share is less than the then-current market price of common stock, the number of shares issuable upon exercise of the Creditor Warrants will be adjusted to the number of shares that would have been obtainable had such revised terms been in effect upon the original issuance date of such option or convertible security. Based on the above anti-dilution provisions, the Creditor Warrants are classified as liabilities pursuant to ASC 815, *Derivatives and Hedging*, as of December 31, 2023 and 2022.

There were no exercises of Creditor Warrants during the years ended December 31, 2023, 2022 and 2021.

The following table reflects the Creditor Warrants measured at fair value on a recurring basis as of December 31, 2023 and 2022 (in thousands):

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Liability-classified warrants	$ —	$ —	$75,475	$75,475
Liabilities at fair value	$ —	$ —	$75,475	$75,475

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Liability-classified warrants	$ —	$ —	$64,558	$64,558
Liabilities at fair value	$ —	$ —	$64,558	$64,558

To estimate the fair value of the Creditor Warrants, the Company uses a Black-Scholes model, which utilizes the following input assumptions at the applicable valuation date: (i) the current estimated fair value of the underlying common stock based on a controlling interest equity valuation, (ii) the exercise price, (iii) the contractual expiry term, (iv) an estimated equity volatility based on the historical asset and equity volatilities of comparable publicly traded companies, (v) a term-matched risk-free rate based on the U.S. Treasury separate trading of registered interest and principal securities (STRIPS) yield, and (vi) an expected dividend yield. The Company, assisted by third-party valuation experts, estimated the fair value of the underlying common stock using the income approach and the market approach with each equally weighted. The income approach involved the use of various judgmental assumptions including the use of prospective financial information, the weighted-average cost of capital and an exit multiple. The fair value of the Creditor Warrants falls within Level 3 of the hierarchy as there is currently no active trading market and certain inputs of the Black-Scholes model are not observable or corroborated by available market data.

The inputs to the Black-Scholes model utilized for the valuation of the Creditor Warrants at December 31, 2023 and 2022 are as follows:

	December 31,	
	2023	2022
Fair value per share of the underlying common stock	$67.23	$55.53
Warrant exercise price	27.83	27.83
Remaining contractual term (years)	3.68	4.68
Expected volatility	60%	70%
Risk-free rate	3.91%	3.95%
Expected dividend yield	0%	0%

The estimated fair value of the Creditor Warrants was determined to be $75.5 million, or $47.40 per warrant, as of December 31, 2023, representing an increase in value since their original issuance on September 4, 2020 of approximately $67.3 million, or $42.24 per warrant.

The following table summarizes the change in fair value of the liability-classified warrants for the years ended December 31, 2023, 2022 and 2021 (in thousands):

	December 31,		
	2023	2022	2021
Beginning balance	$64,558	$23,150	$ 7,794
Issuances	—	—	206
Revaluations included in earnings, net	10,917	41,408	15,150
Exercises	—	—	—
Forfeitures/expirations	—	—	—
Ending balance	$75,475	$64,558	$23,150

12. Stockholders' Equity

Common Stock

The Company is authorized to issue up to 50,000,000 shares of common stock, $0.00001 par value per share. As of December 31, 2023 and 2022, the Company had issued and outstanding common shares totaling 5.6 million and 5.4 million, respectively.

Preemptive Rights Offering

On December 22, 2021, the Company concluded a preemptive rights offering of equity to certain eligible stockholders and Jones Act Warrant holders. As a result, the Company received gross cash proceeds of $20.0 million and converted $15.0 million in the aggregate principal amount of the Second Lien Term Loans in lieu of cash for the issuance of 182,987 shares of common stock and 1.6 million Jones Act Warrants at a purchase price of $20.00 per share or warrant. The Company incurred $0.9 million in direct incremental issuance costs that were recorded as a reduction of additional paid-in capital.

Stock Purchase Plan

On November 29, 2021, the Company established the Stock Purchase Plan, or SPP, to promote investment in the Company by directors and executives and to advance the interests of the Company and its stockholders by attracting, retaining and motivating key personnel. Concurrent with the closing of the preemptive rights offering on December 22, 2021, the Company issued 100,745 shares of common stock under the SPP for gross cash proceeds of $2.0 million.

Jones Act Warrants

The Jones Act, which applies to companies that engage in U.S. coastwise trade, requires that, among other things, the aggregate ownership of common stock by non-U.S. citizens be not more than 25% of the Company's outstanding common stock. On September 4, 2020, in order to comply with the Jones Act, the Company entered into the Jones Act Warrant Agreement, pursuant to which the Company issued 10.5 million Jones Act Warrants to eligible non-U.S. citizens in settlement of certain prepetition liabilities and in connection with an equity rights offering. As part of a preemptive rights offering, the Company issued an additional 1.6 million Jones Act Warrants on December 22, 2021. As of December 31, 2023, holders of the Jones Act Warrants are entitled to acquire up to 11.4 million shares of common stock in the aggregate at an exercise price of $0.00001 per share, subject to the U.S. citizen determination procedures and adjustment as described in the Jones Act Warrant Agreement. There were no exercises of Jones Act Warrants during the year ended December 31, 2023 and 734,340 of such exercises during the year ended December 31, 2022.

On December 31, 2020, the Jones Act Warrant Agreement was amended to remove certain anti-dilution provisions. As a result, the Jones Act Warrants are effectively indexed to the Company's common stock and are thus classified as stockholders' equity at their fair value on the date of the amendment for then-outstanding warrants or on the date of issuance for all subsequent issuances, which totaled $131.5 million as of December 31, 2023 and 2022.

13. Stock-Based Compensation

Incentive Compensation Plan

The Company's 2020 Management Incentive Plan, or MIP, provides for the issuance of a maximum of 2.2 million shares of common stock for the Company to grant as incentive awards in the form of stock options, stock appreciation rights, restricted stock units, restricted stock and other stock-based and cash-based awards to certain eligible individuals. As of December 31, 2023, there were 2.1 million shares reserved for issuance related to granted awards and 0.1 million shares available for future grants to eligible individuals under the MIP.

The financial impact of stock-based compensation expense related to the MIP on its operating results is reflected in the table below (in thousands, except for per share data):

	Year Ended December 31,		
	2023	2022	2021
Income before taxes	$19,097	$5,330	$3,372
Net income	$15,637	$4,895	$2,228
Earnings per common share:			
Basic	$ 0.92	$ 0.29	$ 0.15
Diluted	$ 0.82	$ 0.27	$ 0.14

Restricted Stock Units

The MIP allows the Company to issue restricted stock units with either time-based or market-based vesting provisions. As of December 31, 2023, the Company had granted both types of restricted stock unit awards. The time-based restricted stock unit awards that were granted generally vest over a three-year period for employees and a one-year period for directors. Compensation expense related to time-based restricted stock unit awards, which is amortized over the applicable one- to three-year vesting period, is determined based on the fair value of the Company's common stock on the date of grant applied to the total shares that are expected to fully vest. The market-based restricted stock unit awards that were granted vest based on the Company's achievement of certain levels of total enterprise value as of the applicable vesting date. These market-based conditions will be measured

at the earliest to occur of (a) September 4, 2027, the seventh anniversary of the grant date, (b) an initial public offering of the Company's common stock, and (c) a change in control of the Company, in accordance with the MIP and the underlying grant agreement. The actual number of shares that could be received by an award recipient upon settlement can range from 0% to 100% of the award depending on the actual level of total enterprise value attained by the Company on the applicable measurement date. Compensation expense related to market-based restricted stock unit awards is recognized over the period the restrictions lapse based on the fair value of the awards on the grant date applied to the shares that are expected to vest. The outstanding market-based awards are currently being amortized over an approximate five-year period that commenced on their grant date in June 2022.

The Company utilizes the Black-Scholes model to determine the fair value of the market-based restricted stock units. The Black-Scholes model is affected by the fair value of the Company's common stock, the market-based vesting thresholds, and certain other assumptions, including contractual term, volatility, risk-free interest rate and expected dividends. The Company does not have a history of market prices of its privately-held common stock, and as such volatility is estimated using historical volatilities of similar public entities. The risk-free interest rate assumption is based on observed interest rates appropriate for the terms of the awards. The dividend yield assumption is based on the Company's history and current expectation of paying no dividends.

As of December 31, 2023, the Company has unamortized stock-based compensation expense of $13.2 million related to the time-based and market-based restricted stock units, which will be recognized on a straight-line basis over the remaining weighted-average vesting period, or 1.8 years. The Company has recorded approximately $18.7 million, $5.0 million and $3.0 million of non-cash incentive compensation expense for the years ended December 31, 2023, 2022 and 2021, respectively, associated with restricted stock unit awards. In 2023, $0.3 million of stock-based compensation expense related to restricted stock awards redeemable in cash was recorded to other accrued liabilities on the consolidated balance sheet.

The following table summarizes the Company's restricted stock unit awards activity during the year ended December 31, 2023 (in thousands, except per share data):

	Number of Shares	Weighted Avg. Fair Value Per Share
Restricted stock unit awards as of January 1, 2023	1,065	$ 18.80
Granted during the period	393	53.90
Cancellations during the period	—	—
Vested and settled during the period	(265)	51.08
Outstanding, as of December 31, 2023	1,193	$ 23.20

The following table summarizes the Company's restricted stock unit awards activity during the year ended December 31, 2022 (in thousands, except per share data):

	Number of Shares	Weighted Avg. Fair Value Per Share
Restricted stock unit awards as of January 1, 2022	724	$ 10.11
Granted during the period (1)	341	37.24
Cancellations during the period	—	—
Vested and settled during the period	—	—
Outstanding, as of December 31, 2022	1,065	$ 18.80

(1) Comprised of 205 shares at a fair value of $42.97 per share and three tranches of 136 shares, in the aggregate, at a weighted- average fair value of $28.56 per share granted on June 9, 2022.

Stock Options

The Company is authorized to grant stock options under the MIP that have an exercise price no less than 100% of the fair market value of the Company's common stock on the date of grant and expire ten years after the date of grant. The Company has granted stock options that are subject to both time-based and market-based vesting provisions. The outstanding stock options were subject to a three-year time-vest condition that commenced on their grant date in September 2020. The market-based vesting provision requires the Company to achieve certain levels of total enterprise value and will be measured at the earliest to occur of (a) September 4, 2027, the seventh anniversary of the grant date, (b) an initial public offering of the Company's common stock, and (c) a change in control of the Company, in accordance with the MIP and the underlying grant agreement. The actual number of stock options that could be received by an award recipient can range from 0% to 100% of the award depending on the actual level of total enterprise value attained by the Company on the applicable measurement date. Vesting is generally subject to the grantee's continued employment through the applicable vesting date.

The Company utilizes the Black-Scholes model to determine the fair value of the stock options. The Black-Scholes model is affected by the fair value of the Company's common stock, the time-based or market-based vesting thresholds, and certain other assumptions, including contractual term, volatility, risk-free interest rate and expected dividends. The Company does not have a history of market prices of its privately-held common stock, and as such volatility is estimated using historical volatilities of similar public entities. The risk-free interest rate assumption is based on observed interest rates appropriate for the terms of the awards. The dividend yield assumption is based on the Company's history and current expectation of paying no dividends.

As of December 31, 2023, the Company has unamortized stock-based compensation expense of $1.3 million related to such stock options, which will be recognized on a straight-line basis over the remaining vesting period, or 3.5 years. The Company has recorded approximately $0.4 million of non-cash incentive compensation expense for each of the years ended December 31, 2023, 2022 and 2021, associated with stock options.

The following table represents the Company's stock option activity for the year ended December 31, 2023 (in thousands, except per share data and years):

	Number of Shares	Weighted Average Exercise Price	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Stock options outstanding at January 1, 2023	598	$ 10.00	7.7	$ 27,227
Grants	—	—	—	—
Exercised	—	—	—	—
Forfeited or expired	—	—	n/a	n/a
Stock options outstanding at December 31, 2023	598	$ 10.00	6.7	$ 34,224
Exercisable stock options outstanding at December 31, 2023	—	$ —	—	$ —

The following table represents the Company's stock option activity for the year ended December 31, 2022 (in thousands, except per share data and years):

	Number of Shares	Weighted Average Exercise Price	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Stock options outstanding at January 1, 2022	598	$ 10.00	8.7	$ 8,821
Grants	—	—	—	—
Exercised	—	—	—	—
Forfeited or expired	—	—	n/a	n/a
Stock options outstanding at December 31, 2022	598	$ 10.00	7.7	$ 27,227
Exercisable stock options outstanding at December 31, 2022	—	$ —	—	$ —

14. Income Taxes

The net long-term deferred tax liabilities in the accompanying consolidated balance sheets include the following components (in thousands):

	Year Ended December 31,	
	2023	2022
Deferred tax liabilities:		
Deferred charges and other liabilities	$ 8,081	$ 1,117
Total deferred tax liabilities	8,081	1,117
Deferred tax assets:		
Fixed assets	(13,572)	(73,122)
Net operating loss carryforwards	(93,865)	(87,959)
Allowance for doubtful accounts	(1,818)	(798)
Stock-based compensation expense	(3,577)	(2,316)
Tax original issue discount and restructuring costs	(7,396)	(10,037)
Right-of-use liability	(69,397)	(23,063)
Foreign tax credit carryforward	(31,423)	(17,126)
Interest expense limitation	(34,882)	(26,426)
Other	(14,751)	(6,562)
Total deferred tax assets	(270,681)	(247,409)
Valuation allowance	264,596	246,395
Total deferred tax liabilities, net	$ 1,996	$ 103

The components of the income tax expense (benefit) in the accompanying consolidated statements of operations were as follows (in thousands):

	Year Ended December 31,		
	2023	2022	2021
Current tax expense (benefit):			
U.S.—federal and state	$ 33	$ —	$ —
Foreign	15,122	7,119	1,519
Current tax expense (benefit)	15,155	7,119	1,519
Deferred tax expense (benefit):			
U.S.—federal and state	1,340	55	14
Foreign	—	—	—
Deferred tax expense (benefit)	1,340	55	14
Total tax expense (benefit)	$16,495	$7,174	$1,533

Income (loss) from operations before income taxes, based on jurisdiction earned, was as follows (in thousands):

	For The Year Ended December 31,		
	2023	2022	2021
U.S.	$65,022	$73,563	$ 6,707
Foreign	26,011	14,373	(2,187)
Total income from operations before income taxes	$91,033	$87,936	$ 4,520

As of December 31, 2023, the Company had net operating loss carryforwards, or NOLs, which can only be utilized if the Company generates taxable income in the respective tax jurisdiction prior to their expiration. The following table represents the Company's NOLs (in thousands):

Jurisdiction	December 31, 2023	Expiration Years
United States—federal (1)	$ 264,819	None
U.S. states	79,826	None
Mexico	52,308	2027-2033
Brazil (2)	13,767	None
Trinidad	39,646	None

(1) This total includes $5.9 million of NOLs that expire between 2031 and 2033.
(2) NOLs in Brazil can only be used to offset up to 30% of taxable income each year.

The Company also has foreign tax credit carryforwards of approximately $30.0 million, which if not utilized will expire in 2024 through 2033.

IRC Sections 382 and 383 provide an annual limitation with respect to the ability of a corporation to utilize its tax attributes against future U.S. taxable income in the event of a change in ownership of more than 50%. The Company had a change in ownership during 2020 for purposes of IRC Sections 382 and 383, causing an annual limitation to apply to $66.5 million of U.S. federal NOLs. These federal NOLs, as well as other tax attributes such as U.S. state NOLs or foreign tax credit carryforwards, could expire if unused due to the applicable annual limitations.

In recording a valuation allowance with respect to such NOLs and foreign tax credits, the Company assessed the favorable and unfavorable evidence to estimate whether sufficient future taxable income will be generated to

permit use of the existing deferred tax assets. A significant piece of the unfavorable evidence evaluated during the fourth quarter of 2022 was the cumulative pre-tax loss that was incurred over the three-year period ended December 31, 2022. Such objective evidence limits the ability to consider other subjective evidence, such as the Company's projections of future earnings. As of December 31, 2023, the Company is no longer in a cumulative pre-tax loss position. However, the Company has concluded that it is proper to provide valuation allowances against most of its deferred tax assets, as significant unfavorable evidence currently outweighs positive evidence. Positive evidence of an improving market and increasing dayrates currently does not outweigh unfavorable evidence such as the Section 382 and 383 limitations on tax attributes, possible tax legislation allowing for accelerated tax deductions and potential incremental tax losses, entering new markets with increased operational risks, and the inherent volatility and unpredictability of taxable income forecasts associated with the oil and gas industry. As of December 31, 2023 and 2022, the Company had valuation allowances of $264.6 million and $246.4 million, respectively.

The Company is no longer subject to tax audits by federal, state or local taxing authorities for years prior to 2019. The Company has ongoing examinations by various foreign tax authorities, but does not believe that the results of these examinations will have a material adverse effect on the Company's financial position or results of operations.

The following table reconciles the difference between the Company's income tax provision calculated at the federal statutory rate of 21% and the actual income tax provision (in thousands):

	For The Year Ended December 31,		
	2023	2022	2021
U.S. federal statutory rate	$19,117	$ 18,466	$ 950
U.S. state taxes, net	1,548	1,495	45
Non-deductible expense	3,137	9,570	3,512
Change in valuation allowance	(5,852)	(23,357)	3,275
Remeasurement of deferred taxes	—	(757)	(1,731)
Return to accrual	(464)	256	(4,368)
Uncertain tax positions	(189)	571	(61)
Foreign taxes and other	(802)	930	(89)
	$16,495	$ 7,174	$ 1,533

The Company records U.S. federal and state deferred taxes using a blended tax rate of 22.7%. During 2021, the Company recorded a $1.7 million deferred tax benefit due to a Louisiana law change that disallows a state deduction for federal income taxes. During 2022, the Company revalued its Louisiana net operating losses to reflect new tax rates effective for 2022.

A reconciliation of the beginning and ending amount of all unrecognized tax benefits and the liability for uncertain tax positions, excluding related penalties and interest(1), are as follows (in thousands):

Balance at December 31, 2021	$1,027
Additions based on tax positions related to the current year	571
Reductions, net based on tax positions related to a prior year	(68)
Balance at December 31, 2022	1,530
Reductions, net based on tax positions related to a prior year	(189)
Balance at December 31, 2023	$1,341

(1) Penalties and interest of $0.5 million and $1.2 million were recorded in the consolidated statements of operations for uncertain tax positions for the years ended December 31, 2023 and 2021, respectively. There

were no such amounts recorded in 2022. As of December 31, 2023 and 2022, the cumulative amount of penalties and interest related to uncertain tax positions reflected in the consolidated balance sheets totaled $1.7 million and $1.2 million, respectively.

15. Leases

Lease expenses for operating leases are recorded in general and administrative and operating expenses. Lease expenses for finance leases are recorded in amortization and interest expense. Total lease expenses incurred for operating and finance leases were as follows (in thousands):

	Year Ended December 31,		
	2023	2022	2021
Finance lease expense:			
Amortization of right-of-use assets	$ 372	$ 274	$ 131
Interest on lease liabilities	45	32	16
Operating lease expense	7,241	3,591	3,118
Short-term lease expense	2,869	843	838
Total lease expense	$10,527	$4,740	$4,103

Cash paid for amounts included in the measurement of lease liabilities was as follows (in thousands):

	Year Ended December 31,		
	2023	2022	2021
Operating cash flows from operating leases	$7,012	$3,042	$2,679
Operating cash flows from financing leases	45	40	202
Financing cash flows from financing leases	287	200	96

Annual maturities of operating and finance lease liabilities under non-cancelable leases with terms in excess of one year, during each year ending December 31, are as follows (in thousands):

	Operating	Finance
2024	$ 5,309	$ 354
2025	3,424	247
2026	3,474	127
2027	3,365	28
2028	3,298	—
Thereafter	17,457	—
Total lease payments	36,327	756
Less: imputed interest	10,922	63
Total lease liabilities	$ 25,405	$ 693
Weighted-average remaining lease term (in years)	8.65	2.36
Weighted-average discount rate	8.4%	6.4%

16. Commitments and Contingencies

Vessel Construction

In October 2023, the Company entered into a final settlement agreement with Zurich American Insurance Company and Fidelity & Deposit Company of Maryland, together the Surety, and Gulf Island. Pursuant to the settlement agreement, the Surety agreed to take over and complete the construction of the two U.S.-flagged,

Jones Act-qualified, HOS 400 class MPSVs at a shipyard acceptable to the Company. Gulf Island released all claims asserted against the Company and the Company released its claims against Gulf Island and the Surety. The Company is obligated to pay only the remaining portion of the original shipyard contract price for the two MPSVs, which amounts to $53.8 million in the aggregate. The Surety is required to cure all defaults of Gulf Island and pay all completion costs in excess of the $53.8 million remaining contract price, excluding approved change orders. In addition, the Company is currently exploring discretionary post-delivery enhancements to add, among other things, secondary cranes to both vessels. On December 20, 2023, Eastern Shipbuilding Group, Inc. was contracted by the Surety to complete the construction of the two MPSVs. Pursuant to the settlement, the Surety is required to deliver both MPSVs in 2025.

Contingencies

In the normal course of its business, the Company becomes involved in various claims and legal proceedings in which monetary damages are sought. It is management's opinion that the Company's liability, if any, under such claims or proceedings would not materially affect the Company's financial position or results of operations. The Company insures against losses relating to its vessels, pollution and third party liabilities, including claims by employees under Section 33 of the Merchant Marine Act of 1920. Third party liabilities and pollution claims that relate to vessel operations are covered by the Company's entry in a mutual protection and indemnity association, or P&I Club, as well as by marine liability policies in excess of the P&I Club's coverage. The Company provides reserves for any individual claim deductibles for which the Company remains responsible by using an estimation process that considers Company-specific and industry data, as well as management's experience, assumptions and consultation with outside counsel. As additional information becomes available, the Company will assess the potential liability related to its pending claims and revise its estimates. Although historically revisions to such estimates have not been material, changes in estimates of the potential liability could materially impact the Company's results of operations, financial position or cash flows. The Company had accrued $0.5 million and $0.8 million for potential insurance deductibles or losses associated with such claims as of December 31, 2023 and 2022, respectively.

Mexico Tax Audits

The Company is subject to audit by various Mexican statutory bodies, including the Mexican tax authorities, or SAT. In November 2018, SAT commenced an audit of a Mexican subsidiary's 2015 tax return and asserted certain positions that disallowed a significant portion of the Company's deductible expenses, which resulted in additional taxes, interest and penalties being assessed. As a result, the Company engaged in non-binding mediation proceedings, which concluded in 2021 without resolution. In April 2022, the Company received an official assessment from SAT and initiated an appeal process in June 2022 through the Mexican tax judicial system. As of December 31, 2023, the Company accrued a liability totaling $2.9 million for potential losses from additional taxes, interest and penalties resulting from this assessment based upon estimates developed in collaboration with its Mexican tax advisors for the ongoing 2015 audit and appeal. The Company believes it has properly applied the applicable tax laws and has reasonably supported its positions. The ultimate impact resulting from the 2015 tax assessment and appeal process may materially differ from the current estimates. The Company will continue to update its estimates as new information warrants.

Brazil Importation Tax Assessment

In April 2021, the Company received notification from the Brazilian tax authorities of an importation tax assessment against the *HOS Achiever* with respect to the vessel's services contract in Brazil from February 2019 to January 2020. At the time of the *HOS Achiever's* importation, the Company was granted a statutorily available tax exemption based on the vessel's functional capabilities and intended use under the services contract. The tax authorities are now asserting that the *HOS Achiever* does not qualify for the applicable exemption. The Company believes the *HOS Achiever* does, in fact, meet the criteria set forth under the applicable law and intends to defend its position in Brazilian court. While the final outcome of this assessment is uncertain and could possibly result in

the payment and loss of an estimated $6.0 million to $10.0 million in related importation taxes and penalties, the Company believes there is a high likelihood that its position will prevail and the exemption will be granted in accordance with the law. Furthermore, the Company believes that any amounts that may become due in connection with this matter should be recoverable from its customer under the terms of the vessel's services contract.

17. Major Customers

In the years ended December 31, 2023, 2022, and 2021, revenues from the following customers represented 10% or more of consolidated revenues:

	Year Ended December 31,		
	2023	2022	2021
Customer A	20%	16%	n/a(1)
Customer B	16%	15%	21%

(1) Customer represented less than 10% of consolidated revenues in such year.

18. Employment Agreements

The Company is party to employment agreements with certain members of its executive management team. These agreements include, among other things, contractually stated base salaries and a structured cash short-term incentive compensation program dependent upon performance against reasonably obtainable objective performance criteria established by the Compensation Committee. In the event such a member of the executive management team is terminated due to certain events as defined in such officer's agreement, the executive will receive (i) the executive's accrued base salary through the date of the executive's termination, (ii) payment in lieu of any earned, but unused, vacation, and (iii) reimbursement of the executive's expenses in accordance with the Company's reimbursement policy as in effect from time to time. In addition, the executive may receive cash severance depending on the timing and circumstances of the termination. The current term of these employment agreements expires on September 4, 2024 and automatically extends each year thereafter on September 4th for an additional year.

19. Related Parties

Pursuant to the terms of the Trade Name and Trademark License Agreement entered into by and between the Company and HFR, LLC, the Company made payments of $2.0 million and $1.0 million in 2023 and 2022, respectively, for licensing fees associated with the use of Hornbeck trade names, trademarks, and related logos. HFR, LLC is a Texas Limited Liability Company owned by Todd M. Hornbeck and Troy A. Hornbeck. Todd M. Hornbeck serves as the Company's Chairman of the Board of Directors, President and Chief Executive Officer. Troy A. Hornbeck is the brother of Todd M. Hornbeck and serves as the Company's Purchasing Director. As of December 31, 2023 and 2022, the Company had accrued amounts payable to HFR, LLC totaling $1.3 million and $1.3 million, respectively.

On October 1, 2022, a member of the Company's Board of Directors, assumed an officer role with an existing Hornbeck customer. For the years ended December 31, 2023 and 2022, the Company generated $111.9 million and $74.0 million of revenues, respectively, from contracts with such customer, which accounted for approximately 20% and 16% of the Company's total revenues, respectively. The Company had outstanding trade accounts receivable from this customer totaling $8.0 million and $12.3 million as of December 31, 2023 and 2022, respectively.

20. Subsequent Events

The Company has evaluated subsequent events through March 14, 2024, which represents the date its financial statements were available to be issued and determined that all materially relevant information known through this date was appropriately addressed within the financial statements and notes herein.

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Shares

Hornbeck Offshore Services, Inc.

Common Stock

Prospectus

, 2024

J.P. Morgan

Barclays

Goldman Sachs

DNB Markets

Piper Sandler

Guggenheim Securities

Raymond James

BTIG

Johnson Rice & Company

Pickering Energy Partners

Seaport Global Securities

Academy Securities

Drexel Hamilton

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the expenses payable by Hornbeck Offshore Services, Inc. expected to be incurred in connection with the issuance and distribution of common stock being registered hereby (other than underwriting discounts and commissions). All of such expenses are estimates, except for the Securities and Exchange Commission, or the SEC, registration fee, the Financial Industry Regulatory Authority, or FINRA, filing fee and listing fee.

SEC registration fee	*
FINRA filing fee	*
Listing fee	*
Printing fees and expenses	*
Legal fees and expenses	*
Blue sky fees and expenses	*
Registrar and transfer agent fees	*
Accounting fees and expenses	*
Miscellaneous expenses	*
Total	$ *

* To be completed by amendment.

Item 14. Indemnification of Directors and Officers.

Section 145 of the DGCL provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, in which such person is made a party by reason of the fact that the person is or was a director, officer, employee or agent of the corporation (other than an action by or in the right of the corporation—a "derivative action"), if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. A similar standard is applicable in the case of derivative actions, except that indemnification only extends to expenses (including attorneys' fees) incurred in connection with the defense or settlement of such action, and the statute requires court approval before there can be any indemnification where the person seeking indemnification has been found liable to the corporation. The statute provides that it is not exclusive of other indemnification that may be granted by a corporation's bylaws, disinterested director vote, stockholder vote, agreement or otherwise.

Our amended and restated certificate of incorporation provides that no director or officer shall be liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director or officer, as applicable, except to the extent such exemption from liability or limitation on liability is not permitted under the DGCL, as now in effect or as amended. Currently, Section 102(b)(7) of the DGCL requires that liability be imposed for the following:

- any breach of the director's or officer's duty of loyalty to our company or our stockholders;
- any act or omission not in good faith or which involved intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the DGCL;
- any transaction from which the director or officer derived an improper personal benefit;
- with respect to the officer, any derivative action.

Our amended and restated charter provides that, to the fullest extent authorized or permitted by the DGCL, as now in effect or as amended, we will indemnify any person who was or is a party or is threatened to be made a party to or is otherwise involved (including involvement, without limitation, as a witness) in any actual or threatened action, suit or proceeding by reason of the fact that such person is or was our director, advisory director, board observer or officer, or by reason of the fact that our director, advisory director, board observer or officer is or was serving, at our request, as a director, advisory director, board observer, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans. We will indemnify such persons against expenses, liabilities, and loss (including attorneys' fees and related disbursements, judgments, fines, excise taxes or penalties under the Employee Retirement Income Security Act of 1974, penalties and amounts paid in settlement) reasonably incurred or suffered in connection with such action.

We have obtained policies that insure our directors and officers and those of our subsidiaries against certain liabilities they may incur in their capacity as directors and officers. Under these policies, the insurer, on our behalf, may also pay amounts for which we have granted indemnification to the directors or officers.

The underwriting agreement provides for indemnification by the underwriters of us and our officers and directors, and by us of the underwriters, for certain liabilities arising under the Securities Act or otherwise in connection with this offering.

Item 15. Recent Sales of Unregistered Securities.

Service-Related Issuances

The Company has issued 255,925 shares of common stock pursuant to the 2020 Management Incentive Plan. Additionally, since the Chapter 11 Cases, and prior to March 23, 2023, the Company has granted 597,804 stock options and 1,065,254 restricted stock units pursuant to the 2020 Management Incentive Plan.

Further, (i) on March 23, 2023, the Board of Directors granted certain employees and directors additional restricted stock unit awards pursuant to the 2020 Management Incentive Plan, of which 196,704 shares of common stock vested immediately and an additional 196,703 shares will vest pursuant to the terms of the respective award agreements, and (ii) on April 1, 2024 the Board of Directors granted certain directors additional restricted stock unit awards pursuant to the 2020 Management Incentive Plan, of which 5,590 shares of common stock vested immediately and an additional 5,585 shares will vest pursuant to the terms of the respective award agreements. These shares will net-settle within 60 days of the date of vesting.

The foregoing issuances were exempt from registration under Section 4(a)(2) of the Securities Act.

Additional Issuances of Securities

On December 22, 2021, the Company issued 283,732 shares of common stock and 1,567,013 Jones Act Warrants in a preemptive rights offering relating to the conversion of $15 million of outstanding indebtedness on December 22, 2021. Concurrent with the closing of the preemptive rights offering on December 22, 2021, the Company issued 100,745 shares of common stock under a Stock Purchase Plan that was established on November 29, 2021 for gross cash proceeds of $2.0 million.

The foregoing issuances were exempt from registration under Section 1145 of the Bankruptcy Code or Section 4(a)(2) of the Securities Act.

Item 16. Exhibits and Financial Statement Schedules.

Exhibit No.	Description
1.1	Form of Underwriting Agreement.
2.1*	Plan of Reorganization Under Chapter 11 of the U.S. Bankruptcy Code.
3.1*	Third Amended and Restated Certificate of Incorporation of Hornbeck Offshore Services, Inc.
3.2*	Fifth Amended and Restated Bylaws of Hornbeck Offshore Services, Inc.
3.3	Form of Fourth Amended and Restated Certificate of Incorporation of Hornbeck Offshore Services, Inc., to be effective upon consummation of this offering.
3.4	Form of Sixth Amended and Restated Bylaws of Hornbeck Offshore Services, Inc., to be effective upon consummation of this offering.
4.1^*	Jones Act Warrant Agreement, dated as of September 4, 2020, between Hornbeck Offshore Services, Inc. and Computershare, Inc. and Computershare Trust Company, N.A.
4.2*	Amendment No. 1 to Jones Act Warrant Agreement, dated as of December 31, 2020, by and among Hornbeck Offshore Services, Inc., Computershare Inc., Computershare Trust Company, N.A. and certain holders signatory thereto.
4.3*	Jones Act Anti-Dilution Warrant Agreement, dated as of September 4, 2020, between Hornbeck Offshore Services, Inc. and Computershare, Inc. and Computershare Trust Company, N.A.
4.4^*	Creditor Warrant Agreement, dated as of September 4, 2020, between Hornbeck Offshore Services, Inc. and Computershare, Inc. and Computershare Trust Company, N.A.
4.5*	Securityholders Agreement, dated as of September 4, 2020, by and among Hornbeck Offshore Services, Inc. and the other parties thereto.
4.6*	Amendment No. 1 to Securityholders Agreement, dated as of December 2, 2021, by and among Hornbeck Offshore Services, Inc. and the other parties thereto.
4.7*	Amendment No. 2 to Securityholders Agreement, dated as of July 7, 2023, by and among Hornbeck Offshore Services, Inc. and the other parties thereto.
4.8	Form of Amended and Restated Securityholders Agreement.
4.9**	Form of Registration Rights Agreement.
5.1	Form of Opinion of Kirkland & Ellis LLP as to the legality of the common stock.
10.1	Form of Indemnification Agreement (between Hornbeck Offshore Services, Inc. and its directors and officers).
10.2†*	2020 Management Incentive Plan of Hornbeck Offshore Services, Inc.
10.3†*	First Amendment to the 2020 Management Incentive Plan of Hornbeck Offshore Services, Inc.
10.4†	Form of Hornbeck Offshore Services, Inc. 2024 Omnibus Incentive Plan.
10.5†**	Form of Employment Agreement (Executive Officers).
10.6†*	Amended and Restated Employment Agreement dated September 4, 2020, by and between Hornbeck Offshore Operators, LLC and Todd M. Hornbeck.
10.7†*	Amended and Restated Employment Agreement dated September 4, 2020, by and between Hornbeck Offshore Operators, LLC and James O. Harp, Jr.
10.8†*	Amended and Restated Employment Agreement dated September 4, 2020, by and between Hornbeck Offshore Operators, LLC and John S. Cook.

Exhibit No.	Description
10.9†*	Amended and Restated Employment Agreement dated September 4, 2020, by and between Hornbeck Offshore Operators, LLC and Samuel A. Giberga.
10.10†*	Amended and Restated Employment Agreement dated September 4, 2020, by and between Hornbeck Offshore Operators, LLC and Carl G. Annessa.
10.11^*	Second Lien Term Loan Credit Agreement, dated September 4, 2020, by and among Hornbeck Offshore Services, Inc., as parent borrower, Hornbeck Offshore Services, LLC, as co-borrower, Wilmington Trust, National Association, as administrative agent and collateral agent, and the lenders party thereto.
10.12*	Amendment No. 1 to Second Lien Credit Agreement and Amendment No. 1 to the Effective Date Junior Lien Intercreditor Agreement, dated December 22, 2021, by and among Hornbeck Offshore Services, Inc., as parent borrower, Hornbeck Offshore Services, LLC, as co-borrower, Wilmington Trust, National Association, as administrative agent and collateral agent, and the lenders party thereto.
10.13*	Second Amendment to Second Lien Credit Agreement, dated June 6, 2022, by and among Hornbeck Offshore Services, Inc., as parent borrower, Hornbeck Offshore Services, LLC, as co-borrower, Wilmington Trust, National Association, as administrative agent and collateral agent, and the lenders party thereto.
10.14^*	Credit Agreement, dated as of August 13, 2024, by and among Hornbeck Offshore Services, Inc., DNB Bank ASA, New York Branch, as administrative agent, Wilmington Trust, National Association, as collateral agent, and the lenders party thereto.
10.15*	Third Amended and Restated Trade Name and Trademark License Agreement, dated September 4, 2020, by and among HFR, LLC and Hornbeck Offshore Operators, LLC.
10.16	Form of Fourth Amended and Restated Trade Name and Trademark License Agreement.
10.17*	Settlement Term Sheet, effective as of October 3, 2023, by and among Hornbeck Offshore Services, LLC, Gulf Island Shipyards, LLC, Gulf Island Fabrication, Inc., Fidelity & Deposit Company of Maryland and Zurich American Insurance Company.
10.18*	Takeover Agreement, dated as of October 3, 2023, by and among Hornbeck Offshore Services, LLC, Fidelity & Deposit Company of Maryland and Zurich American Insurance Company.
10.19**	Form of Non-Qualified Stock Option Award Agreement.
10.20**	Form of Restricted Stock Unit Award Agreement.
15.1	Letter from Ernst & Young LLP regarding Unaudited Interim Financial Information.
21.1	Subsidiaries of the Registrant.
23.1	Consent of Ernst & Young LLP.
23.2**	Consent of Kirkland & Ellis LLP (included in Exhibit 5.1 to this Registration Statement).
24.1*	Powers of Attorney (included in the signature page of the initial filing of this Registration Statement).
24.2*	Power of Attorney of James McConeghy.
99.1	Consent of Admiral John Richardson (USN Ret.) to be named as a Director.
107*	Filing Fee Table.

* Previously filed.
** To be included by amendment.
† Compensatory plan or arrangement.

^ Certain of the exhibits or schedules to this Exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). The registrant agrees to furnish a copy of all omitted exhibits and schedules to the Securities and Exchange Commission upon its request.

No financial statement schedules are provided because the information called for is not applicable or is shown in the financial statements or notes.

Item 17. Undertakings.

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(i) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective; and

(ii) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in St. Tammany Parish, Louisiana, on September 20, 2024.

HORNBECK OFFSHORE SERVICES, INC.

By: /s/ Todd M. Hornbeck
Name: Todd M. Hornbeck
Title: Chairman of the Board, President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement and power of attorney have been signed by the following persons in the capacities indicated on September 20, 2024.

Signature	Capacity
/s/ Todd M. Hornbeck Todd M. Hornbeck	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)
* James O. Harp, Jr	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)
* Kurt M. Cellar	Lead Independent Director
* Evan Behrens	Director
* Bobby Jindal	Director
* Sylvia Jo Sydow Kerrigan	Director
* James McConeghy	Director
* Jacob Mercer	Director
* L. Don Miller	Director
* Aaron Rosen	Director

*By: /s/ Todd M. Hornbeck
Todd M. Hornbeck
Attorney-in-fact

Exhibit 1.1

FORM OF

UNDERWRITING AGREEMENT

HORNBECK OFFSHORE SERVICES, INC.
Shares of Common Stock

, 2024

J.P. Morgan Securities LLC
Barclays Capital Inc.

As Representatives of the
several Underwriters listed
in Schedule 1 hereto

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

c/o Barclays Capital Inc.
745 Seventh Avenue
New York, New York 10019

Ladies and Gentlemen:

Hornbeck Offshore Services, Inc., a Delaware corporation (the "Company"), proposes to issue and sell to the several underwriters listed in Schedule 1 hereto (the "Underwriters"), for whom J.P. Morgan Securities LLC and Barclays Capital Inc. are acting as representatives (the "Representatives"), an aggregate of shares of common stock, par value $0.00001 per share ("Common Stock"), of the Company, and certain stockholders of the Company named in Schedule 2 hereto (the "Selling Stockholders") propose to sell to the several Underwriters an aggregate of shares of Common Stock (collectively, the "Underwritten Shares"). In addition, the Selling Stockholders propose to sell, at the option of the Underwriters, up to an additional shares of Common Stock (the "Option Shares"). The Underwritten Shares and the Option Shares are herein referred to as the "Shares." The shares of Common Stock to be outstanding after giving effect to the sale of the Shares are referred to herein as the "Stock."

J.P. Morgan Securities LLC (the "Directed Share Underwriter") has agreed to reserve a portion of the Shares to be purchased by it under this Agreement, up to Shares, for sale to the Company's directors, officers, and certain employees and other parties related to the Company (collectively, "Participants"), as set forth in the Prospectus (as hereinafter defined) under the heading "Underwriting" (the "Directed Share Program"). The Shares to be sold by the Directed Share Underwriter and its affiliates pursuant to the Directed Share Program are referred to hereinafter as the "Directed Shares". Any Directed Shares not orally confirmed for purchase by any Participant by [A/P].M., New York City time on the business day on which this Agreement is executed will be offered to the public by the Underwriters as set forth in the Prospectus.

The Company hereby confirms its engagement of Barclays Capital Inc. as, and Barclays Capital Inc. hereby confirms its agreement with the Company to render services as, the "qualified independent underwriter" within the meaning of Rule 5121(f)(12) of the Financial Industry Regulatory Authority Inc. ("FINRA") with respect to the offering and sale of the Shares. Barclays Capital Inc., solely in its capacity as the qualified independent underwriter and not otherwise, is referred to herein as the "QIU."

The Company and the Selling Stockholders (with respect to the Selling Stockholders, severally and not jointly), as applicable, hereby confirm their agreement with the several Underwriters concerning the purchase and sale of the Shares, as follows:

1. Registration Statement. The Company has prepared and filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Securities Act"), a registration statement on Form S-1 (File No. 333-275939), including a prospectus, relating to the Shares. Such registration statement, as amended at the time it became effective, including the information, if any, deemed pursuant to Rule 430A, 430B or 430C under the Securities Act to be part of the registration statement at the time of its effectiveness ("Rule 430 Information"), is referred to herein as the "Registration Statement"; and as used herein, the term "Preliminary Prospectus" means each prospectus included in such registration statement (and any amendments thereto) before effectiveness, any prospectus filed with the Commission pursuant to Rule 424(a) under the Securities Act and the prospectus included in the Registration Statement at the time of its effectiveness that omits Rule 430 Information, and the term "Prospectus" means the prospectus in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Shares. If the Company has filed an abbreviated registration statement pursuant to Rule 462(b) under the Securities Act (the "Rule 462 Registration Statement"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462 Registration Statement. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to the Applicable Time (as defined below), the Company had prepared the following information (collectively, with the pricing information set forth on Annex A hereto, the "Pricing Disclosure Package"): a Preliminary Prospectus dated , 2024 and each "free-writing prospectus" (as defined pursuant to Rule 405 under the Securities Act) listed on Annex A hereto.

"Applicable Time" means [ ] [A/P].M., New York City time, on , 2024.

2. Purchase of the Shares.

(a) The Company agrees to issue and sell, and each of the Selling Stockholders agrees, severally and not jointly, to sell, the Underwritten Shares to the several Underwriters as provided in this underwriting agreement (this "Agreement"), and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase at a price per share of $ (the "Purchase Price") from the Company the respective number of Underwritten Shares set forth

opposite such Underwriter's name in Schedule 1 and from each of the Selling Stockholders the respective number of Underwritten Shares (to be adjusted by you so as to eliminate fractional shares) determined by multiplying the aggregate number of Underwritten Shares to be sold by each of the Selling Stockholders set forth opposite each Selling Stockholder's name in Schedule 2 at an aggregate price by a fraction, the numerator of which is the aggregate number of Underwritten Shares to be purchased by such Underwriter as set forth opposite the name of such Underwriter in Schedule 1 hereto and the denominator of which is the aggregate number of Underwritten Shares to be purchased by all the Underwriters from all of the Selling Stockholders hereunder.

In addition, each of the Selling Stockholders agrees, severally and not jointly, as and to the extent indicated in Schedule 2 hereto, to sell, the Option Shares to the several Underwriters as provided in this Agreement, and the Underwriters, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, shall have the option to purchase, severally and not jointly, from each Selling Stockholder the Option Shares at the Purchase Price less an amount per share equal to any dividends or distributions declared by the Company and payable on the Underwritten Shares but not payable on the Option Shares. If any Option Shares are to be purchased, the number of Option Shares to be purchased by each Underwriter shall be the number of Option Shares which bears the same ratio to the aggregate number of Option Shares being purchased as the number of Underwritten Shares set forth opposite the name of such Underwriter in Schedule 1 hereto (or such number increased as set forth in Section 12 hereof) bears to the aggregate number of Underwritten Shares being purchased from the Company and the Selling Stockholders by the several Underwriters, subject, however, to such adjustments to eliminate any fractional Shares as the Representatives in their sole discretion shall make. Any such election to purchase Option Shares shall be made in proportion to the maximum number of Option Shares to be sold by each Selling Stockholder as set forth in Schedule 2 hereto.

The Underwriters may exercise the option to purchase Option Shares at any time in whole, or from time to time in part, on or before the thirtieth (30th) day following the date of the Prospectus, by written notice from the Representatives to the Company and the Attorneys-in-Fact (as defined below). Such notice shall set forth the aggregate number of Option Shares as to which the option is being exercised and the date and time when the Option Shares are to be delivered and paid for, which may be the same date and time as the Closing Date (as hereinafter defined) but shall not be earlier than the Closing Date nor later than the tenth (10th) full business day (as hereinafter defined) after the date of such notice (unless such time and date are postponed in accordance with the provisions of Section 12 hereof). Any such notice shall be given at least two business days prior to the date and time of delivery specified therein.

(b) The Company and the Selling Stockholders understand that the Underwriters intend to make a public offering of the Shares, and initially to offer the Shares on the terms set forth in the Pricing Disclosure Package. The Company and the Selling Stockholders acknowledge and agree that the Underwriters may offer and sell Shares to or through any affiliate of an Underwriter.

(c) Payment for the Shares shall be made by wire transfer in immediately available funds to the account(s) specified by the Company and, with regard to payments for the Shares to the Selling Stockholders, to the accounts specified by their respective Attorneys-in-Fact, to the Representatives in the case of the Underwritten Shares, at the offices of Vinson & Elkins

L.L.P., 845 Texas Avenue, Suite 4700, Houston, Texas 77002 at 10:00 A.M. New York City time on , 2024, or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives, the Company and the Attorneys-in-Fact may agree upon in writing or, in the case of the Option Shares, on the date and at the time and place specified by the Representatives in the written notice of the Underwriters' election to purchase such Option Shares. The time and date of such payment for the Underwritten Shares is referred to herein as the "Closing Date," and the time and date for such payment for the Option Shares, if other than the Closing Date, is herein referred to as the "Additional Closing Date."

(d) Payment for the Shares to be purchased on the Closing Date or the Additional Closing Date, as the case may be, shall be made against delivery to the Representatives for the respective accounts of the several Underwriters of the Shares to be purchased on such date or the Additional Closing Date, as the case may be, with any transfer or other similar taxes payable in connection with the sale of such Shares duly paid by the Company and the Selling Stockholders, as applicable. Delivery of the Shares shall be made through the facilities of The Depository Trust Company unless the Representatives shall otherwise instruct.

(e) Each of the Company and each Selling Stockholder acknowledges and agrees that the Representatives and the other Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company and the Selling Stockholders with respect to the offering of Shares contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company, the Selling Stockholders or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company, the Selling Stockholders or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company and the Selling Stockholders shall consult with their own advisors concerning such matters and each shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and neither the Representatives nor any other Underwriter shall have any responsibility or liability to the Company or the Selling Stockholders with respect thereto. Any review by the Representatives and the other Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Representatives and the other Underwriters and shall not be on behalf of the Company or the Selling Stockholders. Moreover, each Selling Stockholder acknowledges and agrees that, although the Representatives may be required or choose to provide certain Selling Stockholders with certain Regulation Best Interest and Form CRS disclosures in connection with the offering, the Representatives and the other Underwriters are not making a recommendation to any Selling Stockholder to participate in the offering, enter into a "lock-up" agreement, or sell any Shares at the price determined in the offering, and nothing set forth in such disclosures is intended to suggest that the Representatives or any Underwriter is making such a recommendation.

3. Representations and Warranties of the Company. The Company represents and warrants to each Underwriter and the Selling Stockholders that:

(a) *Preliminary Prospectus*. No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus included in the Pricing Disclosure Package, at the time of filing thereof, complied in all material respects with the Securities Act, and no Preliminary Prospectus, at the time of filing thereof, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof.

(b) *Pricing Disclosure Package*. The Pricing Disclosure Package, as of the Applicable Time, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Pricing Disclosure Package, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof; provided further, that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to the Selling Stockholders furnished to the Company in writing by such Selling Stockholders expressly for use in the Pricing Disclosure Package, it being understood and agreed that the only such information furnished by the Selling Stockholders consists of the legal name and address of such Selling Stockholder and the other information about such Selling Stockholder set forth in the footnote relating to such Selling Stockholder under the caption "Principal and Selling Stockholders" (with respect to each Selling Stockholder, the "Selling Stockholder Information"). No statement of material fact included in the Prospectus has been omitted from the Pricing Disclosure Package and no statement of material fact included in the Pricing Disclosure Package that is required to be included in the Prospectus has been omitted therefrom.

(c) *Issuer Free Writing Prospectus.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, the Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not used, authorized, approved or referred to and will not use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Shares (each such communication by the Company or its agents and representatives (other than a communication referred to in clause (i) below) an "Issuer Free Writing Prospectus") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex A hereto, each

electronic road show and any other written communications approved in writing in advance by the Representatives. Each such Issuer Free Writing Prospectus complies in all material respects with the Securities Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Securities Act (to the extent required thereby) and does not conflict in any material respect with the information contained in the Registration Statement or the Pricing Disclosure Package, and, when taken together with the Preliminary Prospectus accompanying, or delivered prior to delivery of, such Issuer Free Writing Prospectus, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus or Preliminary Prospectus in reliance upon and in conformity with (i) information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Issuer Free Writing Prospectus or Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof and (ii) Selling Stockholder Information.

(d) *Testing-the-Waters Materials.* The Company (i) has not alone engaged in any Testing-the-Waters Communications (as defined below) other than Testing-the-Waters Communications with the consent of the Representatives with entities that the Company reasonably believed to be qualified institutional buyers within the meaning of Rule 144A under the Securities Act or institutions that are accredited investors within the meaning of Rule 501(a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), (a)(12) or (a)(13) under the Securities Act and otherwise in compliance with the requirements of Rule 163B under the Securities Act and (ii) has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Testing-the-Waters Communications by virtue of a writing substantially in the form of Exhibit A hereto. The Company has not distributed or approved for distribution any Written Testing-the-Waters Communications other than those listed on Annex B hereto. "Testing-the-Waters Communication" means any oral or written communication with potential investors undertaken in reliance on Rule 163B under the Securities Act. "Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act. Any individual Written Testing-the-Waters Communication does not conflict in any material respect with the information contained in the Registration Statement or the Pricing Disclosure Package, complied in all material respects with the Securities Act, and when taken together with the Pricing Disclosure Package as of the Applicable Time, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(e) *Registration Statement and Prospectus.* The Registration Statement has been declared effective by the Commission. No order suspending the effectiveness of the Registration Statement has been issued by the Commission, and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Shares has been initiated or, to the knowledge of the Company, threatened by the Commission; as

of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any such post-effective amendment complied and will comply in all material respects with the Securities Act, and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will comply in all material respects with the Securities Act and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof; provided further that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with the Selling Stockholder Information.

(f) *Financial Statements.* The financial statements (including the related notes thereto) of the Company and its consolidated subsidiaries included in the Registration Statement, the Pricing Disclosure Package and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and present fairly in all material respects the financial position of the Company and its consolidated subsidiaries as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") in the United States applied on a consistent basis throughout the periods covered thereby (except for any normal year-end adjustments, the adoption of new accounting principles, and as otherwise noted therein), and except in the case of unaudited financial statements, which are subject to normal period-end adjustments and do not contain certain footnotes as permitted by the applicable rules of the Commission, and any supporting schedules, if any, included in the Registration Statement, present fairly, in all material respects, the information required to be stated therein; and the other financial information included in the Registration Statement, the Pricing Disclosure Package and the Prospectus has been derived from the accounting records of the Company and its consolidated subsidiaries and presents fairly, in all material respects, the information shown thereby; all disclosures included in the Registration Statement, the Pricing Disclosure Package and the Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of Commission) comply with Regulation G of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Item 10 of Regulation S-K of the Securities Act, to the extent applicable.

(g) *No Material Adverse Change.* Since the date of the most recent financial statements of the Company included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (i) there has not been any change in the capital stock (other than the issuance of shares of Common Stock upon exercise of stock options and warrants described as outstanding in, and the vesting and settlement of restricted stock units or performance stock units and the grant of options and awards under existing equity incentive plans described in, the Registration

Statement, the Pricing Disclosure Package and the Prospectus), any material change in the short-term debt or long-term debt of the Company or any of its subsidiaries, or any dividend or distribution of any kind declared, set aside for payment, paid or made by the Company on any class of capital stock, or any material adverse change, or any development involving a prospective material adverse change, in or affecting the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company and its subsidiaries taken as a whole; (ii) neither the Company nor any of its subsidiaries has entered into any transaction or agreement (whether or not in the ordinary course of business) that is material to the Company and its subsidiaries taken as a whole or incurred any liability or obligation, direct or contingent, that is material to the Company and its subsidiaries taken as a whole; and (iii) neither the Company nor any of its subsidiaries has sustained any loss or interference with its business that is material to the Company and its subsidiaries taken as a whole and that is either from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority, except in each case as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(h) *Organization and Good Standing.* The Company and each of its significant subsidiaries have been duly organized and are validly existing and in good standing as a corporation, partnership or limited liability company, as applicable, under the laws of their respective jurisdictions of organization, are duly qualified to do business and are in good standing in each jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such qualification, and have all requisite power and authority necessary to own or hold their respective properties and to conduct the businesses in which they are engaged, except where the failure to be so qualified or in good standing or have such power or authority would not reasonably be expected, individually or in the aggregate, to have a material adverse effect on the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company and its subsidiaries taken as a whole or on the performance by the Company of its obligations under this Agreement (a "Material Adverse Effect"). The subsidiaries listed in Schedule 3 to this Agreement are the only significant subsidiaries of the Company, as defined in Rule 1-02 of Regulation S-X of the Exchange Act.

(i) *Jones Act*. The Company and each of its subsidiaries that, directly or indirectly, owns and/or operates vessels in the U.S. coastwise trade is in compliance with the applicable provisions of the U.S. cabotage law known as the Merchant Marine Act of 1920, as amended, commonly referred to as the "Jones Act," related to the eligibility to own and/or operate vessels in the U.S. coastwise trade. Neither the Company nor any such subsidiary described in the foregoing sentence has received any notice of any action or proceeding against it alleging any failure to comply with the Jones Act, and no investigation by any governmental or regulatory authority is pending or, to the knowledge of the Company, has been threatened against the Company nor any such subsidiaries with respect to any alleged failure to comply with the Jones Act. Each vessel owned and operated by the Company or one of its subsidiaries in the U.S. coastwise trade is eligible for a coastwise endorsement.

(j) *Capitalization.* The Company has an authorized capitalization as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Capitalization"; all the outstanding shares of capital stock of the Company (including any Shares to be sold by the Selling Stockholders) have been duly and validly authorized and issued and are fully paid and non-assessable and are not subject to any pre-emptive or similar rights; except as described in or expressly contemplated by the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no outstanding rights (including, without limitation, pre-emptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any shares of capital stock or other equity interest in the Company or any of its subsidiaries, or any contract, commitment, agreement, understanding or arrangement of any kind relating to the issuance of any capital stock of the Company or any such subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options; the capital stock of the Company conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and all the outstanding shares of capital stock or other equity interests of each subsidiary owned, directly or indirectly, by the Company have been duly and validly authorized and issued, are fully paid and non-assessable (except in the case of any foreign subsidiary, for directors' qualifying shares) and are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party, except for such lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(k) *Stock Options.* With respect to the stock options granted pursuant to the stock-based compensation plans of the Company and its subsidiaries (the "Company Stock Plans"), each such grant was made and administered in all material respects, in accordance with the terms of the Company Stock Plans and applicable laws, regulatory rules or requirements. The Company has not granted, and there is no and has been no policy or practice of the Company of granting, stock options prior to, after, or otherwise coordinating the grant of stock options with, the release or other public announcement of material information regarding the Company and its subsidiaries or their results of operations or profits.

(l) *Due Authorization.* The Company has all requisite corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder; and all action required to be taken for the due and proper authorization, execution and delivery by it of this Agreement and the consummation by it of the transactions contemplated hereby has been duly and validly taken.

(m) *Underwriting Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(n) *The Shares.* The Shares to be issued and sold by the Company hereunder have been duly authorized by the Company and, when issued and delivered and paid for as provided herein, will be duly and validly issued, will be fully paid and nonassessable and will conform in all material respects to the descriptions thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive or similar rights.

(o) *Descriptions of the Underwriting Agreement.* This Agreement conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(p) *No Violation or Default.* Neither the Company nor any of its significant subsidiaries is (i) in violation of its charter or by-laws or similar organizational documents; (ii) in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its significant subsidiaries is a party or by which the Company or any of its significant subsidiaries is bound or to which any property or asset of the Company or any of its significant subsidiaries is subject; or (iii) in violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (ii) and (iii) above, for any such default or violation that would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(q) *No Conflicts.* The execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares by the Company, the issuance by the Company of the Shares to be issued upon exercise of the Jones Act Warrants (as defined below) and the consummation by the Company of the transactions contemplated by this Agreement or the Pricing Disclosure Package and the Prospectus will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under or result in the creation or imposition of any lien, charge or encumbrance upon any property or asset of the Company or any of its subsidiaries pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any property or asset of the Company or any of its subsidiaries is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Company or any of its subsidiaries or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority having jurisdiction over the Company or any of its significant subsidiaries, except, in the case of clauses (i) and (iii) above, for any such conflict, breach, violation, default, lien, charge or encumbrance that would not reasonably be expected, individually or in the aggregate, have a Material Adverse Effect.

(r) *No Consents Required.* No consent, approval, authorization, order, registration or qualification of or with any court or governmental or regulatory authority is required for the execution, delivery and performance by the Company of this Agreement, the issuance by the Company of the Shares to be issued upon exercise of the Jones Act Warrants and the consummation of the transactions contemplated by this Agreement, except for the registration of the Shares under the Securities Act and such consents, approvals, authorizations, orders and registrations or qualifications as may be required by FINRA, the New York Stock Exchange (the "Exchange") and under applicable state securities laws in connection with the purchase and distribution of the Shares by the Underwriters.

(s) *Legal Proceedings.* Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no legal, governmental or regulatory investigations, actions, demands, claims, suits, arbitrations, inquiries or proceedings ("Actions") pending to which the Company or any of its subsidiaries is or may reasonably be expected to become a party or to which any property of the Company or any of its subsidiaries is or may reasonably be expected to become the subject that, individually or in the aggregate, if determined adversely to the Company or any of its subsidiaries, would reasonably be expected to have a

Material Adverse Effect; no such Actions are, to the knowledge of the Company, threatened or contemplated by any governmental or regulatory authority or threatened by others that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect; and (i) there are no current or, to the knowledge of the Company, pending Actions that are required under the Securities Act to be described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so described in the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) there are no statutes, regulations or contracts or other documents that are required under the Securities Act to be filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(t) *Independent Accountants*. Ernst & Young LLP, who has certified certain financial statements of the Company and its subsidiaries, is an independent registered public accounting firm with respect to the Company and its subsidiaries within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States) and as required by the Securities Act.

(u) *Title to Real and Personal Property.* The Company and its subsidiaries have good and transferable title in fee simple to, or have valid rights to lease or otherwise use, all items of real and personal property that are material to the respective businesses of the Company and its subsidiaries, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except those that (i) are described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (ii) do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries or (iii) would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(v) *Intellectual Property.* (i) Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, the Company and its subsidiaries own or have the right to use all patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, domain names and other source indicators, copyrights and copyrightable works, know-how, trade secrets, systems, procedures, proprietary or confidential information and all other worldwide intellectual property, industrial property and proprietary rights (collectively, "Intellectual Property") used in or necessary for the conduct of their respective businesses; (ii) the Company's and its subsidiaries' conduct of their respective businesses does not infringe, misappropriate or otherwise violate any Intellectual Property of any person in a manner that would reasonably be expected to result in a Material Adverse Effect; (iii) the Company and its subsidiaries have not received any written notice of any claim relating to Intellectual Property that, if determined adversely to the Company or any of its subsidiaries, would reasonably be expected to have a Material Adverse Effect; and (iv) to the knowledge of the Company, the Intellectual Property of the Company and its subsidiaries is not being infringed, misappropriated or otherwise violated by any person in a manner that would be material to the Company and its subsidiaries.

(w) *No Undisclosed Relationships.* No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers, stockholders, customers, suppliers or other affiliates of the Company or any of its subsidiaries, on the other, that is required by the Securities Act to be described in each of the Registration Statement and the Prospectus and that is not so described in such documents and in the Pricing Disclosure Package.

(x) *Investment Company Act.* The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof received by the Company as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, will not be required to register as an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder.

(y) *Taxes.* Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Company and its subsidiaries have paid all U.S. federal, state and local and non-U.S. taxes required to be paid through the date hereof (except as currently being contested in good faith and for which accruals required by GAAP have been created in the financial statements of the Company or such subsidiary) and filed all U.S. federal, state and local and non-U.S. tax returns required to be filed through the date hereof, subject to permitted extensions; and except as otherwise disclosed in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, there is no tax deficiency that has been asserted against the Company or any of its subsidiaries or any of their respective properties or assets that would, if adversely determined, reasonably be expected to result in a Material Adverse Effect.

(z) *Licenses and Permits.* The Company and its significant subsidiaries possess, and are operating in compliance with, all licenses, sub-licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate U.S. federal, state or local or non-U.S. governmental or regulatory authorities that are required for the ownership or lease of their respective properties or the conduct of their respective businesses as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, except where the failure to possess, operate in compliance with or make the same would not, individually or in the aggregate, have a Material Adverse Effect; and except as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, neither the Company nor any of its subsidiaries has received written notice of any revocation, nonrenewal or modification of any such license, sub-license, certificate, permit or authorization or has any reason to believe that any such license, sub-license, certificate, permit or authorization will not be renewed in the ordinary course, except where such revocation, modification or nonrenewal has not and would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(aa) *No Labor Disputes.* No labor disturbance by or dispute with employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is contemplated or threatened, and the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of its or its subsidiaries' principal suppliers, contractors or customers, except as would not reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received any notice of cancellation or termination with respect to any collective bargaining agreement to which it is a party.

(bb) *Certain Environmental Matters*. (i) The Company and its subsidiaries (x) are in compliance with all, and are not in violation of any, applicable federal, state, local and foreign laws (including common law), rules, regulations, requirements, decisions, judgments, decrees, orders and other legally enforceable requirements relating to pollution or the protection of human health or safety (to the extent related to exposure of any person to hazardous or toxic substances or wastes), the environment or natural resources (collectively, "Environmental Laws"); (y) have received and are in compliance with all permits, licenses, certificates or other authorizations or approvals required of them under any Environmental Laws to conduct their respective businesses as currently conducted; and (z) have not received written notice, and to the knowledge of the Company other notice regarding any actual or potential liability or obligation under or relating to, or any actual or potential violation of, any Environmental Laws, including for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes; (ii) there are no costs or liabilities associated with Environmental Laws of or relating to the Company or its subsidiaries, except in the case of each of (i) and (ii) above, for any such matter as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (iii) except as described in each of the Pricing Disclosure Package and the Prospectus, (x) there is no proceeding that is pending, or to the knowledge of the Company, is threatened in writing, against the Company or any of its subsidiaries under any Environmental Laws in which a governmental entity is also a party, other than such proceeding regarding which it is reasonably believed no monetary sanctions of $300,000 or more will be imposed, and (y) except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, none of the Company or its subsidiaries anticipates capital expenditures relating to any Environmental Laws.

(cc) *Compliance with ERISA*. (i) Each employee benefit plan, within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), for which the Company or any member of its "Controlled Group" (defined as any entity, whether or not incorporated, that is under common control with the Company within the meaning of Section 4001(a)(14) of ERISA or any entity that would be regarded as a single employer with the Company under Section 414(b),(c),(m) or (o) of the Internal Revenue Code of 1986, as amended (the "Code") as of the date of this Agreement) would have any liability (each, a "Plan"), has been maintained, administered and operated in compliance with its terms and the requirements of applicable statutes, orders, rules and regulations, including ERISA and the Code; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan, excluding transactions effected pursuant to a statutory or administrative exemption; (iii) for each Plan that is subject to the funding rules of Section 412 of the Code or Section 302 of ERISA, no Plan has failed (whether or not waived), or is reasonably expected to fail, to satisfy the minimum funding standards (within the meaning of Section 302 of ERISA or Section 412 of the Code) applicable to such Plan; (iv) no Plan is, or is reasonably expected to be, in "at risk status" (within the meaning of Section 303(i) of ERISA) and no Plan that is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA is in "endangered status" or "critical status" (within the meaning of Sections 304 and 305 of ERISA) (v) the fair market value of the assets of each Plan exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan); (vi) no "reportable event" (within the meaning of Section 4043(c) of ERISA and the regulations promulgated thereunder) has occurred or is reasonably expected to occur; (vii) each Plan that is intended to be qualified under Section 401(a) of the Code is so qualified, and nothing has occurred,

whether by action or by failure to act, which would cause the loss of such qualification; (viii) neither the Company nor any member of the Controlled Group has incurred, nor reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guaranty Corporation, in the ordinary course and without default) in respect of a Plan (including a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA); and (ix) none of the following events has occurred or is reasonably likely to occur: (A) a material increase in the aggregate amount of contributions required to be made to all Plans by the Company or its Controlled Group affiliates in the current fiscal year of the Company and its Controlled Group affiliates compared to the amount of such contributions made in the Company's and Controlled Group affiliates' most recently completed fiscal year; or (B) a material increase in the Company and its subsidiaries' "accumulated post-retirement benefit obligations" (within the meaning of Accounting Standards Codification Topic 715-60) compared to the amount of such obligations in the Company and its subsidiaries' most recently completed fiscal year, except in each case with respect to the events or conditions set forth in (i) through (ix) hereof, as would not reasonably be expected, individually or in the aggregate, have a Material Adverse Effect.

(dd) *Disclosure Controls*. The Company and its subsidiaries, on a consolidated basis, maintain an effective system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) of the Exchange Act) that complies with the requirements of the Exchange Act and that has been designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure. The Company and its subsidiaries have carried out evaluations of the effectiveness of their disclosure controls and procedures as required by Rule 13a-15 of the Exchange Act.

(ee) *Accounting Controls.* The Company and its subsidiaries, on a consolidated basis, maintain systems of "internal control over financial reporting" (as defined in Rule 13a-15(f) of the Exchange Act) that comply with the requirements of the Exchange Act and have been designed by, or under the supervision of, their respective principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The Company and its subsidiaries maintain internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no material weaknesses in the Company's internal controls over financial reporting. The Company's auditors and the Audit Committee of the Board of Directors of the Company have been advised of: (i) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which have adversely affected or are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

(ff) *Insurance.* The Company and its subsidiaries carry, or are covered by, insurance covering their respective properties, operations, personnel and businesses, including business interruption insurance, which insurance is in amounts and insures against such losses and risks as are adequate to protect the Company and its subsidiaries and their respective businesses, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has (i) received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business.

(gg) *Cybersecurity; Data Protection.* The Company and its subsidiaries' information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "IT Systems") are adequate for, and operate and perform as required, in all material respects, in connection with the operation of the business of the Company and its subsidiaries as currently conducted, and, to the knowledge of the Company, are free and clear of all material bugs, errors, defects, vulnerabilities, Trojan horses, time bombs, malware, viruses, worms, wipers and other corruptants. The Company and its subsidiaries have implemented and maintain commercially reasonable controls, policies, procedures, and safeguards designed to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and data (including all "personal data" or other similar or any other similar terms as defined in applicable laws related to data privacy and data security ("Personal Data")) used in connection with their businesses, and, to the knowledge of the Company, in the past three (3) years, there have been no material breaches, violations, outages or unauthorized uses of or accesses to same, except for those that have been remedied without material cost or liability, nor any incidents under internal review or investigations relating to the same. Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, the Company and its subsidiaries have been, and are presently in, compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Personal Data and to the protection of such IT Systems and Personal Data from unauthorized use, access, misappropriation, destruction or modification.

(hh) *No Unlawful Payments.* Neither the Company nor any of its subsidiaries, nor any director, officer or employee of the Company or any of its subsidiaries nor, to the knowledge (as defined in the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA")) of the Company, any agent or other person associated with or acting on behalf of the Company or any of its subsidiaries has, within the past five (5) years, violated any provision of the FCPA, the Bribery Act 2010 of the United Kingdom, any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or any other laws applicable to the Company or any of its

subsidiaries relating to domestic or foreign bribery, corruption or money laundering (collectively, the "Applicable Anti-Corruption Laws"). The Company and its subsidiaries have instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures reasonably designed to promote and ensure compliance with the Applicable Anti-Corruption Laws. To the knowledge of the Company, no investigation, action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator or non-governmental authority involving the Company or any of its subsidiaries or affiliates with respect to the Applicable Anti-Corruption Laws is pending or threatened.

(ii) *Compliance with Anti-Money Laundering Laws*. The Company and its subsidiaries are in, and within the past five (5) years have been in, compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, that have been issued, administered or enforced by any governmental agency having jurisdiction over the Company or any of its subsidiaries (collectively, the "Anti-Money Laundering Laws"), in each case solely to the extent applicable, and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(jj) *No Conflicts with Sanctions Laws.* Neither the Company nor any of its subsidiaries, directors, officers or employees, nor, to the knowledge of the Company, any agent, controlled affiliates or other person associated with or acting on behalf of the Company or any of its subsidiaries is or is directly or indirectly owned or controlled (as such terms are defined by applicable Sanctions) by any person or entity that is (i) the subject or the target of, including by virtue of the ownership or control of such person, any sanctions or trade restrictions administered or enforced by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions") or (ii) located, organized or resident in a country or territory that is the subject or target of comprehensive Sanctions, including, without limitation, the Crimea Region of Ukraine, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, Cuba, Iran, North Korea and Syria (each, a "Sanctioned Country"); and the Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or, directly or indirectly, lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, in violation of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or activities of or business involving any individual, entity or government thereof, in violation of Sanctions or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. The Company and its subsidiaries are in, and since April 24, 2019 have been in, compliance with applicable Sanctions. To the knowledge of the Company, no investigation, action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator or non-governmental authority involving the Company or any of its subsidiaries with respect to Sanctions is pending or threatened.

(kk) *No Restrictions on Subsidiaries*. No subsidiary of the Company is currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock or similar ownership interest, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's properties or assets to the Company or any other subsidiary of the Company.

(ll) *No Broker's Fees.* Neither the Company nor any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against any of them or any Underwriter for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Shares.

(mm) *No Registration Rights*. No person has the right to require the Company or any of its subsidiaries to register any securities for sale under the Securities Act by reason of the filing of the Registration Statement with the Commission, the issuance and sale of the Shares by the Company or, to the knowledge of the Company, the sale of the Shares to be sold by the Selling Stockholders hereunder.

(nn) *No Stabilization*. Neither the Company nor any of its subsidiaries or affiliates has taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(oo) *Margin Rules*. Neither the issuance, sale and delivery of the Shares nor the application of the proceeds thereof by the Company as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus will violate Regulation T, U or X of the Board of Governors of the Federal Reserve System.

(pp) *Forward-Looking Statements.* No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) included in any of the Registration Statement, the Pricing Disclosure Package or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(qq) *Statistical and Market Data.* Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market-related data included in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects.

(rr) *The Jones Act Warrants*. The unissued Shares issuable upon the exercise of warrants to purchase Common Stock issued to certain non-U.S. citizens (the "Jones Act Warrants") to be exercised by certain of the Selling Stockholders (the "Warrantholders") have been duly authorized by the Company and validly reserved for issuance, and at the time of delivery to the Underwriters with respect to such Shares, such Shares will be issued and delivered in accordance with the provisions of the agreement dated September 4, 2020, pursuant to which such Jones Act Warrants were granted (as amended, the "Jones Act Warrant Agreement") and will be validly issued, fully paid and non-assessable and will conform in all material respects to the description thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(ss) *The Jones Act Warrant Agreement*. The Jones Act Warrants were duly authorized and issued pursuant to the Jones Act Warrant Agreement and, subject to the enforceability exceptions noted below, constitute valid and binding obligations of the Company, and the Warrantholders are entitled to the benefits provided by the Jones Act Warrant Agreement; the Jones Act Warrant Agreement was duly authorized, executed and delivered and constitutes a valid and legally binding agreement enforceable against the Company in accordance with its terms except as enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or by equitable principles relating to enforceability; and the Jones Act Warrants and the Jones Act Warrant Agreement conform in all material respects to the descriptions thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(tt) *Sarbanes-Oxley Act*. There is and has been no failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply with any applicable provision of the Sarbanes-Oxley Act of 2002, as amended and any applicable rules and regulations promulgated in connection therewith, including Section 402 related to loans and Sections 302 and 906 related to certifications.

(uu) *Status under the Securities Act*. At the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Shares and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405 under the Securities Act.

(vv) *No Ratings*. There are (and prior to the Closing Date, will be) no debt securities, convertible securities or preferred stock issued or guaranteed by the Company or any of its subsidiaries that are rated by a "nationally recognized statistical rating organization," as such term is defined in Section 3(a)(62) under the Exchange Act.

(ww) *Directed Share Program*. The Company represents and warrants that (i) the Registration Statement, the Pricing Disclosure Package and the Prospectus, any Preliminary Prospectus and any Issuer Free Writing Prospectuses comply in all material respects, and any further amendments or supplements thereto will comply in all material respects, with any applicable laws or regulations of foreign jurisdictions in which the Pricing Disclosure Package, the Prospectus, any Preliminary Prospectus and any Issuer Free Writing Prospectus, as amended or supplemented, if applicable, are distributed in connection with the Directed Share Program, and that (ii) no authorization, approval, consent, license, order, registration or qualification of or with any government, governmental instrumentality or court, other than such as have been obtained, is necessary under the securities laws and regulations of foreign jurisdictions in which the Directed Shares are offered outside the United States. The Company has not offered, or caused the underwriters to offer, Shares to any person pursuant to the Directed Share Program with the specific intent to unlawfully influence (i) a customer or supplier of the Company to alter the customer or supplier's level or type of business with the Company, or (ii) a trade journalist or publication to write or publish favorable information about the Company or its products.

4. Representations and Warranties of the Selling Stockholders. Each of the Selling Stockholders, severally and not jointly, represents and warrants to each Underwriter and the Company that:

(a) *Required Consents; Authority*. All consents, approvals, authorizations and orders necessary for the execution and delivery by such Selling Stockholder of this Agreement [and the Power of Attorney (the "Power of Attorney") and the Custody Agreement (the "Custody Agreement") hereinafter referred to], and for the sale and delivery of the Shares to be sold by such Selling Stockholder hereunder, have been obtained; and such Selling Stockholder has full right, power and authority to enter into this Agreement, the Power of Attorney and the Custody Agreement and to sell, assign, transfer and deliver the Shares to be sold by such Selling Stockholder hereunder; each of this Agreement, the Power of Attorney and the Custody Agreement has been duly authorized, executed and delivered by such Selling Stockholder.

(b) *No Conflicts*. The execution, delivery and performance by such Selling Stockholder of this Agreement, the Power of Attorney and the Custody Agreement, the sale of the Shares to be sold by such Selling Stockholder and the consummation by such Selling Stockholder of the transactions contemplated herein or therein will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, result in the termination, modification or acceleration of, or result in the creation or imposition of any lien, charge or encumbrance upon any property, right or asset of such Selling Stockholder pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which such Selling Stockholder is a party or by which such Selling Stockholder is bound or to which any of the property, right or asset of such Selling Stockholder is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of such Selling Stockholder or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory agency applicable to such Selling Stockholder, except, in the case of clauses (i) or (iii) above, for any such conflict, breach, violation, or default, lien, charge or encumbrance that would not, individually or in the aggregate, reasonably be expected to impair in any material respect the ability of such Selling Stockholder to fulfill its obligations under this Agreement.

(c) *Title to Shares.* Such Selling Stockholder has good and valid title to the Shares to be sold at the Closing Date or the Additional Closing Date, as the case may be, by such Selling Stockholder hereunder (other than the Shares to be issued upon exercise of Jones Act Warrants), free and clear of all liens, encumbrances, equities or adverse claims; such Selling Stockholder will have, immediately prior to the Closing Date or the Additional Closing Date, as the case may be, assuming due issuance of any Shares to be issued upon exercise of Jones Act Warrants, good and valid title to the Shares to be sold at the Closing Date or the Additional Closing Date, as the case may be, by such Selling Stockholder, free and clear of all liens, encumbrances, equities or adverse claims; and, upon delivery of the Shares and payment therefor pursuant hereto, good and valid title to such Shares, free and clear of all liens, encumbrances, equities or adverse claims, will pass to the several Underwriters.

(d) *No Stabilization.* Such Selling Stockholder has not taken and will not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(e) *Pricing Disclosure Package*. The Pricing Disclosure Package, at the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that each such Selling Stockholder's representations under this Section 4(e) are limited solely to the Selling Stockholder Information.

(f) *Issuer Free Writing Prospectus and Written Testing-the-Waters Communication.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, such Selling Stockholder (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any Issuer Free Writing Prospectus or Written Testing-the-Waters Communication, other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex A or Annex B hereto, each electronic road show and any other written communications approved in writing in advance by the Company and the Representatives.

(g) *Registration Statement and Prospectus.* As of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any such post-effective amendment did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that each such Selling Stockholder's representations under this Section 4(g) are limited solely to the Selling Stockholder Information.

(h) *No Unlawful Payments.* Neither such Selling Stockholder nor any of its subsidiaries or affiliates, nor any director, officer or employee of such Selling Stockholder or any of its subsidiaries nor, to the knowledge (as defined in the FCPA) of such Selling Stockholder, any agent or other person associated with or acting on behalf of such Selling Stockholder or any of its subsidiaries is in violation of any Applicable Anti-Corruption Laws. Such Selling Stockholder and its subsidiaries have instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures reasonably designed to promote and ensure compliance with all Applicable Anti-Corruption Laws. To the knowledge of such Selling Stockholder, no investigation, action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator or non-governmental authority involving such Selling Stockholder, or any of its subsidiaries or affiliates with respect to the Applicable Anti-Corruption Laws is pending or threatened.

(i) *Compliance with Anti-Money Laundering Laws*. Such Selling Stockholder and its subsidiaries are in compliance with applicable financial recordkeeping and reporting requirements, including those of the Anti-Money Laundering Laws, in each case solely to the extent applicable, and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving such Selling Stockholder or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of such Selling Stockholder, threatened.

(j) *No Conflicts with Sanctions Laws.* Neither such Selling Stockholder nor any of its subsidiaries, directors, officers or employees, nor, to the knowledge of such Selling Stockholder, any agent, controlled affiliates or other person associated with or acting on behalf of such Selling Stockholder or any of its subsidiaries is, or is directly or indirectly owned or controlled (as such terms are defined by applicable Sanctions) by any person or entity that is, (i) the subject or the target of any Sanctions or (ii) located, organized or resident in a Sanctioned Country; and such Selling Stockholder will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or, directly or indirectly, lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or activities of or business involving any individual, entity or government thereof or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. Such Selling Stockholder and its subsidiaries are in compliance with applicable Sanctions. To the knowledge of such Selling Stockholder, no investigation, action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator or non-governmental authority involving such Selling Stockholder or any of its subsidiaries or affiliates with respect to Sanctions is pending or, to the knowledge of such Selling Stockholder, threatened.

(k) *Material Non-Public Information*. As of the date hereof and as of the Closing Date and as of the Additional Closing Date, as the case may be, that the sale of the Shares by such Selling Stockholder is not and will not be prompted by any material non-public information concerning the Company which is not set forth in the Registration Statement, the Pricing Disclosure Package or the Prospectus.

(l) *Organization and Good Standing.* Such Selling Stockholder, if a corporation, limited liability company, limited partnership or other business entity, has been duly organized and is validly existing and in good standing as a corporation, partnership or limited liability company, as applicable, under the laws of its respective jurisdictions of organization.

(m) *ERISA.* Such Selling Stockholder is not (i) an employee benefit plan subject to Title I of ERISA, (ii) a plan or account subject to Section 4975 of the Code or (iii) an entity deemed to hold "plan assets" of any such plan or account under Section 3(42) of ERISA and 29 C.F.R. 2510.3-101.

(n) *Custody.* Each of the Selling Stockholders represents and warrants that certificates in negotiable form or book-entry securities entitlement representing all of the Shares to be sold by such Selling Stockholders hereunder (other than any such Shares to be issued upon the exercise of the Jones Act Warrants), have been, and each of the Selling Stockholders who is selling Shares upon the exercise of the Jones Act Warrants represents and warrants that duly completed and executed irrevocable Jones Act Warrants exercise notices, in the forms specified

by the relevant Jones Act Warrants Agreement, with respect to all of the Shares to be sold by such Selling Stockholders hereunder have been, placed in custody under a Custody Agreement relating to such Shares, in the form heretofore furnished to such Selling Stockholder, duly executed and delivered by such Selling Stockholder to [_____], as custodian (the "Custodian"), and that such Selling Stockholder has duly executed and delivered Powers of Attorney, in the form heretofore furnished to such Selling Stockholder, appointing the person or persons indicated in Schedule 2 hereto, and each of them, as such Selling Stockholder's Attorneys-in-fact (the "Attorneys-in-Fact" or any one of them the "Attorney-in-Fact") with authority to execute and deliver this Agreement on behalf of such Selling Stockholder, to determine the purchase price to be paid by the Underwriters to the Selling Stockholders as provided herein, to authorize the delivery of the Shares to be sold by such Selling Stockholder hereunder, to authorize (if applicable) the exercise of the Jones Act Warrants to be exercised with respect to the Shares to be sold by such Selling Stockholder hereunder and otherwise to act on behalf of such Selling Stockholder in connection with the transactions contemplated by this Agreement and the Custody Agreement.

Each of the Selling Stockholders specifically agrees that the Shares represented by the certificates, the book-entry securities entitlement, or the irrevocable Jones Act Warrants exercise notice, in either case, held in custody for such Selling Stockholder under the Custody Agreement, are subject to the interests of the Underwriters hereunder, and that the arrangements made by such Selling Stockholder for such custody, and the appointment by such Selling Stockholder of the Attorneys-in-Fact by the Power of Attorney, are to that extent irrevocable. Each of the Selling Stockholders specifically agrees that the obligations of such Selling Stockholder hereunder shall not be terminated by operation of law, whether by the death or incapacity of any individual Selling Stockholder, or, in the case of an estate or trust, by the death or incapacity of any executor or trustee or the termination of such estate or trust, or in the case of a partnership, corporation or similar organization, by the dissolution of such partnership, corporation or organization, or by the occurrence of any other event, in each case to the extent not prohibited under the laws of such Selling Stockholder's jurisdiction of organization. If any individual Selling Stockholder or any such executor or trustee should die or become incapacitated, or if any such estate or trust should be terminated, or if any such partnership, corporation or similar organization should be dissolved, or if any other such event should occur, before the delivery of the Shares to be sold by such Selling Stockholder hereunder, [to the extent not prohibited under the laws of such Selling Stockholder's jurisdiction of organization,] certificates or book-entry securities entitlements representing such Shares to be sold by such Selling Stockholder shall be delivered by or on behalf of such Selling Stockholder in accordance with the terms and conditions of this Agreement and the Custody Agreement, and actions taken by the Attorneys-in-Fact pursuant to the Powers of Attorney shall be as valid as if such death, incapacity, termination, dissolution or other event had not occurred, regardless of whether or not the Custodian, the Attorneys-in-Fact, or any of them, shall have received notice of such death, incapacity, termination, dissolution or other event.

5. Further Agreements of the Company. The Company covenants and agrees with each Underwriter that:

(a) *Required Filings.* The Company will file the final Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A, 430B or 430C under the Securities Act, will file any Issuer Free Writing Prospectus to the extent required by Rule 433 under the Securities Act; and the Company will furnish electronic copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters in New York City prior to 10:00 A.M., New York City time, on the business day next succeeding the date of this Agreement in such quantities as the Representatives may reasonably request.

(b) *Delivery of Copies.* Upon the written request (electronic mail being sufficient) of the Representatives, the Company will deliver, without charge, (i) to the Representatives, an executed copy of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith; and (ii) to each Underwriter (A) a conformed copy of the Registration Statement as originally filed and each amendment thereto (without exhibits) and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto and each Issuer Free Writing Prospectus) as the Representatives may reasonably request. As used herein, the term "Prospectus Delivery Period" means such period of time after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters a prospectus relating to the Shares is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Shares by any Underwriter or dealer.

(c) *Amendments or Supplements, Issuer Free Writing Prospectuses.* Before using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and before filing any amendment or supplement to the Registration Statement, the Pricing Disclosure Package or the Prospectus, the Company will furnish to the Representatives and counsel for the Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and will not use, authorize, approve, refer to or file any such Issuer Free Writing Prospectus or file any such proposed amendment or supplement to which the Representatives reasonably object in a timely manner.

(d) *Notice to the Representatives.* The Company will advise the Representatives promptly, and confirm such advice in writing (which may be by electronic mail), (i) when the Registration Statement has become effective; (ii) when any amendment to the Registration Statement has been filed or becomes effective; (iii) when any supplement to the Pricing Disclosure Package, the Prospectus, any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication or any amendment to the Prospectus has been filed or distributed; (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the Commission for any additional information including, but not limited to, any request for information concerning any Testing-the-Waters Communication; (v) of the issuance by the Commission or any other governmental or regulatory authority of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package, the Prospectus or any Written Testing-the-Waters Communication or the initiation or, to the knowledge of the Company, threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (vi) of the occurrence of any event or development within the Prospectus Delivery Period as a result of which the Prospectus, any of the Pricing Disclosure Package, any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Pricing Disclosure Package, any such Issuer Free Writing

Prospectus or any Written Testing-the-Waters Communication is delivered to a purchaser, not misleading; and (vii) of the receipt by the Company of any notice with respect to any suspension of the qualification of the Shares for offer and sale in any jurisdiction or the initiation or, to the knowledge of the Company, threatening of any proceeding for such purpose; and the Company will use its reasonable best efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package or the Prospectus or any Written Testing-the-Waters Communication or suspending any such qualification of the Shares and, if any such order is issued, will use its reasonable best efforts to obtain as soon as possible the withdrawal thereof.

(e) *Ongoing Compliance.* (1) If during the Prospectus Delivery Period (i) any event or development shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with applicable law, the Company will as soon as reasonably practicable notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with applicable law and (2) if at any time prior to the Closing Date (i) any event or development shall occur or condition shall exist as a result of which the Pricing Disclosure Package as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Pricing Disclosure Package to comply with applicable law, the Company will as soon as reasonably practicable notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission (to the extent required) and furnish to the Underwriters and to such dealers as the Representatives may designate, such amendments or supplements to the Pricing Disclosure Package as may be necessary so that the statements in the Pricing Disclosure Package as so amended or supplemented will not, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, be misleading or so that the Pricing Disclosure Package will comply with applicable law.

(f) *Blue Sky Compliance.* The Company will qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will continue such qualifications in effect so long as required for distribution of the Shares; provided that the Company shall not be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(g) *Earning Statement.* The Company will make generally available (electronically or otherwise) to its security holders and the Representatives as soon as practicable an earning statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the "effective date" (as defined in Rule 158) of the Registration Statement, which requirement may be satisfied by a filing with the Commission's Electronic Data Gathering, Analysis and Retrieval System ("EDGAR") or any successor thereto.

(h) *Clear Market.* For a period of 180 days after the date of the Prospectus, the Company will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the Commission a registration statement under the Securities Act relating to, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock, or publicly disclose the intention to undertake any of the foregoing, or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Common Stock or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise, without the prior written consent of J.P. Morgan Securities LLC and Barclays Capital Inc., other than the Shares to be sold hereunder.

The restrictions described above do not apply to (i) the offer, issuance, sale and disposition of the Shares under this Agreement, (ii) the issuance of shares of Common Stock or securities convertible into or exercisable for shares of Common Stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of restricted stock units ("RSUs") or performance stock units ("PSUs") (including net settlement), in each case, outstanding on the date of this Agreement and described in the Prospectus; (iii) grants of stock options, stock awards, restricted stock, RSUs, PSUs, or other equity awards and the issuance of shares of Common Stock or securities convertible into or exercisable or exchangeable for shares of Stock (whether upon the exercise of stock options or otherwise) to the Company's employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the Closing Date and described in the Prospectus, provided that any such recipient who is an executive officer or director of the Company enter into a lock-up agreement with the Underwriters; (iv) the issuance of up to 10% of the outstanding shares of Common Stock, or securities convertible into, exercisable for, or which are otherwise exchangeable for, Common Stock, immediately following the Closing Date, in acquisitions or other similar strategic transactions, provided that such recipients enter into a lock-up agreement with the Underwriters; (v) the facilitation of the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act, provided that such plan does not provide for the transfer of Common Stock during the 180-day restricted period; (vi) the filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to any plan in effect on the date of this Agreement and described in the Prospectus or any assumed benefit plan pursuant to an acquisition or similar strategic transaction; or (vii) submission to the Commission of a draft registration statement under the Securities Act on a confidential basis pursuant to the rules of the Commission, provided that with respect to this clause (vii), (a) no public filing with the Commission or any other public announcement may be made during the 180-day restricted period in relation to such registration, (b) J.P. Morgan Securities LLC and Barclays Capital Inc. must have received prior written notice from the Company of the submission of the draft registration statement with the Commission prior to the submission of the initial draft thereof during the 180-day restricted period at least seven business days prior to such submission and (c) no securities of the Company may be sold, distributed or exchanged prior to the expiration of the 180-day restricted period.

If each of J.P. Morgan Securities LLC and Barclays Capital Inc., in their sole discretion, agree to release or waive the restrictions set forth in a lock-up letter described in Section 8(l) hereof for an officer or director of the Company and provide the Company with notice of the impending release or waiver substantially in the form of Exhibit B hereto at least three business days before the effective date of the release or waiver, except where the release or waiver is effected solely to permit a transfer of shares of Common Stock that is not for consideration and where the transferee has agreed in writing to be bound by the same lock-up agreement terms in place for the transferor, the Company agrees to announce the impending release or waiver substantially in the form of Exhibit C hereto through a major news service at least two business days before the effective date of the release or waiver.

(i) *Use of Proceeds.* The Company will apply the net proceeds from the sale of the Shares as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Use of Proceeds."

(j) *No Stabilization.* Neither the Company nor its subsidiaries or affiliates will take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock.

(k) *Exchange Listing.* The Company will use its reasonable best efforts to list, subject to notice of issuance, the Shares on the Exchange.

(l) *Reports.* For a period of three years from the date of the Prospectus (provided that the Company remains subject to the reporting requirements under the Exchange Act), the Company will furnish to the Representatives, as soon as they are available, copies of all reports or other communications (financial or other) furnished by the Company to holders of the Shares, and copies of any reports and financial statements furnished to or filed by the Company with the Commission or any national securities exchange or automatic quotation system; provided the Company will be deemed to have furnished such reports and financial statements to the Representatives to the extent they are filed on EDGAR.

(m) *Record Retention*. The Company will, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(n) *Filings.* The Company will file with the Commission such reports as may be required by Rule 463 under the Securities Act.

(o) *Directed Share Program.* The Company will comply with all applicable securities and other laws, rules and regulations in each jurisdiction in which the Directed Shares are offered in connection with the Directed Share Program.

6. Further Agreements of the Selling Stockholders. Each of the Selling Stockholders severally and not jointly, covenants and agrees with each Underwriter that:

(a) *No Stabilization.* Such Selling Stockholder will not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock.

(b) *Tax Form.* It will deliver to the Representatives prior to or at the Closing Date a properly completed and executed United States Internal Revenue Service Form W-9 (or other applicable successor form) certifying that it is exempt from U.S. federal backup withholding tax.

(c) *Use of Proceeds*. It will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to a subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions in violation of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country in violation of Sanctions or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions.

7. Certain Agreements of the Underwriters. Each Underwriter hereby severally represents and agrees that:

(a) It has not and will not use, authorize use of, refer to or participate in the planning for use of, any "free writing prospectus," as defined in Rule 405 under the Securities Act (which term includes use of any written information furnished to the Commission by the Company and not included in the Registration Statement and any press release issued by the Company) other than (i) a free writing prospectus that contains no "issuer information" (as defined in Rule 433(h)(2) under the Securities Act) that was not included in the Preliminary Prospectus or a previously filed Issuer Free Writing Prospectus, (ii) any Issuer Free Writing Prospectus listed on Annex A or prepared pursuant to Section 3(c) or Section 4(f) above (including any electronic road show approved in advance by the Company), or (iii) any free writing prospectus prepared by such underwriter and approved by the Company in advance in writing.

(b) It has not and will not, without the prior written consent of the Company, use any free writing prospectus that contains the final terms of the Shares unless such terms have previously been included in a free writing prospectus filed with the Commission.

(c) It is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering (and will promptly notify the Company and the Selling Stockholders if any such proceeding against it is initiated during the Prospectus Delivery Period).

8. Conditions of Underwriters' Obligations. The obligation of each Underwriter to purchase the Underwritten Shares on the Closing Date or the Option Shares on the Additional Closing Date, as the case may be, as provided herein is subject to the performance by the Company and each of the Selling Stockholders of their respective covenants and other obligations hereunder and to the following additional conditions:

(a) *Registration Compliance; No Stop Order.* No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose or pursuant to Section 8A under the Securities Act shall be pending before or, to the knowledge of the Company, threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 5(a) hereof; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Representations and Warranties.* The respective representations and warranties of the Company and the Selling Stockholders contained herein shall be true and correct on the date hereof and on and as of the Closing Date or the Additional Closing Date, as the case may be; and the statements of the Company and its officers and of each of the Selling Stockholders and their officers or authorized signatories made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date or the Additional Closing Date, as the case may be.

(c) *No Material Adverse Change.* No event or condition of a type described in Section 3(g) hereof shall have occurred or shall exist, which event or condition is not described in the Pricing Disclosure Package (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

(d) *Officer's Certificate.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, (x) a certificate of the chief financial officer or chief accounting officer of the Company and one additional senior executive officer of the Company (i) confirming that such officers have reviewed the Registration Statement, the Pricing Disclosure Package and the Prospectus and, to the knowledge of such officers, the representations of the Company set forth in Sections 3(b) and 3(e) hereof are true and correct, (ii) confirming that the other representations and warranties of the Company in this Agreement are true and correct and that the Company has, in all material respects, complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date or the Additional Closing Date, as the case may be (except if such representation and warranty is qualified by Material Adverse Effect then true and correct in all respects), and (iii) to the effect set forth in paragraphs (a) and (c) above and (y) a certificate of each of the Selling Stockholders, in form and substance reasonably satisfactory to the Representatives, (A) confirming that the representations of such Selling Stockholder set forth in Sections 4(e), 4(f) and 4(g) hereof are true and correct and (B) confirming that the other representations and warranties of such Selling Stockholder in this agreement are true and correct and that each such Selling Stockholder has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to such Closing Date.

(e) *Comfort Letters*.

(i) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, Ernst & Young LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided, that each letter delivered on the Closing Date or the Additional Closing Date, as the case may be, shall use a "cut-off" date no more than two business days prior to such Closing Date or such Additional Closing Date, as the case may be.

(ii) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, the Company shall have furnished to the Representatives a certificate, dated the respective dates of delivery thereof and addressed to the Underwriters, of its chief financial officer with respect to certain financial data contained in the Pricing Disclosure Package and the Prospectus, providing "management comfort" with respect to such information, in form and substance reasonably satisfactory to the Representatives.

(f) *Opinion and 10b-5 Statement of Counsel for the Company.* Kirkland & Ellis LLP, counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion and 10b-5 statement, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(g) *Opinion of Counsel for the Selling Stockholders.* Kirkland & Ellis LLP, counsel for the Selling Stockholders, shall have furnished to the Representatives, at the request of the Selling Stockholders, their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(h) *Opinion and 10b-5 Statement of Counsel for the Underwriters.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, an opinion and 10b-5 statement, addressed to the Underwriters, of Vinson & Elkins L.L.P., counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(i) *No Legal Impediment to Issuance and/or Sale.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company or the sale of the Shares by the Selling Stockholders; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company or the sale of the Shares by the Selling Stockholders.

(j) *Good Standing*. The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, satisfactory evidence of the good standing as a corporation, partnership or limited liability company, as applicable, of the Company and its significant subsidiaries in their respective jurisdictions of organization and their good standing in such other jurisdictions as the Representatives may reasonably request, in each case in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(k) *Exchange Listing*. The Shares to be delivered on the Closing Date or the Additional Closing Date, as the case may be, shall have been approved for listing on the Exchange, subject to official notice of issuance.

(l) *Lock-up Agreements*. The "lock-up" agreements, each substantially in the form of Exhibit D hereto, between you and certain shareholders, officers and directors of the Company, including the Selling Stockholders, relating to sales and certain other dispositions of shares of Stock or certain other securities, delivered to you on or before the date hereof, shall be full force and effect on the Closing Date or the Additional Closing Date, as the case may be.

(m) *Additional Documents*. On or prior to the Closing Date or the Additional Closing Date, as the case may be, the Company and the Selling Stockholders shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

9. Indemnification and Contribution.

(a) *Indemnification of the Underwriters by the Company*. The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonable and documented legal fees and other reasonable expenses incurred in connection with any suit, action or proceeding or any claim asserted, reasonably promptly after such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Securities Act, any Written Testing-the-Waters Communication, any road show as defined in Rule 433(h) under the Securities Act (a "road show")

or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with (i) any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in paragraph (c) below or (ii) the Selling Stockholder Information.

(b) *Indemnification of the Underwriters by the Selling Stockholders.* Each of the Selling Stockholders, severally and not jointly, in proportion to the number of Shares to be sold by such Selling Stockholder hereunder agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any such losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission to state a material fact made in reliance upon and in conformity with any information furnished by such Selling Stockholder in writing to the Company relating to such Selling Stockholder expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any road show or any Pricing Disclosure Package (including any Pricing Disclosure Package that has been subsequently amended), it being understood and agreed that for purposes of this Agreement, the only such information so furnished by such Selling Stockholder consists of the Selling Stockholder Information.

(c) *Indemnification of the Company and the Selling Stockholders.* Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and each of the Selling Stockholders to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, any road show or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), it being understood and agreed upon that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the third paragraph under the caption “Underwriting” and the information contained in the sixteenth and seventeenth paragraphs under the caption “Underwriting.”

(d) *Notice and Procedures.* If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to the preceding paragraphs of this Section 9, such person (the "Indemnified Person") shall promptly notify the person against whom such indemnification may be sought (the "Indemnifying Person") in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under the preceding paragraphs of this Section 9 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under the preceding paragraphs of this Section 9. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person and any others entitled to indemnification pursuant to this Section that the Indemnifying Person may designate in such proceeding and shall pay the reasonable and documented fees and expenses in such proceeding and shall pay the reasonable and documented fees and expenses of such counsel related to such proceeding, reasonably promptly after incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the reasonable fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such fees and expenses shall be paid or reimbursed as they are incurred. Any such separate firm for any Underwriter, its affiliates, directors and officers and any control persons of such Underwriter shall be designated in writing by J.P. Morgan Securities LLC and Barclays Capital Inc. and any such separate firm for the Company, its directors, its officers who signed the Registration Statement and any control persons of the Company shall be designated in writing by the Company and any such separate firm for the Selling Stockholders shall be designated in writing by the Attorneys-in-Fact or any one of them. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent (which consent shall not be unreasonably withheld or delayed), but if settled with such consent, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person reimburse the Indemnified Person for fees and expenses of counsel as contemplated by this paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 60 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any

settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(e) *Contribution.* If the indemnification provided for in paragraphs (a), (b) or (c) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholders, on the one hand, and the Underwriters, on the other, from the offering of the Shares or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company and the Selling Stockholders, as applicable, on the one hand, and the Underwriters, on the other, in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholders, as applicable, on the one hand, and the Underwriters, on the other, shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Company and the Selling Stockholders from the sale of the Shares and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Shares. The relative fault of the Company and the Selling Stockholders, as applicable, on the one hand, and the Underwriters, on the other, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Selling Stockholders or by the Underwriters, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(f) *Limitation on Liability.* The Company, the Selling Stockholders and the Underwriters agree that it would not be just and equitable if contribution pursuant to paragraph (e) above were determined by pro rata allocation (even if the Selling Stockholders or the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (e) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (e) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of paragraph (e) and the foregoing provisions of this paragraph (f), in no event shall (i) an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Shares exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission and (ii) a Selling Stockholder be required to contribute

any amount in excess of the amount by which the Selling Stockholder Proceeds (as defined below) received by such Selling Stockholder exceeds the amount of any damages that such Selling Stockholder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. For the purpose of this Agreement, "Selling Stockholder Proceeds" means the aggregate net proceeds (after deducting underwriting commissions and discounts, but before deducting expenses) applicable to the Shares sold by such Selling Stockholder pursuant to this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to paragraphs (e) and (f) of this Section 9 are several in proportion to their respective purchase obligations hereunder and not joint, and each Selling Stockholder's obligation to contribute pursuant to paragraphs (e) and (f) of this Section 9 is several and not joint.

(g) *Non-Exclusive Remedies.* The remedies provided for in this Section 9 paragraphs (a) through (f) are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity. For the avoidance of doubt, the provisions of this Section 9 shall not affect any agreement among the Company and the Selling Stockholders as it relates to any indemnification or contribution between the Company and the Selling Stockholders; provided, however, that any such agreement shall not limit, qualify or otherwise affect the indemnification and contribution rights and limitations set forth herein.

(h) *Qualified Independent Underwriter Indemnification.* Without limitation of, and in addition to, its obligations under the other paragraphs of this Section 9, the Company agrees to indemnify and hold harmless the QIU, its affiliates, directors, officers and employees and each person who controls the QIU within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all loss, claim, damage or liability, joint or several, or any action in respect thereof (including, but not limited to, any loss, claim, damage, liability or action relating to purchases and sales of Stock) to which the QIU, affiliate, director, officer, employee or controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, the QIU's acting as a "qualified independent underwriter" (within the meaning of FINRA Rule 5121) in connection with the offering contemplated by this Agreement, and agrees to reimburse each such indemnified party promptly upon demand for any reasonable and documented legal or other expenses reasonably incurred by them in connection with investigating or defending or preparing to defend any such loss, claim, damage, liability or action; provided, however, that the Company shall not be liable, in any such case, to the extent that it is determined in a final judgment by a court of competent jurisdiction that such loss, claim, damage, liability or action resulted directly from the fraud, bad faith, gross negligence or willful misconduct of the QIU. The relative benefits received by the QIU with respect to the offering contemplated by this Agreement shall, for purposes of Section 9(e), be deemed to be equal to the compensation received by the QIU for acting in such capacity. In addition, notwithstanding the provisions of Section 9(e), the QIU shall not be required to contribute any amount in excess of the compensation received by the QIU for acting in such capacity.

(i) *Directed Share Program Indemnification.* The Company agrees to indemnify and hold harmless the Directed Share Underwriter, its affiliates, directors and officers and each person, if any, who controls the Directed Share Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act (each a "Directed Share Underwriter Entity") from and against any and all losses, claims, damages and liabilities (including, without limitation, any reasonable and documented legal fees and other reasonable expenses incurred in connection with defending or investigating any suit, action or proceeding or any claim asserted, reasonably promptly after such fees and expenses are incurred) (i) caused by any untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company for distribution to Participants in connection with the Directed Share Program or caused by any omission or alleged omission to state therein a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (ii) caused by the failure of any Participant to pay for and accept delivery of Directed Shares that the Participant agreed to purchase; or (iii) related to, arising out of, or in connection with the Directed Share Program, other than losses, claims, damages or liabilities (or expenses relating thereto) that are finally judicially determined to have resulted from the fraud, bad faith, willful misconduct or gross negligence of the Directed Share Underwriter Entities.

(j) *Directed Share Program Indemnification, Notice and Procedures*. In case any proceeding (including any governmental investigation) shall be instituted involving any Directed Share Underwriter Entity in respect of which indemnity may be sought pursuant to paragraph (g) above, the Directed Share Underwriter Entity seeking indemnity shall promptly notify the Company in writing and the Company, upon request of the Directed Share Underwriter Entity, shall retain counsel reasonably satisfactory to the Directed Share Underwriter Entity to represent the Directed Share Underwriter Entity and any others the Company may designate in such proceeding and shall pay the reasonable and documented fees and disbursements of such counsel related to such proceeding. In any such proceeding, any Directed Share Underwriter Entity shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Directed Share Underwriter Entity unless (i) the Company and such Directed Share Underwriter Entity shall have mutually agreed to the retention of such counsel, (ii) the Company has failed within a reasonable time to retain counsel reasonably satisfactory to such Directed Share Underwriter Entity, (iii) the Directed Share Underwriter Entity shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Company or (iv) the named parties to any such proceeding (including any impleaded parties) include both the Company and the Directed Share Underwriter Entity and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. The Company shall not, in respect of the legal expenses of the Directed Share Underwriter Entities in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Directed Share Underwriter Entities. The Company shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent, the Company agrees to indemnify the Directed Share Underwriter Entities from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time any Directed Share Underwriter Entity shall have requested the Company to reimburse such Directed Share Underwriter Entity for fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the Company agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 60 days after receipt by the Company of the aforesaid request and (ii) the Company shall not have reimbursed such Directed Share Underwriter Entity in

accordance with such request prior to the date of such settlement. The Company shall not, without the prior written consent of the Directed Share Underwriter, effect any settlement of any pending or threatened proceeding in respect of which any Directed Share Underwriter Entity is or could have been a party and indemnity could have been sought hereunder by such Directed Share Underwriter Entity, unless (x) such settlement includes an unconditional release of the Directed Share Underwriter Entities from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of the Directed Share Underwriter Entity.

(k) *Directed Share Program Indemnification, Contribution*. To the extent the indemnification provided for in paragraph (h) above is unavailable to a Directed Share Underwriter Entity or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then the Company in lieu of indemnifying the Directed Share Underwriter Entity thereunder, shall contribute to the amount paid or payable by the Directed Share Underwriter Entity as a result of such losses, claims, damages or liabilities (1) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand, and the Directed Share Underwriter Entities on the other hand from the offering of the Directed Shares or (2) if the allocation provided by clause 9(k)(1) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause 9(k)(1) above but also the relative fault of the Company on the one hand and of the Directed Share Underwriter Entities on the other hand in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Directed Share Underwriter Entities on the other hand in connection with the offering of the Directed Shares shall be deemed to be in the same respective proportions as the net proceeds from the offering of the Directed Shares (before deducting expenses) and the total underwriting discounts and commissions received by the Directed Share Underwriter Entities for the Directed Shares, bear to the aggregate public offering price of the Directed Shares. If the loss, claim, damage or liability is caused by an untrue or alleged untrue statement of material fact or the omission or alleged omission to state a material fact, the relative fault of the Company on the one hand, and the Directed Share Underwriter Entities on the other hand shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Directed Share Underwriter Entities and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(l) *Directed Share Program Indemnification, Pro Rata Allocation*. The Company and the Directed Share Underwriter Entities agree that it would not be just or equitable if contribution pursuant to paragraph (j) above were determined by pro rata allocation (even if the Directed Share Underwriter Entities were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (j) above. The amount paid or payable by the Directed Share Underwriter Entities as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any reasonable and documented legal or other expenses reasonably incurred by the Directed Share Underwriter Entities in connection with investigating or defending any such action or claim. Notwithstanding the provisions of paragraph (i) above, no Directed Share Underwriter Entity shall be required to

contribute any amount in excess of the amount by which the total price at which the Directed Shares distributed to the public were offered to the public exceeds the amount of any damages that such Directed Share Underwriter Entity has otherwise been required to pay. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The remedies provided for in paragraphs (h) through (k) of this Section 9 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

(m) *Directed Share Program Indemnification, Survival*. The indemnity and contribution provisions contained in paragraphs (h) through (k) of this Section 9 shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Directed Share Underwriter Entity or the Company, its officers or directors or any person controlling the Company and (iii) acceptance of and payment for any of the Directed Shares.

10. Effectiveness of Agreement. This Agreement shall become effective as of the date first written above.

11. Termination. This Agreement may be terminated in the absolute discretion of the Representatives, by notice to the Company and the Selling Stockholders, if after the execution and delivery of this Agreement and on or prior to the Closing Date or, in the case of the Option Shares, prior to the Additional Closing Date (i) trading generally shall have been suspended or materially limited on or by any of the Exchange or The Nasdaq Stock Market; (ii) trading of any securities issued or guaranteed by the Company shall have been suspended on any exchange or in any over-the-counter market; (iii) a general moratorium on commercial banking activities shall have been declared by federal or New York State authorities; (iv) a material disruption in securities settlement or clearance services shall have occurred in the United States or (v) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, in the judgment of the Representatives, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

12. Defaulting Underwriter.

(a) If, on the Closing Date or the Additional Closing Date, as the case may be, any Underwriter defaults on its obligation to purchase the Shares that it has agreed to purchase hereunder on such date, the non-defaulting Underwriters may in their discretion arrange for the purchase of such Shares by other persons satisfactory to the Company and the Selling Stockholders on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-defaulting Underwriters do not arrange for the purchase of such Shares, then the Company and the Selling Stockholders shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Underwriters to purchase such Shares on such terms. If other persons become obligated or agree to purchase the Shares of a defaulting Underwriter, either the non-defaulting Underwriters or the Company and the Selling

Stockholders may postpone the Closing Date or the Additional Closing Date, as the case may be, for up to five full business days in order to effect any changes that in the opinion of counsel for the Company, counsel for the Selling Stockholders or counsel for the Underwriters may be necessary in the Registration Statement and the Prospectus or in any other document or arrangement, and the Company agrees to promptly prepare any amendment or supplement to the Registration Statement and the Prospectus that effects any such changes. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule 1 hereto that, pursuant to this Section 12, purchases Shares that a defaulting Underwriter agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company and the Selling Stockholders as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, does not exceed one-eleventh (1/11) of the aggregate number of Shares to be purchased on such date, then the Company and the Selling Stockholders shall have the right to require each non-defaulting Underwriter to purchase the number of Shares that such Underwriter agreed to purchase hereunder on such date plus such Underwriter's pro rata share (based on the number of Shares that such Underwriter agreed to purchase on such date) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company and the Selling Stockholders as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, exceeds one-eleventh (1/11) of the aggregate amount of Shares to be purchased on such date, or if the Company and the Selling Stockholders shall not exercise the right described in paragraph (b) above, then this Agreement or, with respect to any Additional Closing Date, the obligation of the Underwriters to purchase Shares on the Additional Closing Date, as the case may be, shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of this Agreement pursuant to this Section 12 shall be without liability on the part of the Company or the Selling Stockholders, except that the Company and the Selling Stockholders will continue to be liable for the payment of expenses as set forth in Section 13 hereof and except that the provisions of Section 9 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company, the Selling Stockholders or any non-defaulting Underwriter for damages caused by its default.

13. Payment of Expenses.

(a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company will pay or cause to be paid all documented costs and expenses actually incurred and incident to the performance of its obligations hereunder, including without limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Shares and any transfer or similar taxes payable in connection therewith; (ii) the costs incident to the preparation, printing and filing under the Securities Act of

the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, any Pricing Disclosure Package and the Prospectus (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the fees and expenses of the Company's counsel and independent accountants and the Selling Stockholders' counsel; (iv) the reasonable and documented fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Shares under the laws of such jurisdictions as the Representatives may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the related reasonable and documented fees and expenses of counsel for the Underwriters), up to an aggregate of $10,000; (v) the cost of preparing stock certificates; (vi) the costs and charges of any transfer agent and any registrar; (vii) all reasonable expenses and application fees incurred in connection with any filing with, and clearance of the offering by, FINRA (provided that the amounts payable by the Company to the Underwriters pursuant to subsection (iv) above and this subsection (vii) shall not exceed an aggregate of $75,000 without the Company's prior written consent); (viii) all expenses incurred by the Company in connection with any "road show" presentation to potential investors, it being understood that except as provided in this Section 13 or Section 9 hereof, the Underwriters will pay all of the travel, lodging and other expenses of the Underwriters or any of their employees or representatives incurred by them in connection with any "road show" presentation to potential investors; (ix) all expenses and application fees related to the listing of the Shares on the Exchange; and (x) all of the reasonable and documented fees and disbursements of counsel incurred by the Underwriters in connection with the Directed Share Program and any stamp duties or similar taxes, if any, incurred by the Underwriters in connection with the Directed Share Program. In addition to the foregoing, the Company will also pay the fees and expenses of the QIU.

(b) Except as otherwise provided in this Agreement, the Underwriters will pay all of their costs and expenses, including fees and disbursements of their counsel, stock transfer taxes payable on resale of any of the Shares by them and any advertising expenses connected with any offers they may make and all travel and other expenses of the Underwriters or any of their employees incurred by them in connection with participation in investor presentations on any "road show" undertaken in connection with the marketing of the offering of the Shares.

(c) If (i) this Agreement is terminated pursuant to Section 11, (ii) the Company or the Selling Stockholders for any reason fail to tender the Shares for delivery to the Underwriters or (iii) the Underwriters decline to purchase the Shares for any reason permitted under this Agreement, the Company agrees to reimburse the Underwriters for all out-of-pocket costs and expenses (including the reasonable and documented fees and expenses of their counsel) reasonably and actually incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby. For the avoidance of doubt, if this Agreement is terminated pursuant to Section 12, the Company shall have no obligation to reimburse a defaulting Underwriter for out of pocket costs and expenses (including the fees and expenses of their counsel) incurred by such defaulting Underwriter in connection with this Agreement and the offering contemplated thereby.

14. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to herein and the affiliates of each Underwriter referred to in Section 9 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Shares from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

15. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company, the Selling Stockholders and the Underwriters contained in this Agreement or made by or on behalf of the Company, the Selling Stockholders or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Shares and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company, the Selling Stockholders or the Underwriters or the directors, officers, controlling persons or affiliates referred to in Section 9 hereof.

16. Certain Defined Terms. For purposes of this Agreement, (a) except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under the Securities Act; (b) the term "business day" means any day other than a day on which banks are permitted or required to be closed in New York City; (c) the term "subsidiary" has the meaning set forth in Rule 405 under the Securities Act; and (d) the term "significant subsidiary" has the meaning set forth in Rule 1-02 of Regulation S-X under the Exchange Act.

17. Compliance with USA Patriot Act. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Selling Stockholders, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

18. Miscellaneous.

(a) *Notices.* All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives at c/o J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179 (fax: (212) 622-8358); Attention: Equity Syndicate Desk and c/o Barclays Capital Inc., 745 Seventh Avenue, New York, New York 10019 (fax: (646) 834-8133); Attention Syndicate Registration. Notices to the Company shall be given to it at Hornbeck Offshore Services, Inc., 103 Northpark Blvd., Suite 300, Covington, LA 70433; Attention: James O. Harp, Jr., Executive Vice President and Chief Financial Officer and Samuel A. Giberga, Executive Vice President, General Counsel and Chief Compliance Officer, with a copy to Kirkland & Ellis LLP, 609 Main St, Houston, TX 77002; Attention: Matthew R. Pacey, P.C. and Ieuan A. List. Notices to the Selling Stockholders shall be given to the Attorneys-in-Fact at [•], (Fax: [•]); Attention: [•].

(b) *Governing Law.* This Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(c) *Submission to Jurisdiction*. Each of the Company and the Selling Stockholders hereby submits to the exclusive jurisdiction of the U.S. federal and New York state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. Each of the Company and the Selling Stockholders waives any objection which it may now or hereafter have to the laying of venue of any such suit or proceeding in such courts. Each of the Company and the Selling Stockholders agrees that final judgment in any such suit, action or proceeding brought in such court shall be conclusive and binding upon the Company and each Selling Stockholder, as applicable, and may be enforced in any court to the jurisdiction of which Company and each Selling Stockholder, as applicable, is subject by a suit upon such judgment.

(d) *Waiver of Jury Trial.* Each of the parties hereto hereby waives any right to trial by jury in any suit or proceeding arising out of or relating to this Agreement.

(e) *Recognition of the U.S. Special Resolution Regimes*.

(i) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(ii) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Section 18(e):

"BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"Covered Entity" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

(f) *Counterparts.* This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument.

(g) *Amendments or Waivers.* No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(h) *Headings.* The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

HORNBECK OFFSHORE SERVICES, INC.

By: _____
Name:
Title:

[SELLING STOCKHOLDERS]

By: _____
Name:
Title:

By: _____
Name:
Title:

As Attorneys-in-Fact acting on behalf of each of the Selling Stockholders named in Schedule 2 to this Agreement.

Accepted: As of the date first written above

J.P. MORGAN SECURITIES LLC

For itself and on behalf of the several Underwriters listed in Schedule 1 hereto.

By: _____
Authorized Signatory

BARCLAYS CAPITAL INC.

For itself and on behalf of the several Underwriters listed in Schedule 1 hereto.

By: _____
Authorized Signatory

Underwriter	Number of Shares
J.P. Morgan Securities LLC	
Barclays Capital Inc.	
Goldman Sachs & Co. LLC	
DNB Markets, Inc.	
Piper Sandler & Co.	
Guggenheim Securities, LLC	
Raymond James & Associates, Inc.	
BTIG, LLC	
Johnson Rice & Company L.L.C.	
PEP Advisory LLC	
Seaport Global Securities LLC	
Academy Securities, Inc.	
Drexel Hamilton, LLC	
Total	

Selling Stockholders:	Number of Underwritten Shares:	Number of Option Shares:

Significant Subsidiaries

1. Hornbeck Offshore Services, LLC
2. Hornbeck Offshore Operators, LLC
3. Hornbeck Offshore Services de Mexico, S. de R.L. de C.V.
4. HOS de Mexico II, S. de R.L. de C.V.
5. Hornbeck Offshore Navegação Ltda
6. Hornbeck Offshore Trinidad and Tobago, LLC
7. HOS de Mexico, S de R.L. de C.V
8. Hornbeck Offshore Transportation, LLC
9. HOS-IV, LLC
10. Energy Services Puerto Rico, LLC
11. Hornbeck Offshore International, LLC
12. HOS Port, LLC
13. HOI Holding, LLC
14. HOS Holding, LLC

a. Pricing Disclosure Package

1. [•]

b. Pricing Information Provided Orally by Underwriters

1. [•]

Written Testing-the-Waters Communications

1. Testing-the-Waters Presentation, dated October 2023
2. Testing-the-Waters Presentation, dated December 2023
3. Testing-the-Waters Presentation, dated September 2024

TESTING THE WATERS AUTHORIZATION

(to be delivered by the Issuer to J.P. Morgan Securities LLC and Barclays Capital Inc. in email or letter form)

In reliance on Rule 163B under the Securities Act of 1933, as amended (the "Act"), Hornbeck Offshore Services, Inc. (the "Issuer") hereby authorizes J.P. Morgan Securities LLC ("J.P. Morgan") and Barclays Capital Inc. ("Barclays" and, together with J.P. Morgan, the "Authorized Underwriters") and their affiliates and respective employees, as applicable, to engage on behalf of the Issuer in oral and written communications with potential investors that are reasonably believed to be "qualified institutional buyers," as defined in Rule 144A under the Act, or institutions that are "accredited investors," within the meaning of Rule 501(a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), (a)(12) or (a)(13) of Regulation D under the Act, to determine whether such investors might have an interest in the Issuer's contemplated initial public offering ("Testing-the-Waters Communications").

A "Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a "written communication" as defined in Rule 405 under the Act. Each of J.P. Morgan and Barclays, individually and not jointly, agrees that it shall not distribute any Written Testing-the-Waters Communication that has not been approved in writing (email being sufficient) by the Issuer's General Counsel or Chief Financial Officer.

If at any time following the distribution of any Written Testing-the-Waters Communication there occurs an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Issuer will promptly notify the Authorized Underwriters and will promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

Nothing in this authorization is intended to limit or otherwise affect the ability of the Authorized Underwriters and their respective employees, to engage in communications in which they could otherwise lawfully engage in the absence of this authorization, including, without limitation, any written communication containing only one or more of the statements specified under Rule 134(a) under the Act. This authorization shall remain in effect until the Issuer has provided to each of J.P. Morgan and Barclays a written notice revoking this authorization. All notices as described herein shall be sent by email to the attention of Lucy Brash at lucy.j.brash@jpmorgan.com, with a copy to Amit Chandra at amit.chandra@barclays.com.

[Form of Waiver of Lock-up]

J.P. MORGAN SECURITIES LLC

BARCLAYS CAPITAL INC.

Hornbeck Offshore Services, Inc.
Public Offering of Common Stock

, 20__

[Name and Address of
Officer or Director
Requesting Waiver]

Dear Mr./Ms. [Name]:

This letter is being delivered to you in connection with the offering by Hornbeck Offshore Services, Inc., a Delaware corporation (the "Company") of _____ shares of common stock, $0.00001 par value (the "Common Stock"), of the Company and the lock-up letter dated _____, 20__ (the "Lock-up Letter"), executed by you in connection with such offering, and your request for a [waiver] [release] dated _____, 20__, with respect to _____ shares of Common Stock (the "Shares").

J.P. Morgan Securities LLC and Barclays Capital Inc. hereby agree to [waive] [release] the transfer restrictions set forth in the Lock-up Letter, but only with respect to the Shares, effective _____, 20__; provided, however, that such [waiver] [release] is conditioned on the Company announcing the impending [waiver] [release] by press release through a major news service, or any other method permitted by applicable law, at least two business days before effectiveness of such [waiver] [release]. This letter will serve as notice to the Company of the impending [waiver] [release].

Except as expressly [waived] [released] hereby, the Lock-up Letter shall remain in full force and effect.

Yours very truly,

[Signature of J.P. Morgan Securities LLC Representative]

[Name of J.P. Morgan Securities LLC Representative]

[Signature of Barclays Capital Inc. Representative]

[Name of Barclays Capital Inc. Representative]

cc: Company

[Form of Press Release]

Hornbeck Offshore Services, Inc.
[Date]

Hornbeck Offshore Services, Inc. ("Company") announced today that J.P. Morgan Securities LLC and Barclays Capital Inc., the lead book-running managers in the Company's recent public sale of shares of common stock, is [waiving] [releasing] a lock-up restriction with respect to shares of the Company's common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on _____, 20__, and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

FORM OF LOCK-UP AGREEMENT

____ __, 20__

J.P. MORGAN SECURITIES LLC
BARCLAYS CAPITAL INC.
As Representatives of
the several Underwriters listed in
Schedule 1 to the Underwriting
Agreement referred to below

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

c/o Barclays Capital Inc.
745 Seventh Avenue
New York, New York 10019

Re: Hornbeck Offshore Services, Inc. — Public Offering

Ladies and Gentlemen:

The undersigned understands that you, as Representatives of the several Underwriters, propose to enter into an underwriting agreement (the "Underwriting Agreement") with Hornbeck Offshore Services, Inc., a Delaware corporation (the "Company") and the Selling Stockholders listed on Schedule 2 to the Underwriting Agreement, providing for the public offering (the "Public Offering") by the several Underwriters named in Schedule 1 to the Underwriting Agreement (the "Underwriters"), of shares of common stock of the Company (the "Securities"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Underwriting Agreement.

In consideration of the Underwriters' agreement to purchase and make the Public Offering of the Securities, and for other good and valuable consideration receipt of which is hereby acknowledged, the undersigned hereby agrees that, without the prior written consent of J.P. Morgan Securities LLC and Barclays Capital Inc. on behalf of the Underwriters, the undersigned will not, and will not cause any direct or indirect affiliate to, during the period beginning on the date of this letter agreement (this "Letter Agreement") and ending at the close of business 180 days after the date of the final prospectus relating to the Public Offering (the "Prospectus") (such period, the "Restricted Period"), (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of common stock, $0.00001 per share par value, of the Company (the "Common Stock") or any securities convertible into or exercisable or exchangeable for Common Stock (including without limitation, Common Stock or such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Securities and Exchange Commission and

securities which may be issued upon exercise of a stock option or warrant) (collectively with the Common Stock, the "Lock-Up Securities"), (2) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the Lock-Up Securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Lock-Up Securities, in cash or otherwise, (3) make any demand for, or exercise any right with respect to, the registration of any Lock-Up Securities, or (4) publicly disclose the intention to do any of the foregoing. The undersigned acknowledges and agrees that the foregoing precludes the undersigned from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (whether by the undersigned or any other person) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any Lock-Up Securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of Lock-Up Securities, in cash or otherwise. The undersigned further confirms that it has furnished J.P. Morgan Securities LLC and Barclays Capital Inc. with the details of any transaction the undersigned, or any of its affiliates, is a party to as of the date hereof, which transaction would have been restricted by this Letter Agreement if it had been entered into by the undersigned during the Restricted Period.

Notwithstanding the foregoing, the undersigned may:

(a) transfer the undersigned's Lock-Up Securities:

(i) as a bona fide gift or gifts, charitable contributions, or for bona fide estate planning purposes,

(ii) by will or intestacy,

(iii) to any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, or if the undersigned is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust (for purposes of this Letter Agreement, "immediate family" shall mean any relationship by blood, current or former marriage, domestic partnership or adoption, not more remote than first cousin),

(iv) to a partnership, limited liability company or other entity of which the undersigned and the immediate family of the undersigned are the legal and beneficial owner of all of the outstanding equity securities or similar interests,

(v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv) above,

(vi) if the undersigned is a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate (as defined in Rule 405 promulgated under the Securities Act of 1933, as amended) of the undersigned, or to any investment fund, vehicle, account, portion of a fund, vehicle or account or other entity controlling, controlled by, managing or managed by or under common control with the undersigned or affiliates of the undersigned

(including, for the avoidance of doubt, where the undersigned is a partnership, to its general partner or a successor partnership or fund, or any other funds, vehicles, accounts or portions of funds, vehicles or accounts managed by such partnership), or (B) as part of a distribution to partners, members, shareholders or other equityholders of the undersigned,

(vii) by operation of law, such as pursuant to a qualified domestic order, divorce settlement, divorce decree or separation agreement,

(viii) to the Company from an employee of the Company upon death, disability or termination of employment, in each case, of such employee,

(ix) as part of a sale of the undersigned's Lock-Up Securities acquired in open market transactions after the closing date for the Public Offering,

(x) to the Company in connection with the vesting, settlement, or exercise of restricted stock units, performance stock units, options, warrants or other rights to purchase shares of Common Stock (including, in each case, by way of "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments due as a result of the vesting, settlement, or exercise of such restricted stock units, performance stock units, options, warrants or rights, provided that any such shares of Common Stock received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement, and provided further that any such restricted stock units, performance stock units, options, warrants or rights are held by the undersigned pursuant to an agreement or equity awards granted under a stock incentive plan or other equity award plan, each such agreement or plan which is described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, or

(xi) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction that is approved by the Board of Directors of the Company and made to all holders of the Company's capital stock involving a Change of Control (as defined below) of the Company (for purposes hereof, "Change of Control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons, of shares of capital stock if, after such transfer, such person or group of affiliated persons would hold at least a majority of the outstanding voting securities of the Company (or the surviving entity)); provided that in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the undersigned's Lock-Up Securities shall remain subject to the provisions of this Letter Agreement;

provided that (A) in the case of any transfer or distribution pursuant to clause (a)(i), (ii), (iii), (iv), (v), (vi) and (vii), such transfer shall not involve a disposition for value and each donee, devisee, transferee or distributee shall execute and deliver to the Representatives a lock-up letter in the form of this Letter Agreement, (B) in the case of any transfer or distribution pursuant to clause (a)(ii), (iii), (iv), (v), (vi), (ix) and (x), no filing by any party (donor, donee, devisee, transferor, transferee, distributer or distributee) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or other public announcement shall be required or shall be made voluntarily in connection with such transfer or distribution (other than a filing on a Form 5 or a filing required pursuant to Section 13 of the Exchange Act and the rules and regulations promulgated thereunder made after the expiration of the Restricted Period referred to above) and (C) in the case of any transfer or

distribution pursuant to clause (a)(i), (vii) and (viii) it shall be a condition to such transfer that no public filing, report or announcement shall be voluntarily made and if any filing under Section 16(a) of the Exchange Act, or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock in connection with such transfer or distribution shall be legally required during the Restricted Period, such filing, report or announcement shall clearly indicate in the footnotes thereto the nature and conditions of such transfer;

(b) exercise outstanding options, settle restricted stock units or other equity awards or exercise warrants pursuant to plans described in the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided that any Lock-Up Securities received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement;

(c) convert outstanding preferred stock, warrants to acquire preferred stock or convertible securities into shares of Common Stock or warrants to acquire shares of Common Stock; provided that any such shares of Common Stock or warrants received upon such conversion shall be subject to the terms of this Letter Agreement;

(d) establish trading plans pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Lock-Up Securities; provided that (1) such plans do not provide for the transfer of Lock-Up Securities during the Restricted Period (other than for the payment of exercise price and tax and remittance payments due as a result of the vesting, settlement, or exercise of restricted stock units, performance stock units, options, warrants or rights) and (2) to the extent a public announcement, report or filing under the Exchange Act, if any, is required or voluntarily made by or on behalf of the undersigned or the Company regarding the establishment of such plan, such announcement, report or filing shall include a statement to the effect that no transfer, sale or other disposition of Lock-Up Securities may be made under such plan during the Restricted Period; and

(e) sell the Securities to be sold by the undersigned pursuant to the terms of the Underwriting Agreement.

If the undersigned is not a natural person, the undersigned represents and warrants that no single natural person, entity or "group" (within the meaning of Section 13(d)(3) of the Exchange Act) beneficially owns, directly or indirectly, 50% or more of the common equity interests, or 50% or more of the voting power, in the undersigned.

If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing provisions shall be equally applicable to any Company-directed Securities the undersigned may purchase in the Public Offering.

If the undersigned is an officer or director of the Company, (i) J.P. Morgan Securities LLC and Barclays Capital Inc. on behalf of the Underwriters agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of Lock-Up Securities, J.P. Morgan Securities LLC and Barclays Capital Inc. on behalf of the Underwriters will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two business days before the effective date

of the release or waiver. Any release or waiver granted by J.P. Morgan Securities LLC and Barclays Capital Inc. on behalf of the Underwriters hereunder to any such officer or director shall only be effective two business days after the publication date of such announcement. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration or that is to an immediate family member as defined in FINRA Rule 5130(i)(5) and (b) the transferee has agreed in writing to be bound by the same terms described in this letter to the extent and for the duration that such terms remain in effect at the time of the transfer.

In furtherance of the foregoing, the Company, and any duly appointed transfer agent for the registration or transfer of the securities described herein, are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Letter Agreement.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Letter Agreement. All authority herein conferred or agreed to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned.

The undersigned acknowledges and agrees that the Underwriters have not provided any recommendation or investment advice nor have the Underwriters solicited any action from the undersigned with respect to the Public Offering of the Securities and the undersigned has consulted their own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate. The undersigned further acknowledges and agrees that, although the Representatives may be required or choose to provide certain Regulation Best Interest and Form CRS disclosures to you in connection with the Public Offering, the Representatives and the other Underwriters are not making a recommendation to you to participate in the Public Offering, enter into this Letter Agreement, or sell any Shares at the price determined in the Public Offering, and nothing set forth in such disclosures is intended to suggest that the Representatives or any Underwriter is making such a recommendation.

The undersigned understands that, if (i) the Company notifies the Underwriters that it does not intend to proceed with the Public Offering, (ii) the Underwriting Agreement does not become effective by , 20 , or (iii) if the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Common Stock to be sold thereunder, the undersigned shall be released from all obligations under this Letter Agreement. The undersigned understands that the Underwriters are entering into the Underwriting Agreement and proceeding with the Public Offering in reliance upon this Letter Agreement.

This Letter Agreement may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com or www.echosign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

This Letter Agreement and any claim, controversy or dispute arising under or related to this Letter Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Very truly yours,

[NAME OF STOCKHOLDER]

By: _____
Name:
Title:

FOURTH AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF HORNBECK OFFSHORE SERVICES, INC.

Hornbeck Offshore Services, Inc. (the "**Corporation**"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (as the same exists or may hereafter be amended, "**Delaware Law**"),

DOES HEREBY CERTIFY:

FIRST: The current name of the Corporation is Hornbeck Offshore Services, Inc.

SECOND: The name under which the Corporation was originally incorporated is HV Marine Services, Inc. The date of filing of its original certificate of incorporation with the Secretary of State of the State of Delaware was June 2, 1997 (as amended, the "**Original Certificate**").

THIRD: The Original Certificate was amended and restated in its entirety pursuant to the Restated Certificate of Incorporation filed with the Secretary of State of the State of Delaware on December 30, 1997, which was further amended and restated in its entirety pursuant to the Second Restated Certificate of Incorporation filed with the Secretary of State of the State of Delaware on March 5, 2004, which was further amended and restated in its entirety pursuant to the Third Amended and Restated Certificate of Incorporation (the "**Existing Certificate**") filed with the Secretary of State of the State of Delaware on September 4, 2020.

FOURTH: This Fourth Amended and Restated Certificate of Incorporation (this "**Certificate**"), effective as of [•], 2024 (the "**Effective Date**"), amends and restates in their entirety the provisions of the Existing Certificate. Certain capitalized terms used in this Certificate are defined where appropriate herein.

FIFTH: This Certificate, which restates, integrates and further amends the Existing Certificate, was duly adopted by the board of directors (the "**Board**") of the Corporation in accordance with Sections 242 and 245 of Delaware Law and by the written consent of the stockholders of the Corporation in accordance with Section 228 of Delaware Law.

SIXTH: The text of the Existing Certificate as heretofore amended, supplemented or restated is hereby amended, integrated and restated to read as herein set forth in full:

ARTICLE I
NAME

The name of the Corporation is Hornbeck Offshore Services, Inc.

ARTICLE II
TERM

The Corporation shall have perpetual existence.

ARTICLE III
PURPOSE

The purpose for which the Corporation is organized is to engage in any lawful act or activity for which corporations may be organized under Delaware Law.

ARTICLE IV
CAPITALIZATION

4.1 Capitalization. The Corporation has authority to issue up to [•] shares of capital stock, consisting of up to [•] shares of common stock, par value $0.00001 per share (the "**Common Stock**"), and up to [•] shares of preferred stock, par value $0.00001 per share (the "**Preferred Stock**"). The authorized number of shares of any class or series of stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of the stock of the Corporation entitled to vote, and no separate vote of such class or series of stock the authorized number of which is to be increased or decreased shall be necessary to effect such change.

Upon the filing and effectiveness of this Certificate with the Secretary of State of the State of Delaware in accordance with Delaware Law (the "**Effective Time**"), a [•]-for-1 forward stock split for each share of Common Stock outstanding or held in treasury immediately prior to the Effective Time shall automatically and without any action on the part of the holders thereof occur. The par value of the Common Stock shall remain $0.00001 per share. This conversion shall apply to all shares of Common Stock. All certificates representing shares of Common Stock outstanding immediately prior to the Effective Time shall immediately after the Effective Time represent instead the number of shares of Common Stock as provided above. Notwithstanding the foregoing, any holder of Common Stock may (but shall not be required to) surrender his, her or its stock certificate or certificates to the Corporation, and upon such surrender the holder may request that the Corporation issue a certificate for the correct number of shares of Common Stock to which the holder is entitled under the provisions of this Certificate. [No fractional shares of Common Stock shall be issued. Stockholders who would otherwise be entitled to receive fractional shares of Common Stock shall have such fractional shares rounded down to the nearest whole share. Shares of Common Stock that were outstanding prior to the filing of this Certificate, and that are not outstanding after and as a result of the filing of this Certificate, shall resume the status of authorized but unissued shares of Common Stock.][1]

4.2 Preferred Stock.

(a) The Board is hereby expressly authorized, by resolution or resolutions, at any time and from time to time, to provide, out of the unissued shares of Preferred Stock, for one or more series of Preferred Stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, the voting powers (if any) of the shares of such series, and the powers, preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series and to cause to be filed with the Secretary

[1] **Note to Draft**: To be deleted if split ratio is a whole number.

of State of the State of Delaware a certificate of designation with respect thereto. The powers, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding.

(b) Except as otherwise required by law, holders of a series of Preferred Stock, as such, shall be entitled only to such voting rights, if any, as shall expressly be granted thereto by this Certificate (including any certificate of designation relating to such series of Preferred Stock).

4.3 Common Stock.

(a) *Voting*.

(i) Subject to Article XV, and subject to Delaware Law, each holder of Common Stock shall be entitled to one vote for each outstanding share of Common Stock held by such holder at all meetings of stockholders (and written actions in lieu of meetings if and when applicable); provided that any share of capital stock of the Corporation held by the Corporation shall have no voting rights.

(ii) Notwithstanding the foregoing, to the fullest extent permitted by law, holders of Common Stock, as such, shall have no voting power with respect to, and shall not be entitled to vote on, any amendment to this Certificate (including any certificate of designation relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Certificate (including any certificate of designation relating to any series of Preferred Stock) or pursuant to Delaware Law. Except as otherwise provided in this Certificate or required by Applicable Law, the holders of Common Stock shall vote together as a single class (or, if the holders of one or more series of Preferred Stock are entitled to vote together with the holders of Common Stock, as a single class with the holders of such series of Preferred Stock) on all matters submitted to a vote of the stockholders generally.

(b) *Dividends*. Subject to Applicable Law and rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Common Stock with respect to the payment of dividends and other distributions in cash, property of the Corporation or shares of the Corporation's capital stock, the holders of Common Stock will be entitled to receive dividends when, as and if declared by the Board.

(c) *Liquidation, Dissolution or Winding Up*. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation and subject to the rights, if any, of the holders of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Common Stock as to distributions upon dissolution or liquidation or winding up, the holders of all outstanding shares of Common Stock shall be entitled to receive the remaining assets of the Corporation available for distribution ratably in proportion to the number of shares held by each such stockholder.

(d) *Exchange for Jones Act Warrants*. Any holder of Common Stock may, at its election, exercisable by written notice to the Corporation (including in connection with a transfer of such shares), exchange any shares of Common Stock for Jones Act Warrants exercisable for the same number of shares of Common Stock except to the extent such exchange would result in Non-U.S. Citizens beneficially owning, in the aggregate, more than the Permitted Percentage of each class or series of the capital stock of the Corporation. Any holder of Common Stock may exercise such right at any time and from time to time, with respect to all or any portion of its shares of Common Stock and may similarly elect to receive Jones Act Warrants in lieu of shares of Common Stock upon any exercise of any warrants or other securities exercisable or exchangeable for or convertible into shares of Common Stock. Upon receipt of notice of any such election from a holder of Common Stock, the Corporation shall issue or cause to be issued the applicable Jones Act Warrants promptly and in any event within two business days after receipt of such notice (or on such later date as such holder would have been entitled to receive shares of Common Stock upon the exercise of the applicable warrants or other securities exercisable or exchangeable for or convertible into shares of Common Stock).

4.4 Withholding. All actual or constructive payments, dividends and distributions on, or in redemption of, the Common Stock, Preferred Stock, Jones Act Warrants, Anti-Dilution Warrants or Demand Notes, shall be subject to withholding and backup withholding of tax to the extent required by law, and amounts withheld, if any, shall be treated as received by the holders of such Common Stock, Preferred Stock, Jones Act Warrants, Anti-Dilution Warrants or Demand Notes, as the case may be, in respect of which such amounts were withheld. The Corporation shall have the right to take measures necessary to obtain cash to satisfy the Corporation's withholding requirements with respect to any non-cash, deemed or constructive payment, dividend or distribution to the holders, including by retaining, selling or liquidating property of the applicable holders held by the Corporation in its custody or over which it has control. Each holder shall indemnify the Corporation and its Affiliates for, and hold harmless the Corporation and its Affiliates from and against, any and all withholding tax, including penalties and interest, payable by or assessed against the Corporation or any of its Affiliates in respect of the Common Stock, Preferred Stock, Jones Act Warrants, Anti-Dilution Warrants or Demand Notes held by such holder.

ARTICLE V
REGISTERED AGENT

The street address of the registered office of the Corporation in the State of Delaware is 251 Little Falls Drive, Wilmington, New Castle County, Delaware 19808. The name of its registered agent at that address is Corporation Service Company.

ARTICLE VI
MANAGEMENT

6.1 Board.

(a) *Board Representation; Number of Directors.* Subject to the rights granted to any holders of any one or more series of Preferred Stock then outstanding or the rights granted pursuant to the Amended and Restated Securityholders Agreement, by and among the Corporation and the holders listed therein, dated as of [•], 2024 (as it may be amended, supplemented, restated or modified from time to time, the "**Securityholders Agreement**"), the business and affairs of the Corporation shall be managed by or under the direction of the Board, which shall consist of not less than seven nor more than eleven members (such members, each a "**Director**" and together, the "**Directors**"), with the exact number of Directors to be fixed from time to time pursuant to resolutions of the Board. Subject to (i) the rights of any holders of any one or more series of Preferred Stock then outstanding or (ii) the rights granted pursuant to Section 6.1(d)(v), any newly created directorship on the Board that results from an increase in the number of Directors and any vacancy occurring in the Board (whether by death, resignation, retirement, disqualification, removal or other cause) shall be filled by a majority of the Directors then in office, even if less than a quorum, by a sole remaining Director, in each case subject to Jones Act Compliance, or by the stockholders; *provided*, *however*, that after such date (the "**Trigger Date**") as the Appointing Persons cease to collectively beneficially own, in the aggregate, at least thirty five percent (35%) in voting power of the stock of the Corporation entitled to vote generally in the election of Directors, any newly created directorship on the Board that results from an increase in the number of Directors and any vacancy occurring in the Board shall be filled only by a majority of the Directors then in office, even if less than a quorum, or by a sole remaining Director (and not by stockholders), in each case subject to Jones Act Compliance.

(b) In connection with the election of Directors at each annual or special meeting of stockholders of the Corporation at which Directors are to be elected, each Appointing Person shall have the right, but not the obligation, to designate for nomination to the Board a number of designees equal to: (A) with respect to Ares, (x) two Directors, for so long as Ares and its Affiliates collectively beneficially own at least 20% of the Fully Diluted Securities and (y) one Director, in the event Ares and its Affiliates collectively beneficially own less than 20% but at least the Minimum Threshold of Fully Diluted Securities; (B) with respect to Whitebox, one Director, for so long as Whitebox and its Affiliates continue to collectively beneficially own at least the Minimum Threshold of Fully Diluted Securities; and (C) with respect to Highbridge, one Director, for so long as Highbridge and its Affiliates continue to collectively beneficially own at least the Minimum Threshold of Fully Diluted Securities; *provided* that any Appointing Person shall permanently, and despite any later increase in such Appointing Person's and its Affiliates' collective beneficial ownership of Common Stock, no longer be entitled to designate for nomination any Board Designees pursuant to this Section 6.1(b) at such time as such Appointing Person and its Affiliates collectively beneficially own less than the Minimum Threshold of Fully Diluted Securities.

(c) Subject to Section 6.3, the Board shall be constituted as follows:

(i) (A) as of the Effective Date, four Appointing Person Designees consisting of (x) the two initial Appointing Person Designees of Ares, (y) the initial Appointing Person Designee of Whitebox, and (z) the initial Appointing Person Designee of Highbridge, in each case as set forth in the Securityholders Agreement; and (B) following the Effective Date, the Appointing Person Designees entitled to be designated for nomination to the Board by the Appointing Persons pursuant to Section 6.1(b) (subject, as applicable, to their election by the stockholders of the Corporation or their appointment in accordance with this Certificate and the Bylaws of the Corporation (as amended and/or restated from time to time in accordance with the terms thereof and Section 12.2, the "**Bylaws**")); *provided* that, notwithstanding the foregoing, as of the Effective Date and subject to the second to last sentence of Section 6.3, any Director appointed by Ares and Whitebox shall be appointed by Affiliates of Ares and Whitebox that are U.S. Citizens;

(ii) (A) as of the Effective Date, Todd M. Hornbeck; and (B) following the Effective Date, the duly appointed and acting Chief Executive Officer of the Corporation (the "**Chief Executive Officer**") (subject, as applicable, to his or her election by the stockholders of the Corporation or his or her appointment in accordance with this Certificate and the Bylaws) (each individual appointed or designated pursuant to this clause (ii), the "**Management Designee**");

(iii) (A) as of the Effective Date, [two] initial Other Directors; and (B) following the Effective Date, to the extent any seats on the Board remain unfilled after the exercise of the Director Designation Rights set forth above, the individuals nominated by the Board or a duly authorized committee thereof for such additional seats (subject, as applicable, to their election by the stockholders of the Corporation or their appointment in accordance with this Certificate and the Bylaws) (each individual appointed or nominated pursuant to this clause (iii), an "**Other Director**"); and

(iv) the Board shall have a lead independent director (the "**Lead Independent Director**") who shall be designated as of the Effective Date by the Appointing Persons and, thereafter, the Lead Independent Director shall be elected annually by a majority vote of the Board. The Lead Independent Director shall at all times satisfy the qualification criteria set forth in the Board's Lead Independent Director Charter.

(d) *Board Elections; Term; Board Vacancies; Replacements*.

(i) *Board Elections*. With respect to any annual or special meeting of stockholders of the Corporation at which Directors are to be elected, subject to the laws of the State of Delaware (including with respect to fiduciary duties under Delaware law), the Management Designee and, to the extent that Appointing Persons have the right to designate for nomination one or more Appointing Person Designees pursuant to Section 6.1(b) at such annual or special meeting, each Appointing Person Designee (i) will be nominated and recommended by the Board

to be elected as a Director at such annual or special meeting of stockholders and included in the Corporation's slate of nominees to be elected or appointed to the Board of Directors at such annual or special meeting of stockholders, (ii) will be recommended by the Board to the stockholders of the Corporation for a vote in favor of any such Board Designee, (iii) will be included in any proxy or consent solicitation statement of the Corporation or the Board in favor of any nominees for election or appointment to the Board and (iv) without limiting the foregoing, will receive the Corporation's best efforts to cause such nominees who are Board Designees to be elected to the Board, including the Corporation providing at least as high a level of support for the election of such nominees as it provides to any other individual standing for election as a Director.

(ii) *Removals*. Each Appointing Person shall have the right to remove with or without cause any Director who is an employee of such Appointing Person or any of its Affiliates that was designated by such Appointing Person, and the Corporation agrees to take all Necessary Action to facilitate such removal. Any Director who is not an employee of such Appointing Person or any of its Affiliates that is designated by such Appointing Person may not be removed by such Appointing Person during his or her term of office. If the person serving as the Chief Executive Officer is removed, resigns or is otherwise replaced, then such person shall automatically, and without any action by the Board or stockholders of the Corporation, cease to be a Director.

(iii) *Term*. Notwithstanding anything to the contrary in this Certificate, to the extent the right of an Appointing Person to designate a Director for nomination is terminated, then any Director designated by such Appointing Person shall be entitled to continue serving in such capacity for the remainder of such Director's term of office as determined in accordance with Section 4.02 of the Bylaws. For the avoidance of doubt, any such Director may be nominated for re-election as an Other Director at the next annual meeting of stockholders by the Board or the Nominating, Corporate Governance and Sustainability Committee of the Board.

(iv) *Resignations*. A Director may resign at any time from the Board by delivering his or her written resignation to the Board or to the Corporate Secretary of the Corporation. Any such resignation shall be effective upon receipt thereof unless it is specified to be effective at some other time or upon the occurrence of some other event, and unless otherwise specified therein, the acceptance of a resignation shall not be necessary to make it effective.

(v) *Vacancies*. In the event that a vacancy is created on the Board at any time due to the death, disability, retirement, resignation or removal of a Director or for any other reason, then: (A) if such vacancy is in respect of an Appointing Person Designee, the Appointing Person with the right to designate for nomination such Director at such time shall have the exclusive right to designate for nomination an individual to fill such vacancy and the Corporation shall take all Necessary Action to elect or appoint such designee to fill such vacancy on the Board; (B) with respect

to any Other Director vacancy, such vacancy shall be filled in accordance with this Certificate and the Corporation's other Organizational Documents; and (C) if the person serving as Chief Executive Officer ceases to be a Director pursuant to Section 6.1(c)(ii), the Director position on the Board reserved for the Management Designee shall remain vacant until a successor Chief Executive Officer is duly appointed by the Board in accordance with this Certificate and the Corporation's other Organizational Documents, at which time the Corporation shall take all Necessary Action to elect or appoint such successor Chief Executive Officer to fill such vacancy on the Board.

(e) *Board Committees*. Pursuant to Section 4.12 of the Bylaws, the Board may designate one or more committees, each of which shall be entitled to exercise the full powers of the Board with respect to the powers expressly delegated to it and may authorize the seal of the Corporation to be affixed to all papers which may require it. For so long as an Appointing Person is entitled to designate for nomination at least one Appointing Person Designee pursuant to Section 6.1(b), and to the fullest extent permitted by Applicable Law (including with respect to fiduciary duties under Delaware law), the Compensation Committee of the Board and the Nominating, Corporate Governance and Sustainability Committee of the Board shall include at least one Director designated by such Appointing Person (which may, but is not required, to be an Appointing Person Designee of such Appointing Person). Any additional committee members, including the chairpersons of each committee, shall be determined by the Board; *provided*, *however*, that the chairperson of each such committee shall in all events be a U.S. Citizen. The ability of any Director to serve on a committee shall be subject to the Corporation's obligation to comply with the Jones Act and with any applicable listing standards of the New York Stock Exchange (or such other securities exchange or interdealer quotation system on which shares of Common Stock are then listed or quoted), including any applicable independence requirements (subject in each case to any applicable exceptions, including those for newly public companies and any applicable phase-in periods), the Commission and state law (including with respect to fiduciary duties under Delaware law) as determined in good faith by the Board. Subject to the immediately preceding sentence, Directors designated by Appointing Persons to serve on a Board committee shall, subject to any applicable Jones Act requirement and compliance with any applicable listing standards, have the right to remain on such committee until the next election of members of the Board. Unless an Appointing Person notifies the Corporation otherwise prior to the time the Board takes action to change the composition of a Board committee, any Director currently designated by such Appointing Person to serve on a committee shall be presumed to be re-designated for such committee.

6.2 Removal. Subject to the rights granted under the Securityholders Agreement and Section 6.1(d)(ii), any or all of the Directors (other than the Directors elected by the holders of any series of Preferred Stock, voting separately as a series or together with one or more other such series, as the case may be) may be removed at any time either with or without cause by the affirmative vote of a majority in voting power of all outstanding shares of stock of the Corporation entitled to vote thereon, voting as a single class.

6.3 Director and Officer Citizenship. Notwithstanding anything to the contrary in this Certificate, the Bylaws or the Securityholders Agreement, (i) all of the executive Officers of the Corporation, including the Chief Executive Officer, shall be U.S. Citizens, and (ii) the Corporation shall take all Necessary Action (including in the exercise of Director Designation Rights) to cause in all events the Board to be in Jones Act Compliance, including (A) the Chairperson and the Lead Independent Director shall in all events be a U.S. Citizen and (B) no more than a minority of the number of Directors necessary to constitute a quorum of the Board (in order for the Corporation to continue as a U.S. Citizen) (or any committee thereof) shall be Non-U.S. Citizens. Notwithstanding anything to the contrary in this Certificate, any Appointing Person shall be permitted to waive and/or assign (which waiver and/or assignment may be temporary) its rights as an Appointing Person, including its Director Designation Right, to another Appointing Person to the extent necessary or advisable (in each case, as determined by such assigning Appointing Person in its sole discretion). The waiving or assigning Appointing Person shall provide notice of any such waiver or assignment, and any termination or reversion thereof (provided that such notice shall not be a condition to the effectiveness of any such termination or reversion unless so provided in such waiver or assignment), to the Corporation and each other Appointing Person in accordance with Section 5.1 of the Securityholders Agreement.

6.4 Actions Requiring Consent.

(a) For so long as the Appointing Persons who retain Director Designation Rights collectively own at least 30% of the Fully Diluted Securities (the "**Consent Threshold**"), the following actions will require the prior written consent of two Appointing Persons, which must include the written consent of Ares; provided that (x) if an Appointing Person no longer retains Director Designation Rights, such action will not be subject to the consent of such Appointing Person under this Section 6.4, and the Fully Diluted Securities owned by such Appointing Person will be excluded in calculating the Consent Threshold, (y) either Highbridge or Whitebox may waive its rights pursuant to this Section 6.4(a) at any time, in which case such actions will require the consent of each of Ares and whichever of Highbridge and Whitebox has not waived its consent rights, and (z) the rights pursuant to Section 6.4(a)(vi) below shall only be exercisable by Persons comprising such Appointing Person that are U.S. Citizens:

(i) merging or consolidating with or into any other Person, or transferring all or substantially all assets of the Corporation and its Subsidiaries, taken as a whole (whether by merger, consolidation or otherwise), to another entity, or undertaking any transaction that would constitute a Change of Control, other than, in each case, transactions among the Corporation and its wholly-owned Subsidiaries;

(ii) (A) entering into any joint venture, investment (other than an investment in, contract with or acquisition of any securities or assets of any of the Corporation's wholly owned Subsidiaries), recapitalization, reorganization or contract with any other Person (other than a wholly owned Subsidiary) (other than charter agreements consistent with past practice); or (B) the acquisition of any securities or assets of another Person (other than a wholly owned Subsidiary of the Corporation), in the case of any of the transactions set forth in clause (A) or (B), whether in a single transaction or series of related transactions, with a fair market value, or for a purchase price, exceeding the greater of (x) 30% of the consolidated total assets of the Corporation and its Subsidiaries as of the end of the most recently completed fiscal year and (y) $300 million;

(iii) transferring assets of the Corporation or its Subsidiaries in any transaction or series of related transactions (other than any Transfer of assets of the Corporation or any wholly owned Subsidiary of the Corporation to the Corporation or any of the Corporation's wholly owned Subsidiaries), in each case other than: (A) inventory sold in the ordinary course of business; or (B) any Transfer of assets in a single transaction or series of related transactions with a fair market value of less than or equal to the greater of (x) 30% of the consolidated total assets of the Corporation and its Subsidiaries as of the end of the most recently completed fiscal year and (y) $300 million;

(iv) guaranteeing, assuming, incurring or refinancing indebtedness for borrowed money by the Corporation or any of its Subsidiaries (including indebtedness of any other Person existing at the time such other Person merged with or into or became a Subsidiary of, or substantially all of its business and assets were acquired by, the Corporation or such Subsidiary, and indebtedness secured by a lien encumbering any asset acquired by the Corporation or any such Subsidiary) or the pledge of, or granting of a security interest in, any of the assets of the Corporation or any of its Subsidiaries in a single transaction or series of related transactions in an aggregate principal amount that both (A) causes the Corporation's ratio of debt to EBITDA to exceed 3:1 and (B) exceeds $50 million (other than trade indebtedness and accrued expenses incurred in the ordinary course of business by the Corporation and its Subsidiaries);

(v) issuing any Corporation Securities or any Subsidiary Securities other than pursuant to an equity compensation plan approved by the Corporation's stockholders or a majority of the Directors on the Board designated by the Appointing Persons;

(vi) appointing, removing, terminating, hiring or designating the Chief Executive Officer of the Corporation;

(vii) entering into any transactions, agreements, arrangements or payments (including the purchase, sale, lease or exchange of any property, or rendering of any service or modification or amendment of any existing agreement or arrangement) with (A) any of the Appointing Persons; or (B) any other Person who beneficially owns greater than or equal to ten percent (10%) of the Common Stock then outstanding (including such Person's Affiliates), in each case that are material or involve aggregate payments or receipts in excess of $250,000;

(viii) (A) commencing any liquidation, dissolution or voluntary bankruptcy, administration, recapitalization or reorganization of the Corporation or any of its Subsidiaries in any form of transaction; (B) consenting to the entry of an order for relief in any involuntary case; (C) taking the conversion of an involuntary case to a voluntary case; (D) consenting

to the appointment or taking possession by a receiver, trustee or other custodian for all or substantially all of its property; and (E) otherwise seeking the protection of any applicable bankruptcy or insolvency law, other than any such actions with respect to a non-material Subsidiary where, in the good faith judgment of the Board, the maintenance or preservation of such Subsidiary is no longer desirable in the conduct of the business of the Corporation or any of its material Subsidiaries;

(ix) subject to Section 6.1, increasing or decreasing the size of the Board; and

(x) entering into of any agreement to do any of the foregoing.

(b) For so long as any Appointing Person owns any Fully Diluted Securities, each of the following actions shall require the prior written consent of such Appointing Person:

(i) any amendment, waiver or other modification to this Section 6.4(b) or the Securityholders Agreement; and

(ii) any amendment, modification, waiver or repeal (whether by merger, consolidation or otherwise) of any provision of this Certificate or the Bylaws that, in the case of this clause (ii), (A) adversely affects any personal right of such Appointing Person in any material respect or (B) disproportionately and adversely affects such Appointing Person in any material respect.

(c) Any action to be taken or consent or approval to be given by an Appointing Person pursuant to this Certificate shall be deemed taken, consented to or approved upon the affirmative written consent or approval by Securityholders comprising such Appointing Person that beneficially own a majority of the Fully Diluted Securities beneficially owned by such Appointing Person.

(d) Any Appointing Person may exercise the rights, and grant any approval or consent, under this Certificate of the other Securityholders comprising such Appointing Person.

6.5 Observer Rights.

(a) *Appointment*. So long as an Appointing Person owns at least the Minimum Threshold of Fully Diluted Securities, such Appointing Person will be entitled to appoint, remove and replace from time to time one person (each, an "**Observer**") to act as an observer to the Board and each committee thereof exercisable by providing written notice of such appointment, removal or replacement, as the case may be, to the Corporation and the Chairperson in advance of any meeting that such Observer will attend.

(b) *Notice of Meetings and Actions*. The Corporation shall deliver notice of each proposed action of the Board and each committee thereof (including any proposed action by written consent) and each meeting of the Board (including telephonic or teleconferenced meetings) to each Observer previously identified as appointed to attend such meeting concurrently with any notice given to the Directors. By notice given by the Chairperson or the chair of any applicable committee to the Observers, either in advance of or at any meeting, the Board or any committee thereof may meet in executive session without the presence of any Observers.

(c) *Attendance and Materials*. The Corporation agrees to permit each Observer to attend in person or by conference call and participate in all meetings of the Board and each committee thereof and to distribute to each Observer all materials distributed for or at any such meeting (including any meeting agenda or board or committee package) and all other information and materials distributed to Directors, in each case, concurrently with any such information or materials distributed to the Directors. By notice given by the Chairperson or the chair of any applicable committee to the Observers, either in advance of or at any meeting, the Board or any committee thereof may exclude the Observers from receiving any materials to be considered in executive session without the presence of any Observers.

(d) *Voting; Compensation*. No Observer shall be entitled to vote at a meeting of the Board or receive compensation from the Corporation for services as an Observer (other than payment of expenses pursuant to Section 6.5(f)).

(e) *Conditions and Exceptions*. The rights of each Observer and the obligations of the Corporation set forth in this Section 6.5 shall be subject to the following: (i) except for an Observer that is an officer or employee of an Appointing Person or any of its respective Affiliates, prior to attending any meeting each Observer shall have entered into a confidentiality agreement with the Corporation in form and substance acceptable to the Corporation; and (ii) with the approval of the Board, the Corporation may withhold any information from any Observer or exclude any Observer from any meeting or portion thereof, if access to such information or attendance at such meeting would reasonably be expected, based on advice of counsel, (A) to result in the loss of the Corporation's attorney-client privilege, or (B) solely with respect to any Observer that is not an officer or employee of an Appointing Person (or any of its Affiliates), to contain competitively sensitive information; *provided*, that any Observer may be excluded as deemed necessary or appropriate by the Board from all or any portion of any meeting of the Board relating to contracts with the United States of America or any agency or division thereof, or with any branch of the military of the United States of America, or any agency or division thereof, for which a security clearance would be required. Notwithstanding anything to the contrary in this Certificate, no Observer shall have the right to attend executive sessions of the Board or any committee thereof unless authorized by a majority of the Directors that are not Appointing Person Designees or, in the case of an executive session of a committee of the Board, unless authorized by all members of such committee; *provided*, *however*, that if an Observer is permitted to attend an executive session of the Board or a committee thereof, all then-appointed Observers must be authorized to attend such executive session.

(f) *Expenses*. The Corporation shall pay and reimburse each Observer for all reasonable out-of-pocket expenses incurred by such Observer in connection with his or her participation in (or attendance at) meetings of the Board (or committees thereof).

ARTICLE VII
LIABILITY OF DIRECTORS AND OFFICERS

7.1 No Personal Liability. To the fullest extent permitted by Delaware Law, no Director or Officer of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a Director or Officer, as applicable. All references in this Article VII to a Director shall also be deemed to refer to such other Person or Persons, if any, who, pursuant to a provision set forth in this Certificate in accordance with Section 141(a) of Delaware Law, exercise or perform any of the powers or duties otherwise conferred or imposed upon the Board by Delaware Law.

7.2 Amendment or Repeal. Any amendment, repeal or elimination of this Article VII, or the adoption of any provision of this Certificate inconsistent with this Article VII, shall not affect its application with respect to an act or omission by a Director or Officer occurring before such amendment, adoption, repeal or elimination. With respect to any act of omission occurring prior to the Effective Date, this Certificate shall not negatively impact the rights of any Director or Officer under the Existing Certificate, which shall continue to govern.

ARTICLE VIII
INDEMNIFICATION

8.1 Right to Indemnification and Advancement. Each Person who was or is made a party or is threatened to be made a party to or is otherwise involved (including involvement, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative (a "**proceeding**"), by reason of the fact that he or she is or was a Director, advisory director, board observer or officer of the Corporation or, while a Director, advisory director, board observer or officer of the Corporation, is or was serving at the request of the Corporation as a director, advisory director, board observer, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (an "**indemnitee**"), whether the basis of such proceeding is alleged action in an official capacity as a director, advisory director, board observer or officer or in any other capacity while serving as a director, advisory director, board observer or officer, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by Applicable Law, as the same exists or may hereafter be amended, against all expense, liability and loss (including attorneys' fees and related disbursements, judgments, fines, excise taxes or penalties under the Employee Retirement Income Security Act of 1974, as amended from time to time ("**ERISA**"), and any other penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith and such indemnification shall continue as to an indemnitee who has ceased to be a director, advisory director, board observer, officer, employee or agent and shall inure to the benefit of the indemnitee's heirs, executors and administrators; *provided*, *however*, that, except as provided in Section 7.01 of the Bylaws with respect to proceedings to enforce rights to indemnification and advance of expenses (as defined below), the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized in the specific case by the Board. In addition to the right to indemnification conferred herein, an indemnitee shall also have the right, to the fullest extent not prohibited by law, to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final

disposition (an "**advance of expenses**"); *provided*, *however*, that if and to the extent that Delaware Law requires, an advance of expenses shall be made only upon delivery to the Corporation of an undertaking (an "**undertaking**"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses under this Section 8.1 or otherwise. The Corporation may also, by action of the Board, provide indemnification and advancement to employees and agents of the Corporation. Any reference to an officer of the Corporation in this Article VIII shall be deemed to refer exclusively to the Chief Executive Officer, President, Chief Financial Officer, General Counsel, Controller, Treasurer and Corporate Secretary of the Corporation appointed pursuant to Article 5 of the Bylaws, and to any Executive or Senior Vice President, Vice President, Assistant Secretary, Assistant Controller or other officer of the Corporation appointed by the Board pursuant to Article 5 of the Bylaws, and any reference to an officer of any other enterprise shall be deemed to refer exclusively to an officer appointed by the board of directors or equivalent governing body of such other entity pursuant to the certificate of incorporation and bylaws or equivalent organizational documents of such other enterprise. The fact that any Person who is or was an employee of the Corporation or an employee of any other enterprise has been given or has used the title of "Vice President" or any other title that could be construed to suggest or imply that such Person is or may be an officer of the Corporation or of such other enterprise shall not result in such Person being constituted as, or being deemed to be, an officer of the Corporation or of such other enterprise for purposes of this Article VIII unless such Person's appointment to such office was approved by the Board pursuant to Article 5 of the Bylaws.

8.2 Service for Subsidiaries. Any Person serving as a director, advisory director, board observer, officer, partner, member, trustee, administrator, employee or agent of another corporation, partnership, limited liability company, joint venture, trust or other enterprise, at least 50% of whose equity interests are owned by the Corporation (a "subsidiary" for purposes of this Article VIII) shall be conclusively presumed to be serving in such capacity at the request of the Corporation. Any indemnification or advance of expenses under this Article VIII owed by the Corporation as a result of such Person's service shall only be in excess of, and shall be secondary to, the indemnification or advance of expenses available from the applicable subsidiary, if any, and any applicable insurance policies.

8.3 Reliance. Persons who on or after the Effective Date become or remain Directors, advisory directors, board observers or officers of the Corporation or who, while a Director, advisory director, board observer or officer of the Corporation, become or remain a director, advisory director, board observer, officer, employee or agent of a subsidiary, shall be conclusively presumed to have relied on the rights to indemnity, advance of expenses and other rights contained in this Article VIII in entering into or continuing such service. To the fullest extent permitted by law, the rights to indemnification and to the advance of expenses conferred in this Article VIII shall apply to claims made against an indemnitee arising out of acts or omissions which occurred or occur both prior and subsequent to (and on) the Effective Date. Any amendment, alteration or repeal of this Article VIII that adversely affects any right of an indemnitee or its successors shall be prospective only and shall not limit, eliminate, or impair any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

8.4 Non-Exclusivity of Rights; Continuation of Rights of Indemnification. The rights to indemnification and to the advance of expenses conferred in this Article VIII shall not be exclusive of any other right which any Person may have or hereafter acquire under this Certificate or under any statute, by-law, agreement, vote of stockholders or disinterested directors or otherwise. All rights to indemnification under this Article VIII shall be deemed to be a contract between the Corporation and each Director, advisory director, board observer or officer of the Corporation who serves or served in such capacity at any time while this Article VIII is in effect. Any repeal or modification of this Article VIII or repeal or modification of relevant provisions of Delaware Law or any other applicable laws shall not in any way diminish any rights to indemnification and advance of expenses of such Director, advisory director, board observer or officer or the obligations of the Corporation arising hereunder with respect to any proceeding arising out of, or relating to, any actions, transactions or facts occurring prior to the final adoption of such repeal or modification.

8.5 Merger or Consolidation. For purposes of this Article VIII, references to the "Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, advisory directors, board observers, officers and employees or agents, so that any Person who is or was a director, advisory director, board observer, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, advisory director, board observer, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this Article VIII with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

8.6 Savings Clause. To the fullest extent permitted by law, if this Article VIII or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify and advance expenses to each Person entitled to indemnification under Section 8.1 of this Certificate as to all expense, liability and loss (including attorneys' fees and related disbursements, judgments, fines, ERISA excise taxes and penalties and any other penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by such Person and for which indemnification and advance of expenses is available to such person pursuant to this Article VIII to the fullest extent permitted by any applicable portion of this Article VIII that shall not have been invalidated.

ARTICLE IX
CORPORATE OPPORTUNITIES

9.1 Corporate Opportunities. Notwithstanding any duty otherwise existing at law or in equity, to the fullest extent permitted by Applicable Law, the Corporation agrees that:

(a) Any of the Securityholders who are not employed by, or do not serve as a Director of, the Corporation or any of its Subsidiaries, each Director who is employed by an Appointing Person or any of its Affiliates, any of the foregoing Persons' respective Affiliates, and any one or more of the respective managers, directors, principals, officers, employees and other representatives of such Persons or their respective Affiliates (the

foregoing Persons being referred to, collectively, as "**Identified Persons**") may now engage, may continue to engage, or may, in the future, engage in the same or similar activities or lines of business as those in which the Corporation or any of its Affiliates, directly or indirectly, now engage or may engage or other business activities that overlap with, are complementary to, or compete with those in which the Corporation or any of its Affiliates, directly or indirectly, now engage or may engage (any such activity or line of business, an "**Opportunity**"). No Identified Person shall, as a result of its capacity as such, have any duty to refrain, directly or indirectly, from (i) engaging in any Opportunity or (ii) otherwise competing with the Corporation or any of its Affiliates. No Identified Person shall, as a result of its capacity as such, have any duty or obligation to refer or offer to the Corporation or any of its Affiliates any Opportunity except for any Identified Person who is a Director, who shall have the duty to refer or offer to the Corporation any Opportunity that is first presented to such Director in his or her capacity as a Director or if knowledge of such Opportunity is first acquired by such Director solely as a result of such Director's position as a Director, and the Corporation hereby renounces any interest or expectancy of the Corporation in, or in being offered, an opportunity to participate in any other Opportunity which may be a corporate (or analogous) or business opportunity for the Corporation or any of its Affiliates.

(b) In the event that any Identified Person acquires knowledge of a potential transaction or other corporate (or analogous) or business opportunity which may be an Opportunity for the Corporation or any of its Affiliates, such Identified Person shall have no duty to communicate or offer such Opportunity to the Corporation or any of its Affiliates and shall not be liable to the Corporation for breach of any purported fiduciary duty by reason of the fact that such Identified Person pursues or acquires such Opportunity for itself (or any of its Affiliates), or offers or directs such Opportunity to another Person (including any Affiliate of such Identified Person); provided that each Identified Person who is a Director shall have the duty to communicate or offer to the Corporation any Opportunity that is first presented to such Director in his or her capacity as a Director or if knowledge of such Opportunity is first acquired by such Director solely as a result of such Director's position as a Director, and the Corporation does not waive any claims in respect of breaches of fiduciary duty arising therefrom. For the avoidance of doubt, none of the waivers of the corporate opportunities doctrine or related duties set forth in this Section 9.1 shall apply to any Officer, employee or consultant of the Corporation or any of its Subsidiaries.

(c) The Identified Persons may now own, may continue to own, and from time to time may acquire and own, investments in one or more other Persons (such Persons, collectively, "**Related Companies**") that are direct competitors of, or that otherwise may have interests that do or could conflict with those of, the Corporation or any of its Affiliates, and (i) the enjoyment, exercise and enforcement of the rights, interests, privileges, powers and benefits granted or available to the Identified Persons under this Certificate or the Bylaws shall not be in any manner reduced, diminished, affected or impaired, and the obligations of the Identified Persons under this Certificate or the Bylaws shall not be in any manner augmented or increased, by reason of any act, circumstance, occurrence or event arising from or in any respect relating to (A) the ownership by an Identified Person of any interest in any Related Company, (B) the

affiliation of any Related Company with an Identified Person or (C) any action taken or omitted by an Identified Person in respect of any Related Company, (ii) no Identified Person shall, by reason of such ownership, affiliation or action, become subject to any fiduciary duty to the Corporation or any of its Affiliates, (iii) none of the duties imposed on an Identified Person, whether by contract or law, do or shall limit or impair the right of any Identified Person lawfully to compete with the Corporation or any of its Affiliates and (iv) except as set forth in Sections 9.1(a) and 9.1(b), the Identified Persons are not and shall not be obligated to disclose to the Corporation or any of its Subsidiaries or Affiliates any information related to their respective businesses or opportunities, including acquisition opportunities, and shall not be obligated to refrain from or in any respect to be restricted in competing against the Corporation or any of its Affiliates in any such business or as to any such opportunities.

(d) In addition to and notwithstanding the foregoing provisions of this Article IX, a corporate (or analogous) or business opportunity shall not be deemed to be an Opportunity for the Corporation or any of its Affiliates if it is an opportunity (i) that the Corporation is not legally able or contractually permitted to undertake or (ii) which the Board has affirmatively elected to refrain from continued evaluation or pursuing.

Any Person purchasing or otherwise acquiring any interest in any shares of capital stock of the Corporation shall be deemed to have notice of and to have consented to the provisions of this Article IX.

ARTICLE X
MEETINGS OF STOCKHOLDERS

10.1 Consent of Stockholders in Lieu of Meeting. At any time prior to the Trigger Date, any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote, if a written consent or consents, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an Officer or agent of the Corporation having custody of the books in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. At any time following the Trigger Date, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such holders and may not be effected by any consent in writing by such holders; provided, however, that any action required or permitted to be taken by the holders of Preferred Stock, voting separately as a series or separately as a class with one or more other such series, may be taken without a meeting, without prior notice and without a vote, to the extent expressly so provided by the applicable certificate of designation relating to such series of Preferred Stock.

10.2 Special Meetings of the Stockholders. Except as otherwise required by law and subject to the rights of the holders of any series of Preferred Stock, special meetings of the stockholders of the Corporation for any purpose or purposes may be called at any time only by or at the direction of the Board or the Chairperson; *provided*, *however*, that at any time prior to the Trigger Date, special meetings of the stockholders of the Corporation for any purpose or purposes may also be called by or at the direction of the Secretary of the Corporation at the written request of the holders of a majority of the shares of Common Stock then outstanding.

10.3 Annual Meetings of the Stockholders. An annual meeting of stockholders for the election of Directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held at such place, if any, on such date, and at such time as shall be fixed exclusively by resolution of the Board or a duly authorized committee thereof; *provided*, *that* the Board may in its sole discretion determine that any such meeting shall, in addition to or instead of a physical location, be held by means of remote communication (including virtually).

ARTICLE XI
BUSINESS COMBINATIONS

The Corporation shall not be governed by or subject to the provisions of Section 203 of the Delaware General Corporate Law as now in effect or hereafter amended, or any successor statute thereto.

ARTICLE XII
AMENDMENT

12.1 Amendment of Certificate of Incorporation. Notwithstanding anything contained in this Certificate to the contrary, at any time following the Trigger Date, in addition to any vote required by Applicable Law, the following provisions in this Certificate (except to the extent such provisions are applicable only prior to the Trigger Date), including any relevant definitions, as applied to such provisions, may be amended, altered, repealed or rescinded, in whole or in part, or any provision inconsistent therewith or herewith may be adopted, only by the affirmative vote of the holders of at least sixty six and two thirds percent (66 2/3%) in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class: Articles VI (except to the extent applicable to Persons identified as Appointing Persons, once their Director Designation Rights have terminated pursuant to Section 6.1(b)), VII, IX, X, XI, this XII (except to the extent of the prior parenthetical, once all Director Designation Rights have terminated pursuant to Section 6.1(b)), XIV and XV.

12.2 Amendment of Bylaws. Subject, in all respects, to the consent rights and any other limitations set forth in this Certificate, the Board is expressly authorized to make, repeal, alter, amend and rescind, in whole or in part, the Bylaws without the assent or vote of the stockholders in any manner not inconsistent with the laws of the State of Delaware or this Certificate. Notwithstanding anything to the contrary contained in this Certificate or any provision of law that might otherwise permit a lesser vote of the stockholders, in addition to any vote of the holders of any class or series of capital stock of the Corporation required herein (including any certificate of designation relating to any series of Preferred Stock), the Bylaws or Applicable Law, stockholders

of the Corporation may only alter, amend, repeal or rescind, in whole or in part, any provision of the Bylaws or adopt any provision inconsistent therewith with the affirmative vote of the holders of at least (i) at any time prior to the Trigger Date, a majority in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class, and (ii) at any time following the Trigger Date, sixty six and two-thirds percent (66 2/3%) in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class.

ARTICLE XIII
INCORPORATOR

The provision of the Existing Certificate naming the incorporator is omitted pursuant to Section 245(c) of Delaware Law.

ARTICLE XIV
SUBMISSION TO JURISDICTION

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation (including any action or proceeding brought under the Securities Act of 1933, as amended, or the Exchange Act), (ii) any action asserting a claim of breach of fiduciary duty owed by any Director, advisory director, board observer, Officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its Directors, advisory directors, board observers, Officers or employees arising pursuant to any provision of Delaware Law, this Certificate or the Bylaws or (iv) any action asserting a claim against the Corporation, its Directors, advisory directors, board observers, Officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction, in which case a federal district court of the United States of America located in the State of Delaware shall be the exclusive forum.

If any provision or provisions of this Article XIV shall be held to be invalid, illegal or unenforceable as applied to any Person or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article XIV (including, without limitation, each portion of any sentence of this Article XIV containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other Persons and circumstances shall not in any way be affected or impaired thereby.

ARTICLE XV
JONES ACT COMPLIANCE

15.1 Certain Definitions. For the purposes of this Article XV, in addition to the applicable definitions set forth in Article XVI, the following terms shall have the meanings specified below:

(a) "**transfer**" shall mean any transfer of beneficial ownership of shares of the capital stock of the Corporation, including (i) original issuance of shares, (ii) issuance of shares upon the exercise, conversion or exchange of any securities of the Corporation, including Jones Act Warrants, and (iii) transfer by merger, transfer by testamentary disposition, transfer pursuant to a court order or arbitration award, or other transfer by operation of law.

(b) "**transferee**" shall mean any Person receiving beneficial ownership of shares of the capital stock of the Corporation, including any recipient of shares resulting from (i) the original issuance of shares, (ii) the issuance of shares upon the exercise, conversion or exchange of any securities of the Corporation, including Jones Act Warrants, or (iii) transfer by merger, transfer by testamentary disposition, transfer pursuant to a court order or arbitration award, or other transfer by operation of law; all references to "transferees" shall also include, and the provisions of this Article XV (including, without limitation, requirements to provide citizenship certifications, affidavits and other information) shall apply to, any beneficial owner on whose behalf a transferee is acting as custodian, nominee, fiduciary, purchaser representative or in any other capacity.

15.2 Restrictions on Ownership of Shares by Non-U.S. Citizens. Non-U.S. Citizens shall not be permitted to beneficially own, individually or in the aggregate, more than the applicable Permitted Percentage of each class or series of the capital stock of the Corporation. To help ensure that at no time Non-U.S. Citizens, individually or in the aggregate, become the beneficial owners of more than the applicable Permitted Percentage of the issued and outstanding shares of any class or series of capital stock of the Corporation, and to enable the Corporation to comply with any requirement that it be, and submit any documents and other information as reasonable to demonstrate that it is, a U.S. Citizen under any Applicable Law or under any contract with the United States government (or any agency thereof), the Corporation shall have the power to take the actions prescribed in Section 15.3 through 15.8. The provisions of this Article XV are intended to ensure that the Corporation continues to qualify as a U.S. Citizen under the Jones Act so that the Corporation does not cease to be qualified: (a) under the Jones Act to own and operate vessels in the U.S. Coastwise Trade; (b) to operate vessels under an agreement with the United States government (or any agency thereof); (c) to be a party to a maritime security program agreement with the United States government (or any agency thereof), under 46 U.S.C. Chapter 531 or any successor statute thereto, with respect to vessels owned, chartered or operated by the Corporation; (d) to maintain a construction reserve fund under 46 U.S.C. Chapter 533 or any successor statute thereto; (e) to maintain a capital construction fund under 46 U.S.C. Chapter 535 or any successor statute thereto; or (f) to own, charter, or operate any vessel where the costs of construction, modification, or reconstruction have been financed, in whole or in part, by obligations guaranteed by the United States government (or any agency thereof) under 46 U.S.C. Chapter 537 or any successor statute thereto. The Board (or any duly authorized committee thereof, or any Officer of

the Corporation who shall have been duly authorized by the Board or any such committee thereof) is specifically authorized to make all determinations and to adopt and effect all policies and measures necessary or desirable, in accordance with Applicable Law and this Certificate, to fulfill the purposes or implement the provisions of this Article XV; *provided*, *however*, that determinations with respect to redemptions of any Excess Shares (as defined below) shall be made only by the Board (or any duly authorized committee thereof).

15.3 Dual Share System.

(a) To implement the requirements set forth in Section 15.2, the Corporation may, but is not required to, institute a dual share system such that: (i) each certificate and/or book entry (in the case of uncertificated shares) representing shares of each class or series of capital stock of the Corporation that are beneficially owned by a U.S. Citizen shall be marked "U.S. Citizen" and each certificate and/or book entry (in the case of uncertificated shares) representing shares of each class or series of capital stock of the Corporation that are beneficially owned by a Non-U.S. Citizen shall be marked "Non-U.S. Citizen", but with all such certificates and/or book entries (in the case of uncertificated shares) to be identical in all other respects and to comply with all provisions of the laws of the State of Delaware; (ii) an application to transfer shares shall be set forth on the back of each certificate or made available by the Corporation (in the case of book entry shares) in which a proposed transferee of title to shares shall apply to the Corporation to transfer the number of shares indicated therein and shall certify as to the citizenship of such proposed transferee; (iii) a certification shall be submitted by such proposed transferee (which may include as part thereof a form of affidavit), upon which the Corporation and its transfer agent (if any) shall be entitled (but not obligated) to rely conclusively, stating whether such proposed transferee is a U.S. Citizen; and (iv) the stock transfer records of the Corporation may be maintained in such manner as to enable the percentages of the shares of each class or series of the Corporation's capital stock that are beneficially owned by U.S. Citizens and by Non-U.S. Citizens to be confirmed. The Board (or any duly authorized committee thereof, or any Officer of the Corporation who shall have been duly authorized by the Board or any such committee thereof) is authorized to take such other ministerial actions or make such interpretations of this Certificate as it may deem necessary or advisable in order to implement a dual share system consistent with the requirements set forth in Section 15.2 and to ensure compliance with such system and such requirements.

(b) A conspicuous statement shall be set forth on the face or back of each certificate and/or on each book entry (in the case of uncertificated shares) representing shares of each class or series of capital stock of the Corporation to the effect that: (i) such shares and the beneficial ownership thereof are subject to restrictions on transfer set forth in this Certificate; and (ii) the Corporation will furnish, without charge, to each stockholder of the Corporation who so requests a copy of this Certificate.

15.4 Restrictions on Transfers.

(a) No shares of any class or series of the capital stock of the Corporation may be transferred to a Non-U.S. Citizen or a holder of record that will hold such shares for or on behalf of a Non-U.S. Citizen if, upon completion of such transfer, the number of shares of such class or series beneficially owned by Non-U.S. Citizens individually or in the aggregate would exceed the applicable Permitted Percentage for such class or series. Any transfer or purported transfer of beneficial ownership of any shares of any class or series of capital stock of the Corporation, the effect of which would be to cause Non-U.S. Citizens individually or in the aggregate to beneficially own shares of any class or series of capital stock of the Corporation in excess of the applicable Permitted Percentage for such class or series, shall, to the fullest extent permitted by law, be void *ab initio* and ineffective, and, to the extent that the Corporation or its transfer agent (if any) knows that such transfer or purported transfer would, if completed, be in violation of the restrictions on transfers to Non-U.S. Citizens set forth in this Article XV, neither the Corporation nor its transfer agent (if any) shall register such transfer or purported transfer on the stock transfer records of the Corporation and neither the Corporation nor its transfer agent (if any) shall recognize the transferee or purported transferee thereof as a stockholder of the Corporation with respect to such shares for any purpose whatsoever (including for purposes of voting, dividends and other distributions) except to the extent necessary to effect any remedy available to the Corporation under this Article XV. In no event shall any such registration or recognition make such transfer or purported transfer effective unless the Board (or any duly authorized committee thereof, or any Officer of the Corporation who shall have been duly authorized by the Board or any such committee thereof) shall have expressly and specifically authorized the same.

(b) In connection with any proposed or purported transfer of shares of any class or series of the capital stock of the Corporation, any transferee or proposed or purported transferee of shares may be required by the Corporation or its transfer agent (if any) to deliver (i) a certification by such transferee or proposed or purported transferee (which may include as part thereof a form of affidavit) upon which the Corporation and its transfer agent (if any) shall be entitled (but not obligated) to rely conclusively, stating whether such transferee or proposed or purported transferee is a U.S. Citizen, and (ii) such other documentation and information concerning the citizenship of such transferee or proposed or purported transferee (as applicable) under Section 15.8 as the Corporation may request in its sole discretion. Registration and recognition of any transfer of shares may be denied by the Corporation upon refusal to furnish, or failure to adequately so evidence as requested, any of the foregoing citizenship certifications, documentation or information requested by the Corporation. Each proposed or purported transferor of such shares shall reasonably cooperate with any requests from the Corporation to facilitate the transmission of requests for such citizenship certifications and such other documentation and information to the proposed or purported transferee and such proposed or purported transferee's responses thereto.

(c) In the event that any transferee is a Non-U.S. Citizen and fails to disclose that it is a Non-U.S. Citizen at the time that it acquires title to shares of capital stock, (i) the Corporation may in its sole discretion direct its transfer agent to mark such shares "Non-U.S. Citizen" and (ii) irrespective of whether the number of shares of such class or series beneficially owned by Non-U.S. Citizens individually or in the aggregate exceed the applicable Permitted Percentage for such class or series, the Corporation may in its sole discretion treat such shares as Excess Shares until the earlier to occur of (x) the shares are transferred to a U.S. Citizen, (y) the shares are redeemed by the Corporation or (z) twelve months following the next annual meeting of stockholders (unless at such time the Permitted Percentage is exceeded).

(d) Notwithstanding any of the provisions of this Article XV, the Corporation shall be entitled (but not obligated) to rely, without limitation, on the stock transfer and other stockholder records of the Corporation (and its transfer agent, if any) for the purposes of preparing lists of stockholders entitled to vote at meetings, determining the validity and authority of proxies, and otherwise conducting votes of stockholders.

15.5 Excess Shares. If on any date, including, without limitation, any record date (each, an "**Excess Share Date**"), the number of shares of any class or series of capital stock of the Corporation beneficially owned by Non-U.S. Citizens individually or in the aggregate should exceed the applicable Permitted Percentage with respect to such class or series of capital stock, irrespective of the date on which such event becomes known to the Corporation (such shares in excess of the applicable Permitted Percentage of such applicable class or series of capital stock, the applicable "**Excess Shares**"), then the shares of such class or series of capital stock of the Corporation that constitute Excess Shares for purposes of this Article XV shall be (x) those shares that have been purported to be acquired by or purported to become beneficially owned by Non-U.S. Citizens, starting with the most recent purported acquisition of beneficial ownership of such shares by a Non-U.S. Citizen and including, in reverse chronological order of purported acquisition, all other purported acquisitions of beneficial ownership of such shares by Non-U.S. Citizens from and after the purported acquisition of beneficial ownership of such shares by a Non-U.S. Citizen that first caused such applicable Permitted Percentage to be exceeded, or (y) those shares purported to be beneficially owned by Non-U.S. Citizens that exceed the applicable Permitted Percentage as the result of any repurchase or redemption by the Corporation of shares of its capital stock, starting with the most recent purported acquisition of beneficial ownership of such shares by a Non-U.S. Citizen and going in reverse chronological order of purported acquisition; *provided*, *however*, that: (a) the Corporation shall have the sole power to determine, in the exercise of its reasonable judgment, those shares of such class or series that constitute Excess Shares in accordance with the provisions of this Article XV; (b) the Corporation may, in its reasonable discretion, rely on any documentation provided by Non-U.S. Citizens with respect to the date and time of their purported acquisition of beneficial ownership of Excess Shares; (c) if the purported acquisition of beneficial ownership of more than one Excess Share occurs on the same date and the time of purported acquisition is not definitively established, then the order in which such purported acquisitions shall be deemed to have occurred on such date shall be determined by lot or by such other method as the Corporation may, in its reasonable discretion, deem appropriate; (d) Excess Shares that result from a determination that a beneficial owner has ceased to be a U.S. Citizen shall be deemed to have been acquired, for purposes of this Article XV, as of the date that such beneficial owner ceased to be a U.S. Citizen; and (e) the Corporation may adjust upward to the nearest whole share the number of shares of such class or series deemed to be Excess Shares. Any determination made by the Corporation pursuant to this Section 15.5 as to which shares of any class or series of the Corporation's capital stock constitute Excess Shares of such class or series shall be conclusive and shall be deemed effective as of the applicable Excess Share Date for such class or series.

15.6 Redemption.

(a) In the event that (i) Section 15.4(a) would not be effective for any reason to prevent the transfer of beneficial ownership of any Excess Share of any class or series of the capital stock of the Corporation to a Non-U.S. Citizen (including by reason of the applicability of Section 15.9), (ii) a change in the status of a Person from a U.S. Citizen to a Non-U.S. Citizen causes a share of any class or series of capital stock of the Corporation of which such Person is the beneficial owner to constitute an Excess Share, (iii) any repurchase or redemption by the Corporation of shares of its capital stock causes any share of any class or series of capital stock of the Corporation beneficially owned by Non-U.S. Citizens individually or in the aggregate to exceed the applicable Permitted Percentage and thereby constitute an Excess Share, or (iv) a beneficial owner of a share of any class or series of capital stock of the Corporation has been determined to be or is to be treated as a Non-U.S. Citizen pursuant to Section 15.7 or 15.8, respectively, and the beneficial ownership of such share by such Non-U.S. Citizen results in such share constituting an Excess Share, then, the Corporation, by action of the Board (or any duly authorized committee thereof), in its sole discretion, shall have the power to redeem such Excess Share in accordance with this Section 15.6, unless the Corporation does not have sufficient lawfully available funds to permit such redemption or such redemption is not otherwise permitted under Delaware Law or other provisions of Applicable Law; *provided*, *however*, that the Corporation shall not have any obligation under this Section 15.6 to redeem any one or more Excess Shares.

(b) Until such time as any Excess Shares subject to redemption by the Corporation pursuant to this Section 15.6 are so redeemed by the Corporation at its option and beginning on the first Excess Share Date for the classes or series of the Corporation's capital stock of which such Excess Shares are a part, to the fullest extent permitted by Applicable Law:

(i) the holders of such Excess Shares subject to redemption shall (so long as such Excess Shares exist) not be entitled to any voting rights with respect to such Excess Shares; and

(ii) the Corporation shall (so long as such Excess Shares exist) pay into a segregated account dividends and any other distributions (upon liquidation or otherwise) in respect of such Excess Shares.

Full voting rights shall be restored to any shares of a class or series of capital stock of the Corporation that were previously deemed to be Excess Shares, and any dividends or distributions with respect thereto that have been previously paid into a segregated account shall be due and paid solely to the holders of record of such shares, promptly after such time as, and to the extent that, such shares have ceased to be Excess Shares (including as a result of the sale of such shares to a U.S. Citizen prior to the issuance of a Redemption Notice pursuant to Section 15.6(c)(iii)), *provided*, *however*, that such shares have not been already redeemed by the Corporation at its option pursuant to this Section 15.6.

(c) The terms and conditions of redemptions by the Corporation of Excess Shares of any class or series of the Corporation's capital stock under this Section 15.6 shall be as follows:

(i) the per share redemption price (the "**Redemption Price**") for each Excess Share shall be paid by the issuance of one Jones Act Warrant (or such higher number of Jones Act Warrants or a fraction of an Jones Act Warrant, as the case may be, then exercisable for one share of such applicable class or series of Excess Shares) for each Excess Share; provided, however, that if the Corporation determines that such Jones Act Warrant would be treated as capital stock under the Jones Act or that the Corporation may not issue such Jones Act Warrant for any reason, then the Redemption Price shall be paid, as determined by the Board (or any duly authorized committee thereof) in its sole discretion, (A) in cash (by wire transfer or bank or cashier's check), (B) by the issuance of Redemption Notes or (C) by any combination of cash and Redemption Notes (it being understood that all Excess Shares of the same class or series of capital stock of the Corporation being redeemed in the same transaction or any series of related transactions shall be redeemed for the same amount per Excess Share and in the same form of consideration);

(ii) with respect to the portion of the Redemption Price being paid in whole or in part by cash and/or by the issuance of Redemption Notes, such portion of the Redemption Price shall be an amount equal to, in the case of cash, or a principal amount equal to, in the case of Redemption Notes, the sum of (A) the Fair Market Value of such Excess Share as of the date of redemption of such Excess Share plus (B) an amount equal to the amount of any dividend or any other distribution (upon liquidation or otherwise) declared in respect of record of such Excess Share prior to the date on which such Excess Share is called for redemption and which amount has been paid into a segregated account by the Corporation pursuant to Section 15.6(b) (which shall be in full satisfaction of any right of the holder to any amount(s) in such segregated account to the extent relating to such Excess Share);

(iii) written notice of the redemption of the Excess Shares containing the information set forth in Section 15.6(c)(v), together with a letter of transmittal to accompany certificates, if any, representing the Excess Shares that have been called for redemption, shall be given either by hand delivery or by overnight courier service or by first-class mail, postage prepaid, to each holder of record of the Excess Shares to be redeemed, at such holder's last known address as the same appears on the stock register of the Corporation (the "**Redemption Notice**"), unless such notice is waived in writing by any such holder(s);

(iv) the date on which the Excess Shares shall be redeemed (the "**Redemption Date**") shall be the later of (A) the date specified in the Redemption Notice sent to the record holder of the Excess Shares (which shall not be earlier than the date of such notice), and (B) the date on which the Corporation has irrevocably deposited in trust with a paying agent or set aside for the benefit of such record holder consideration sufficient to pay the Redemption Price to such record holders of such Excess Shares in Jones Act Warrants, cash and/or Redemption Notes;

(v) each Redemption Notice to each holder of record of the Excess Shares to be redeemed shall specify (A) the Redemption Date (as determined pursuant to Section 15.6(c)(iv)), (B) the number and the class or series of shares of capital stock to be redeemed from such holder as Excess Shares (and, to the extent such Excess Shares are certificated, the certificate number(s) representing such Excess Shares), (C) the Redemption Price and the manner of payment thereof, (D) the place where certificates for such Excess Shares (if such Excess Shares are certificated) are to be surrendered for cancellation, (E) any instructions as to the endorsement or assignment for transfer of such certificates (if any) and the completion of the accompanying letter of transmittal, and (F) the fact that all right, title and interest in respect of the Excess Shares to be redeemed (including, without limitation, voting, dividend and distribution rights) shall cease and terminate on the Redemption Date, except for the right to receive the Redemption Price, without interest;

(vi) on and after the Redemption Date, all right, title and interest in respect of the Excess Shares selected for redemption (including, without limitation, voting and dividend and distribution rights) shall forthwith cease and terminate, such Excess Shares shall no longer be deemed to be outstanding shares for any purpose, including, without limitation, for purposes of voting or determining the total number of shares entitled to vote on any matter properly brought before the stockholders for a vote thereon or receiving any dividends or distributions (and may be either cancelled or held by the Corporation as treasury stock), and the holders of record of such Excess Shares shall thereafter be entitled only to receive the Redemption Price, without interest; and

(vii) upon surrender of the certificates (if any) for any Excess Shares so redeemed in accordance with the requirements of the Redemption Notice and the accompanying letter of transmittal (and otherwise in proper form for transfer as specified in the Redemption Notice), the holder of record of such Excess Shares shall be entitled to payment of the Redemption Price. In case fewer than all the shares represented by any such certificate are redeemed, a new certificate (or certificates), to the extent such shares were certificated, shall be issued representing the shares not redeemed, without cost to the holder of record. On the Redemption Date, to the extent that dividends or other distributions (upon liquidation or otherwise) with respect to the Excess Shares selected for redemption were paid into a segregated account in accordance with Section 15.6(b)(ii), then, to the fullest extent permitted by Applicable Law, such amounts shall be released to the Corporation upon the completion of such redemption.

(d) Nothing in this Section 15.6 shall prevent the recipient of a Redemption Notice from transferring its Common Stock before the Redemption Date if such transfer is otherwise permitted under this Certificate and Applicable Law and the recipient provides notice of such proposed or purported transfer to the Corporation along with the documentation and information required under Sections 15.4(b) and 15.8 establishing that the proposed or purported transferee is a U.S. Citizen to the satisfaction of the Corporation in its reasonable discretion before the Redemption Date. If such conditions are met, the Board (or any duly authorized committee thereof) shall withdraw the Redemption Notice related to such shares, but otherwise the redemption thereof shall proceed on the Redemption Date in accordance with this Section 15.6 and the Redemption Notice.

15.7 Citizenship Determinations. The Corporation shall have the power to determine, in the exercise of its reasonable judgment including, at its option, with the advice of counsel, the citizenship of the beneficial owners and the transferees or proposed or purported transferees of any class or series of the Corporation's capital stock for the purposes of this Article XV. In determining the citizenship of any beneficial owners or their transferees or proposed or purported transferees of any class or series of the Corporation's capital stock, the Corporation may, absent other available information to the contrary, rely on the stock transfer records of the Corporation and the citizenship certifications required under Section 15.4(b) and the written statements and affidavits required under Section 15.8 given by the beneficial owners or their transferees or proposed or purported transferees, in each case whether such certifications, written statements or affidavits have been given on their own behalf or on behalf of others, to prove the citizenship of such beneficial owners, transferees or proposed or purported transferees (or any beneficial owners for whom such transferees or proposed or purported transferees are acting as fiduciaries or nominees). The determination of the citizenship of such beneficial owners, transferees or proposed or purported transferees (and any beneficial owners for whom such transferees or proposed or purported transferees are acting as fiduciaries or nominees) may also be subject to documents and other information as the Corporation may deem reasonable pursuant to Section 15.8(b). The determination of the Corporation at any time as to the citizenship of such beneficial owners, transferees or proposed or purported transferees in accordance with the provisions of Article XV shall be conclusive.

15.8 Requirement to Provide Citizenship Information.

(a) In furtherance of the requirements of Section 15.2, and without limiting any other provision of this Article XV, the Corporation may require the beneficial owners of shares of any class or series of the Corporation's capital stock to confirm their citizenship status from time to time in accordance with the provisions of this Section 15.8, and, as a condition to acquiring and having beneficial ownership of shares of any class or series of capital stock of the Corporation, every beneficial owner of any such shares must comply with the following provisions:

(i) promptly upon a beneficial owner's acquisition of beneficial ownership of five (5%) percent or more of the outstanding shares of any class or series of capital stock of the Corporation, and at such other times as the Corporation may determine by written notice to such beneficial owner, such beneficial owner must provide to the Corporation a written statement or an affidavit, as specified by the Corporation, duly signed, stating the name and address of such beneficial owner, the number of shares of each class or series of capital stock of the Corporation beneficially owned by such beneficial owner as of a recent date, the legal structure of such beneficial owner, a statement as to whether such beneficial owner is a U.S. Citizen, and such other information and documents required by the U.S. Coast Guard or the U.S. Maritime Administration under the Jones Act, including 46 C.F.R. part 355;

(ii) promptly upon request by the Corporation, any beneficial owner must provide to the Corporation a written statement or an affidavit, as specified by the Corporation, duly signed, stating the name and address of such beneficial owner, the number of shares of each class or series of capital stock of the Corporation beneficially owned by such beneficial owner as of a recent date, the legal structure of such beneficial owner, a statement as to whether such beneficial owner is a U.S. Citizen, and such other information and documents required by the U.S. Coast Guard or the U.S. Maritime Administration under the Jones Act, including 46 C.F.R. part 355;

(iii) promptly upon request by the Corporation, any beneficial owner must provide to the Corporation a written statement or an affidavit, as specified by the Corporation, duly signed, stating the name and address of such beneficial owner, together with reasonable documentation of the date and time of such beneficial owner's acquisition of beneficial ownership of the shares of any class or series of capital stock of the Corporation specified by the Corporation in its request;

(iv) promptly after becoming a beneficial owner, every beneficial owner must provide, or authorize such beneficial owner's broker, dealer, custodian, depositary, nominee or similar agent with respect to the shares of each class or series of the Corporation's capital stock beneficially owned by such beneficial owner to provide, to the Corporation such beneficial owner's address and other contact information as may be requested by the Corporation; and

(v) every beneficial owner must provide to the Corporation, at any time such beneficial owner ceases to be a U.S. Citizen, as promptly as practicable but in no event less than five business days after the date such beneficial owner becomes aware that it has ceased to be a U.S. Citizen, a written statement, duly signed, stating the name and address of the beneficial owner, the number of shares of each class or series of capital stock of the Corporation beneficially owned by such beneficial owner as of a recent date, the legal structure of such beneficial owner, and a statement as to such change in status of such beneficial owner to a Non-U.S. Citizen.

(b) The Corporation may at any time require documents and other information as it may request as reasonable, in addition to the citizenship certifications required under Section 15.4(b) and the written statements and affidavits required under Section 15.8(a), of the citizenship of the beneficial owner or the transferee or proposed or purported transferee of shares of any class or series of the Corporation's capital stock.

(c) In the event that (i) the Corporation requests in writing (in which express reference is made to this Section 15.8) from a beneficial owner of shares of any class or series of the Corporation's capital stock a citizenship certification required under Section 15.4(b), a written statement, an affidavit and/or reasonable documentation required under Section 15.8(a) as reasonable to confirm citizenship required under Section 15.8(b), and (ii) such beneficial owner fails to provide the Corporation with the requested documentation by the date set forth in such written request, then, to the fullest extent

permitted by Applicable Law: (A)(x) the voting rights of such beneficial owner's shares of the Corporation's capital stock shall be suspended, and (y) any dividends or other distributions (upon liquidation or otherwise) with respect to such shares shall be paid into a segregated account, until such requested documentation is submitted in form and substance reasonably satisfactory to the Corporation, subject to the other provisions of this Article XV; provided, however, that the Corporation shall have the power, in its sole discretion, to extend the date by which such requested documentation must be provided and/or to waive the application of sub-clauses (x) and/or (y) of this clause (ii)(A) to any of the shares of such beneficial owner in any particular instance; and (B) the Corporation, upon approval by the Board (or any duly authorized committee thereof) in its sole discretion, shall have the power to treat such beneficial owner as a Non-U.S. Citizen unless and until the Corporation receives the requested documentation confirming that such beneficial owner is a U.S. Citizen.

(d) In the event that (i) the Corporation requests in writing (in which express reference is made to this Section 15.8) from the transferee or proposed or purported transferee of, shares of any class or series of the Corporation's capital stock a citizenship certification required under Section 15.4(b), a written statement, an affidavit and/or reasonable documentation required under Section 15.8(a) or under Section 15.8(b), and (ii) such Person fails to submit the requested documentation in form and substance reasonably satisfactory to the Corporation, subject to the other provisions of this Article XV, by the date set forth in such written request, the Corporation, acting through its Board (or any duly authorized committee thereof, or any Officer of the Corporation who shall have been duly authorized by the Board or any such committee thereof), shall have the power, in its sole discretion, to refuse to accept any application to transfer ownership of such shares (if any) or to register such shares on the stock transfer records of the Corporation and may prohibit and/or void such transfer, including by placing a stop order with the Corporation's transfer agent (if any), until such requested documentation is so submitted and the Corporation is satisfied that the proposed or purported transfer of shares will not result in Excess Shares.

15.9 Severability. Each provision of this Article XV is intended to be severable from every other provision. If any one or more of the provisions contained in this Article XV is held to be invalid, illegal or unenforceable, the validity, legality or enforceability of any other provision of this Article XV shall not be affected, and this Article XV shall be construed as if the provisions held to be invalid, illegal or unenforceable had never been contained herein.

ARTICLE XVI
ADDITIONAL DEFINED TERMS

16.1 Except as otherwise set forth in this Certificate, the following terms used in this Certificate shall have the meanings specified below:

(a) "**Affiliate**" of any specified Person means (i) each other Person who, directly or indirectly, controls, is controlled by or is under common control with such specified Person and (ii) each Affiliated Fund of such specified Person, and the term "control" (including the terms "controlled", "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the

direction of the management and policies of such Person, whether through ownership of voting securities, by contract (including proxy) or otherwise; provided, however, that no Securityholder shall be deemed an Affiliate of any other Securityholder and no Securityholder shall be deemed an Affiliate of the Corporation (or vice versa), in each case solely on account of ownership of Corporation Securities or being party to the Securityholders Agreement.

(b) "**Affiliated Fund**" means, with respect to any Person, a fund, investment vehicle, managed account (including separately managed accounts) or other entity now or hereafter existing that is directly or indirectly controlled, managed, advised or sub-advised by (i) such Person, (ii) such Person's or any of such Person's Affiliates' investment manager, advisor or subadvisor or (iii) an Affiliate of (x) such Person or (y) such Person's or any of such Person's Affiliates' investment manager, advisor or subadvisor (in each case, excluding, except for the purpose of calculating beneficial ownership of Fully Diluted Securities, any portfolio company of such Person).

(c) "**Anti-Dilution Warrant**" means a warrant to purchase a Demand Note issued pursuant to and in accordance with the Jones Act Warrant Agreement to the holders of Jones Act Warrants, which warrant shall have the terms set forth in and as governed by the Anti-Dilution Warrant Agreement.

(d) "**Anti-Dilution Warrant Agreement**" means that certain Jones Act Anti-Dilution Warrant Agreement entered into as of September 4, 2020, between the Corporation and Computershare, Inc. and Computershare Trust Company, N.A., collectively as warrant agent, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

(e) "**Applicable Law**" means all applicable provisions of (i) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations or orders of any Governmental Authority; (ii) any consents or approvals of any Governmental Authority; and (iii) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority.

(f) "**Appointing Person**" means each of (i) Ares, (ii) Whitebox and (iii) Highbridge, in each case until such Appointing Person no longer retains Director Designation Rights pursuant to Section 6.1(b); provided, that, except in the case of a Non-U.S. Appointing Person, the Director Designation Rights exercisable by an Appointing Person shall only be exercisable by Persons comprising such Appointing Person that are U.S. Citizens.

(g) "**Appointing Person Designee**" means (i) as of the Effective Date, the persons identified as initial Appointing Person Designees in the Securityholders Agreement and (ii) following the Effective Date, any Director designated for nomination pursuant to Section 6.1(b) or appointed to fill a vacancy by an Appointing Person as provided in Section 6.1(d)(v).

(h) "**Ares**" has the meaning specified in the Securityholders Agreement as in effect on the Effective Date.

(i) "**Board Designees**" means, collectively, the Management Designee and the Appointing Person Designees.

(j) "**Chairperson**" means the chair of the Board.

(k) "**Change of Control**" shall be deemed to have occurred, with respect to any Person, at any time after the date hereof if any of the following occurs:

(i) the consummation of any transaction (other than any transaction described in clause (ii) below, whether or not the proviso therein applies) the result of which is that a "person" or "group" (within the meaning of Section 13(d) of the Exchange Act), has become the direct or indirect beneficial owner of more than fifty percent (50.0%) of the Voting Stock (it being understood and agreed that in no event shall the Securityholders be deemed to be a "group" within the meaning of Section 13(d) of the Exchange Act solely by reason of ownership of Equity Securities of the Corporation or the entry by the Securityholders into the Securityholders Agreement); or

(ii) the consummation of (A) any recapitalization, reclassification or change of any capital stock of such Person (other than a change in par value, or from par value to no par value, or from no par value to par value, or changes resulting from a subdivision or combination), as a result of which the capital stock of such Person would be converted into, or exchanged for, stock, other securities or other property or assets (including cash or any combination thereof); (B) any consolidation, merger or other combination of such Person or binding share exchange pursuant to which the capital stock of such Person would be converted into, or exchanged for, stock, other securities or other property or assets (including cash or any combination thereof); or (C) any sale, lease or other transfer or disposition in one transaction or a series of transactions of all or substantially all of the consolidated assets of such Person and its Subsidiaries, taken as a whole, to any other Person other than one or more of such Person's wholly-owned Subsidiaries; provided, however, that (x) none of the transactions described in clauses (A) or (B) shall constitute a "Change of Control" if the holders of the Voting Stock of such Person immediately prior to such transaction continue to own at least, directly or indirectly, more than fifty percent (50.0%) of the voting power of the equity of the surviving corporation or transferee, or the parent thereof, immediately after such event and (y) none of the transactions described in clauses (A), (B) or (C) shall constitute a "Change of Control" if such transaction is effected solely to change such Person's jurisdiction of formation or to form a holding company for such Person and that results in a share exchange or reclassification or similar exchange of the outstanding Voting Stock of such Person solely into voting equity of the surviving entity.

(l) "**Commission**" means the United States Securities and Exchange Commission.

(m) "**Common Stock Equivalents**" means, without duplication, Common Stock and any warrants (including the Creditor Warrants and Jones Act Warrants), options, securities or other rights exercisable for or convertible or exchangeable into, directly or indirectly, Common Stock, whether exercisable, convertible or exchangeable at the time of issuance or upon the passage of time or the occurrence of some future event, including, for greater clarity, restricted stock units, performance stock units or any substantially similar award, whether or not settled in Common Stock or a Common Stock Equivalent, if the value of such award is derived from or measured in part or in full from the value of the Common Stock or a Common Stock Equivalent.

(n) "**Corporation Securities**" means (i) the Common Stock, (ii) the Warrants, (iii) all other Common Stock Equivalents and Equity Securities of the Corporation and (iv) all securities, bonds, notes, guarantees, indebtedness, options or other rights or instruments exercisable or exchangeable for or convertible into any of the foregoing. As of the Effective Date, the Corporation Securities consist solely of (A) the Common Stock and Warrants and (B) awards under the MIP and the Equity Incentive Plan.

(o) "**Creditor Warrant Agreement**" means the Creditor Warrant Agreement, dated as of September 4, 2020, between the Corporation and Computershare, Inc. and Computershare Trust Company, N.A., collectively as warrant agent, with respect to the Creditor Warrants, as further amended, restated, amended and restated, supplemented or otherwise modified from time to time.

(p) "**Creditor Warrants**" means warrants to purchase a number of shares of Common Stock, which warrants shall have the terms set forth in and as governed by the Creditor Warrant Agreement.

(q) "**Demand Note**" means a non-interest-bearing demand note issuable in connection with the exercise of an Anti-Dilution Warrant pursuant to the terms of the Anti-Dilution Warrant Agreement.

(r) "**Director Designation Right**" means the right of an Appointing Person to designate a Director for nomination by the Corporation for election to the Board pursuant to Section 6.1(b) of this Certificate.

(s) "**EBITDA**" means earnings (net income or loss) before interest, income taxes, depreciation and amortization.

(t) "**Equity Incentive Plan**" means the Hornbeck Offshore Services, Inc. 2024 Equity Incentive Plan adopted as of [•], 2024, as amended, restated, amended and restated, waived, supplemented or otherwise modified from time to time in accordance with its terms, and any other equity incentive plan approved by the Board pursuant to which Common Stock, Common Stock Equivalents, or any other Corporation Security may be issued to employees, consultants, Officers and/or Directors of the Corporation and its Subsidiaries as incentive compensation.

(u) "**Equity Interest**" in any Person means all of the units, membership interests, partnership interests, trusts interests or shares of capital stock of, or other ownership or profit interests in, such Person.

(v) "**Equity Security**" means with respect to any Person, (i) any of the Equity Interests of such Person, (ii) any of the options, warrants or other rights for the purchase or acquisition from such Person of Equity Interests of such Person, and (iii) any security, bond, note, guarantee, indebtedness, option or other right or instrument exercisable or exchangeable for or convertible into any of the foregoing.

(w) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated by the Commission thereunder.

(x) "**Fair Market Value**" shall mean, with respect to a share of Common Stock, (i) at any time the Common Stock is listed or quoted for trading on the New York Stock Exchange, the NYSE American, the NASDAQ Global Select Market, the NASDAQ Global Market, the NASDAQ Capital Market, OTC Bulletin Board or any other national securities exchange, the arithmetic average of the daily VWAP of a share of Common Stock for the ten (10) consecutive trading days on which shares of Common Stock traded immediately preceding the date of measurement; or (ii) otherwise, the value of a share of Common Stock as reasonably determined in good faith by the Board assuming such asset was sold in an arm's-length transaction between a willing buyer and a willing seller occurring on the date of valuation, taking into account all relevant factors determinative of value (and giving effect to any transfer taxes payable in connection with such sale). For all purposes hereunder, the determination of the Fair Market Value by the Board (or compensation committee or similar committee of the Board) shall be deemed conclusive, final and binding (and shall not be subject to collateral attack for any reason).

(y) "**Fully Diluted Securities**" means the aggregate number of issued and outstanding shares of Common Stock after giving effect to a hypothetical exercise of all of the issued and outstanding Jones Act Warrants (and not, for the avoidance of doubt, the Creditor Warrants) into shares of Common Stock, without regard to whether such Jones Act Warrants are then exercisable in accordance with their respective terms or the terms of the Organizational Documents (but disregarding and without giving effect to the issuance, conversion or exercise, as applicable, of any Common Stock, Common Stock Equivalent or other Equity Security of the Corporation issued or issuable pursuant to the MIP or the Equity Incentive Plan). References to the Fully Diluted Securities beneficially owned by any Securityholder shall be to the aggregate number of issued and outstanding shares of Common Stock beneficially owned by such Securityholder and, without duplication, its Affiliates, after giving effect to such hypothetical exercise.

(z) "**Governmental Authority**" means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, including the U.S. Coast Guard, and the U.S. Maritime Administration, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of law), or any arbitrator, court or tribunal of competent jurisdiction.

(aa) "**Highbridge**" has the meaning specified in the Securityholders Agreement as in effect on the Effective Date.

(bb) "**Joinder Agreement**" means an agreement in the form of Exhibit A to the Securityholders Agreement executed from time to time by any Permitted Transferee who acquires any Corporation Security after the date hereof who is not already a party to the Securityholders Agreement.

(cc) "**Jones Act**" shall mean, collectively, the U.S. citizenship and cabotage laws principally contained in 46 U.S.C. § 50501(a), (b) and (d) and 46 U.S.C. Chapters 121 and 551 and any successor statutes thereto, together with the rules and regulations promulgated thereunder by the U.S. Coast Guard and the U.S. Maritime Administration and their practices enforcing, administering and interpreting such laws, statutes, rules and regulations, in each case as amended or supplemented from time to time, relating to the ownership and operation of U.S.-flag vessels (each, a "**U.S. Vessel**") for the carriage or transport of merchandise or passengers in the coastwise trade of the United States of America within the meaning of 46 U.S.C. Chapter 551 and any successor thereto as amended or supplemented from time to time ("**U.S. Coastwise Trade**").

(dd) "**Jones Act Compliance**" means compliance by the Corporation with the U.S. citizenship requirements of the Jones Act to be eligible to own and operate U.S. Vessels in U.S. Coastwise Trade or to obtain a coastwise endorsement.

(ee) "**Jones Act Warrant Agreement**" means the warrant agreement, dated September 4, 2020, between the Corporation and Computershare, Inc. and Computershare Trust Company, N.A., collectively as warrant agent, as amended by Amendment No. 1 to Jones Act Warrant Agreement, dated as of December 31, 2020, and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time.

(ff) "**Jones Act Warrants**" means warrants to purchase a number of shares of Common Stock, which warrants shall have the terms set forth in and as governed by the Jones Act Warrant Agreement. In accordance with the terms of the Jones Act Warrant Agreement, a holder of Jones Act Warrants (or its proposed or purported transferee) who cannot establish to the satisfaction of the Corporation that it is a U.S. Citizen shall not be permitted to exercise its Jones Act Warrants to the extent the receipt of the Common Stock upon exercise thereof would cause such shares of Common Stock to constitute Excess Shares if they were issued. Holders of Jones Act Warrants, as such, shall not have any rights or privileges of stockholders of the Corporation, including, without limitation, any rights to vote, to receive dividends or distributions, to exercise any preemptive rights, or to receive notices, in each case, as stockholders of the Corporation, until they exercise their Jones Act Warrants and receive shares of Common Stock.

(gg) "**Minimum Threshold**" means, (i) prior to the first anniversary of the Effective Date, 5% of the Fully Diluted Securities and (ii) on or after the first anniversary of the Effective Date, 10% of the Fully Diluted Securities.

(hh) "**MIP**" means the Hornbeck Offshore Services, Inc. Management Equity Incentive Plan adopted on September 4, 2020, as amended, restated, amended and restated, waived, supplemented or otherwise modified from time to time in accordance with its terms, and any other equity incentive plan approved by the Board pursuant to which Common Stock, Common Stock Equivalents, or any other Corporation Security may be issued to employees, consultants, Officers and/or Directors of the Corporation and its Subsidiaries as incentive compensation.

(ii) "**Necessary Action**" means all actions (to the extent such actions are not prohibited by Applicable Law and are within the Corporation's control, and in the case of any action that requires a vote or other action on the part of the Board to the extent such action is consistent with fiduciary duties that the Corporation's Directors may have in such capacity) necessary to cause such result, including (a) calling meetings of stockholders, (b) assisting in preparing or furnishing forms of ballots, proxies, consents or similar instruments, if applicable, in each case, with respect to shares of Common Stock, and facilitating the collection or processing of such ballots, proxies, consents or instruments, (c) executing agreements and instruments, (d) making, or causing to be made, with any government, governmental department or agency, or political subdivision thereof, all filings, registrations, or similar actions that are required to achieve such result, (e) nominating or appointing, or taking steps to cause the nomination or appointment of, certain Persons (including to fill vacancies) and providing the highest level of support for the election or appointment of such Persons to the Board or any committee thereof, including in connection with the annual or special meeting of stockholders of the Corporation, and (f) assuring Jones Act Compliance.

(jj) "**Non-U.S. Citizen**" means any Person who is not a U.S. Citizen.

(kk) "**Non-U.S. Appointing Person**" means any Appointing Person if all of such Appointing Person's Affiliates that are Securityholders are Non-U.S. Citizens.

(ll) "**Officer**" means an officer of the Corporation.

(mm) "**Organizational Documents**" means, collectively, each of the Securityholders Agreement, the Bylaws, and this Certificate.

(nn) "**Permitted Percentage**" shall mean, with respect to any class or series of capital stock of the Corporation: (i) with respect to all Non-U.S. Citizens in the aggregate, 21% of the shares of such class or series of capital stock of the Corporation from time to time issued and outstanding; and (ii) with respect to any individual Non U.S. Citizen, 4.9%

of the shares of such class or series of capital stock of the Corporation from time to time issued and outstanding; provided, however, that if the percentage of any class or series of capital stock outstanding on the Effective Date that is owned by Non-U.S. Citizens in the aggregate shall exceed 21% of the outstanding shares of such class or series on the Effective Date, the Permitted Percentage (insofar as it relates to clause (i) of the definition of Permitted Percentage) shall be the lesser of (x) the minimum percentage owned by Non-U.S. Citizens in the aggregate on or subsequent to the Effective Date and (y) 24% and shall continue to be the Permitted Percentage until the first subsequent date that the percentage of such class or series owned by Non-U.S. Citizens decreases to 21% or less, and from such subsequent date forward, the Permitted Percentage as contemplated in clause (i) of the definition of Permitted Percentage shall be 21%.

(oo) "**Permitted Transferee**" means, with respect to any Securityholder, any Affiliate of such Securityholder and, in the case of a Securityholder that is an individual, any member of such Securityholder's immediate family (as defined in Item 404 of Regulation S-K) and any descendant of any such Securityholder, or any trust or like vehicle solely for the benefit of one or more of the foregoing.

(pp) "**Person**" means any individual, firm, partnership, limited liability or other company, corporation, joint venture or other entity, and shall include any successor (by merger, business combination or otherwise) of such entity.

(qq) "**Redemption Notes**" shall mean interest-bearing promissory notes of the Corporation with a maturity of not more than 10 years from the date of issue and bearing interest at a fixed rate equal to the yield on the U.S. Treasury Note having a maturity comparable to the term of such Redemption Notes as published in The Wall Street Journal or comparable publication at the time of the issuance of the Redemption Notes. Such Redemption Notes shall be governed by the terms of an indenture to be entered into by and between the Corporation and a trustee, as may be amended from time to time. Redemption Notes shall be redeemable at par plus accrued but unpaid interest.

(rr) "**Securityholders**" means, collectively, (i) each Person (other than the Corporation) named on the signature pages to the Securityholders Agreement, and (ii) each Person who is a Permitted Transferee of Corporation Securities beneficially owned by another Securityholder in a Transfer that complies with the terms and conditions of the Securityholders Agreement and who is required by the Securityholders Agreement to agree to be bound by the terms and conditions of the Securityholders Agreement and this Certificate by executing and delivering a Joinder Agreement.

(ss) "**Subsidiary**" of any Person means (i) a corporation a majority of whose outstanding shares of capital stock or other Equity Securities with voting power, under ordinary circumstances, to elect directors (or similar function) is at the time, directly or indirectly, owned by such Person, by one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person, (ii) each other Person (other than a corporation) in which such Person, a Subsidiary of such Person or such Person and one or more Subsidiaries of such Person, directly or indirectly, at the date of determination thereof, (A) is the general partner of such Person or (B) has (x) at least a majority ownership interest or (y) the power to elect or direct the election of the directors or other governing body of such Person.

(tt) "**Subsidiary Securities**" means, with respect to any Subsidiary of the Corporation, any Equity Securities of such Subsidiary.

(uu) "**Transfer**" means, when used as a verb, to directly or indirectly sell, transfer, assign, convey or otherwise dispose of, and when used as a noun, any direct or indirect sale, transfer, assignment, conveyance or other disposition, including by merger, business combination, operation of law, bequest or pursuant to any domestic relations order, whether voluntarily or involuntarily; *provided, that* (i) with respect to any Securityholder that is a widely held "investment company" as defined in the Investment Company Act of 1940, as amended, or any publicly traded company whose securities are registered under the Exchange Act, a sale, transfer, gift, hypothecation, pledge, assignment, devise or other disposition of ownership interests in such investment company or publicly traded company shall not be deemed a Transfer; and (ii) with respect to any Securityholder that is a private equity fund, hedge fund, investment vehicle, managed account (including separately managed account) or similar vehicle, any sale, transfer, gift, hypothecation, pledge, assignment, devise or other disposition of partnership or other ownership interests in any entity which is a pooled investment vehicle holding other material investments and which is an equityholder (directly or indirectly) of a Securityholder, or any sale, transfer, gift, hypothecation, pledge, assignment, devise or other disposition of partnership or other ownership interests in any general partner, manager or similar Person of such entity, shall not be deemed to be a Transfer for purposes hereof. The terms "**Transferred**" or "**Transferring**" shall have a correlative meaning.

(vv) "**U.S. Citizen**" means a citizen of the United States which is eligible and qualified to own and operate U.S. Vessels in the U.S. Coastwise Trade.

(ww) "**U.S. Coastwise Trade**" has the meaning ascribed to such term in the definition of "Jones Act" in this Certificate.

(xx) "**U.S. Vessel**" has the meaning ascribed to such term in the definition of "Jones Act" in this Certificate.

(yy) "**Voting Stock**" means, with respect to any Person, each of the Equity Securities then entitled, under ordinary circumstances, to vote generally in the election of directors (or similar function).

(zz) "**VWAP**" means, for any trading day, the price for shares of Common Stock determined by the daily volume weighted average price per share of Common Stock for such trading day on the New York Stock Exchange, the NYSE American, the NASDAQ Global Select Market, the NASDAQ Global Market, or the NASDAQ Capital Market, as the case may be, in each case, for the regular trading session (including any extensions thereof, without regard to pre-open or after hours trading outside of such regular trading session), or if shares of Common Stock are not listed or quoted on the New York Stock Exchange, the NYSE American, the NASDAQ Global Select Market, the NASDAQ Global Market, or the NASDAQ Capital Market, as reported by the principal U.S. national or regional securities exchange on which shares of Common Stock are then listed or quoted, whichever is applicable, as published by Bloomberg at 4:15 P.M., New York City time (or 15 minutes following the end of any extension of the regular trading session), on such trading day.

(aaa) "**Warrants**" means, collectively, the Jones Act Warrants and the Creditor Warrants.

(bbb) "**Whitebox**" has the meaning specified in the Securityholders Agreement as in effect on the Effective Date.

16.2 Construction. Whenever the context requires, the gender of all words used in this Certificate includes the masculine, feminine and neuter forms and the singular form of words shall include the plural and vice versa. All references to Articles, Sections and subsections refer to articles, sections and subsections of this Certificate. Whenever the words "include," "includes" or "including" are used in this Certificate, they shall be deemed to be followed by the words "without limitation."

IN WITNESS WHEREOF, Hornbeck Offshore Services, Inc. has caused this Certificate to be executed in its corporate name by a duly authorized officer on this ____ day of _____, 2024.

HORNBECK OFFSHORE SERVICES, INC.

By: _____
Name: [•]
Title: [•]

SIXTH AMENDED AND RESTATED BYLAWS
OF
HORNBECK OFFSHORE SERVICES, INC.

Adopted [•], 2024

ARTICLE 1
DEFINITIONS

As used in these Sixth Amended and Restated Bylaws of Hornbeck Offshore Services, Inc. (these "**Bylaws**"), unless the context otherwise requires, the terms "advance of expenses," "Appointing Person," "Common Stock," "Director Designation Right," "indemnitee," "Jones Act," "Jones Act Warrants," "Non-U.S. Citizen," "Permitted Percentage," "Person," "Preferred Stock," "undertaking," "U.S. Citizen," "U.S. Coastwise Trade" and "Trigger Date" shall have the same meanings as ascribed to those terms in the Corporation's Fourth Amended and Restated Certificate of Incorporation as in effect on the date hereof (as it may be amended and/or restated from time to time, the "**Certificate of Incorporation**"). Capitalized terms used but not otherwise defined herein shall have the meanings as ascribed to those terms in the Certificate of Incorporation.

ARTICLE 2
OFFICES

Section 2.01 *Registered Office.* The registered office of Hornbeck Offshore Services, Inc. (the "**Corporation**") is 1209 Orange Street, Corporation Trust Center, in the City of Wilmington, County of New Castle, State of Delaware 19801.

Section 2.02 *Other Offices.* The Corporation may also have offices at such other places both within and without the State of Delaware as the Board of Directors of the Corporation (the "**Board**") may from time to time determine or the business of the Corporation may require.

Section 2.03 *Books.* The books of the Corporation may be kept (subject to any provisions contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the Board, or as the business of the Corporation may require.

ARTICLE 3
MEETINGS OF STOCKHOLDERS

Section 3.01 *Time and Place of Meetings.* All meetings of stockholders shall be held at such place, either within or without the State of Delaware, on such date and at such time as may be determined from time to time by the Board (or the Chairperson of the Board in the absence of a designation by the Board). The Board may, in its sole discretion, determine that a meeting of stockholders of the Corporation shall not be held at any place, but may instead be held solely or partially by means of remote communication in the manner authorized by the General Corporation Law of the State of Delaware (as the same exists or may hereafter be amended, "**Delaware Law**").

Section 3.02 *Annual Meetings.* The annual meeting of the stockholders shall be held for the election of directors and for the transaction of such other business as may properly come before the meeting in accordance with these Bylaws held at such date, time, and place, if any, as shall be determined by the Board and stated in the notice of the meeting. The Board may postpone, reschedule or cancel any previously scheduled annual meeting of stockholders.

Section 3.03 *Special Meetings.* Special meetings of stockholders may only be called in the manner provided in the Certificate of Incorporation and may be held at such place, if any, either inside or outside the State of Delaware, on such date and at such time, and for such purpose or purposes, as the Board or the Chairperson of the Board shall determine and state in the notice of meeting, if any. The Board or the Chairperson of the Board, whichever calls the special meeting, may postpone, reschedule or cancel any previously scheduled special meeting of stockholders; provided, however, that prior to the Trigger Date, with respect to any special meeting of stockholders called at the written request of the holders of a majority of the shares of Common Stock then outstanding pursuant to Section 10.2 of the Certificate of Incorporation, the Board shall not postpone, reschedule or cancel such special meeting without the prior written consent of such holders.

Section 3.04 *Adjournments*. Any meeting of the stockholders, annual or special, may be adjourned from time to time to reconvene at the same or some other place, if any, and, except as provided in this Section 3.04, notice need not be given of any such adjourned meeting if the time, place, if any, thereof and the means of remote communication, if any, are (i) announced at the meeting at which the adjournment is taken, (ii) displayed, during the time scheduled for the meeting, on the same electronic network used to enable stockholders and proxy holders to participate in the meeting by means of remote communication or (iii) set forth in the notice of meeting. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date is fixed for stockholders entitled to vote at the adjourned meeting, the Board or the Chairperson of the Board, as applicable, shall fix a new record date for notice of the adjourned meeting and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at the adjourned meeting as of the record date fixed for notice of the adjourned meeting.

Section 3.05 *Notice*. Notice of the place (if any), date, hour, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting), and means of remote communication, if any, of every meeting of stockholders shall be given by the Corporation not less than ten days nor more than 60 days before the meeting (unless a different time is specified by law) to every stockholder entitled to vote at the meeting as of the record date for determining the stockholders entitled to notice of the meeting. Notices of special meetings shall also specify the purpose or purposes for which the meeting has been called. Except as otherwise provided herein or permitted by applicable law, notice to stockholders shall be in writing and delivered personally or mailed to the stockholders at their address appearing on the books of the Corporation. Without limiting the manner by which notice otherwise may be given effectively to stockholders, notice of meetings may be given to stockholders by means of electronic transmission in accordance with applicable law. Notice of any meeting need not be given to any stockholder who shall, either before

or after the meeting, submit a waiver of notice or who shall attend such meeting, except when the stockholder attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of the meeting shall be bound by the proceedings of the meeting in all respects as if due notice thereof had been given.

Section 3.06 *Stockholders List*. The Corporation shall, no later than the tenth day before each meeting of stockholders, prepare a complete list of the stockholders entitled to vote at said meeting (*provided*, *however*, if the record date for determining the stockholders entitled to vote is less than ten days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, and showing the address and the number of shares of capital stock of the Corporation registered in the name of each stockholder not later than the tenth day before each meeting of the stockholders. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of ten days ending on the day before the meeting date in the manner provided by law. Except as provided by applicable law, the stock ledger of the Corporation shall be the only evidence as to who are the stockholders entitled to examine the stock ledger and the list of stockholders or to vote in person or by proxy at any meeting of stockholders.

Section 3.07 *Quorum*. Unless otherwise required by law, the Certificate of Incorporation or these Bylaws, at each meeting of the stockholders, a majority in voting power of the then-outstanding shares of stock of the Corporation entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum. The chair of the meeting shall have the power to adjourn meetings of stockholders for any reason from time to time and, if a quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall also have the power, by the affirmative vote of a majority in voting power thereof, to adjourn the meeting from time to time, in the manner provided in Section 3.04, until a quorum shall be present or represented. A quorum, once established, shall not be broken by the subsequent withdrawal of enough votes to leave less than a quorum. At any such adjourned meeting at which there is a quorum, any business may be transacted that might have been transacted at the meeting originally called.

Section 3.08 *Organization*. The Board may adopt by resolution such rules and regulations for the conduct of the meeting of the stockholders as it shall deem appropriate. At every meeting of the stockholders, the Chairperson of the Board, or such other director or officer of the Corporation designated by the Board, shall act as chair of, and preside at, the meeting; provided that the chair of the meeting shall be a U.S. Citizen. The Secretary or, in the Secretary's absence or inability to act, the person whom the chair of the meeting shall appoint secretary of the meeting, shall act as secretary of the meeting and keep the minutes thereof. Except to the extent inconsistent with such rules and regulations as adopted by the Board, the chair of any meeting of the stockholders shall have the right and authority to prescribe such rules, regulations, and procedures and to do all such acts as, in the judgment of such chair, are appropriate for the proper conduct of the meeting. Such rules, regulations, or procedures, whether adopted by the Board or prescribed by the chair of the meeting, may include, without limitation, the following:

(a) the establishment of an agenda or order of business for the meeting;

(b) the determination of when the polls shall open and close for any given matter to be voted on at the meeting;

(c) rules and procedures for maintaining order at the meeting and the safety of those present;

(d) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies, or such other persons as the chair of the meeting shall determine;

(e) restrictions on entry to the meeting after the time fixed for the commencement thereof;

(f) limitations on the time allotted to questions or comments by participants; and

(g) restrictions on the use of cell phones, audio or video recording devices and other devices at the meeting.

Section 3.09 *Voting; Proxies*.

(a) General. Unless otherwise required by law or provided in the Certificate of Incorporation, each stockholder shall be entitled to one vote, in person or by proxy, for each share of capital stock entitled to vote on the subject matter under consideration held by such stockholder. Voting at meetings of stockholders need not be by written ballot.

(b) Election of Directors. Subject, if applicable, to the rights of the holders of any class or series of Preferred Stock, including to elect additional directors under specific circumstances, unless otherwise required by law, the Certificate of Incorporation or these Bylaws, each director nominee shall be elected by a majority of the votes cast by the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors; *provided* that director nominees shall be elected by a plurality of the votes cast by the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors in the case of a Contested Election (as defined below). For purposes of this Section 3.09(b), "a majority of the votes cast" means that the number of shares voted "for" a director must exceed the number of shares voted "against" such director's election, and neither abstentions nor broker non-votes shall count as votes cast for or against a director's election, and a "Contested Election" means an election of directors at a meeting of stockholders at which a quorum is present where (x) the Secretary receives notice that one or more stockholders have proposed to nominate one or more persons for election or re-election to the Board, which notice purports to be in compliance with the advance notice requirements for stockholder nominations set forth in these Bylaws, irrespective of whether the Board at any time determines that any such notice is not in compliance with such requirements, and (y) such proposed nomination or nominations have not been formally and irrevocably withdrawn by such stockholder or stockholders on or prior to the date that is 14 days in advance of the date the Corporation files its definitive proxy statement (regardless of whether or not thereafter revised or supplemented) with the Securities and Exchange Commission. For the avoidance of doubt, nothing in this Section 3.09(b) shall be deemed to affect the exercise by any Appointing Person of its Director Designation Rights or any other rights under Section 6.1 of the Certificate of Incorporation.

(c) Other Matters. Unless otherwise required by law, the Certificate of Incorporation, or these Bylaws, any matter, other than the election of directors, brought before any meeting of stockholders at which a quorum is present shall be decided by the affirmative vote of the majority of shares present in person or represented by proxy at the meeting and entitled to vote on the matter.

(d) Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to a corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. Such authorization must be in writing and executed by the stockholder or his or her authorized officer, director, employee, or agent. To the extent permitted by law, a stockholder may authorize another person or persons to act for him or her as proxy by transmitting or authorizing the transmission of an electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization, or like agent duly authorized by the person who will be the holder of the proxy to receive such transmission, provided that the electronic transmission either sets forth or is submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder. A copy, facsimile transmission, or other reliable reproduction of a writing or transmission authorized by this Section 3.09(d) may be substituted for or used in lieu of the original writing or electronic transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile transmission, or other reproduction shall be a complete reproduction of the entire original writing or transmission. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary a revocation of the proxy or a new proxy bearing a later date. Should a proxy designate two or more persons to act as proxies, unless such instrument shall provide the contrary, a majority of such persons present at any meeting at which their powers thereunder are to be exercised shall have and may exercise all the powers of voting or giving consents thereby conferred, or if only one be present, then such powers may be exercised by that one; or, if an even number attend and a majority do not agree on any particular issue, each proxy so attending shall be entitled to exercise such powers in respect of the same portion of the shares as he or she is of the proxies representing such shares.

Section 3.10 *Inspectors at Meetings of Stockholders*. In advance of any meeting of the stockholders, the Corporation shall appoint one or more inspectors, who may be employees of the Corporation, to act at the meeting or any adjournment thereof and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors may appoint or retain other persons or entities to assist the inspector or inspectors in the performance of their duties. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders, the inspector or inspectors may consider such information as is permitted by applicable law. No person who is a candidate for office at an election may serve as an inspector at such election. When executing the duties of inspector, the inspector or inspectors shall:

(a) ascertain the number of shares outstanding and the voting power of each;

(b) determine the shares represented at the meeting and the validity of proxies and ballots;

(c) count all votes and ballots;

(d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors; and

(e) certify their determination of the number of shares represented at the meeting and their count of all votes and ballots.

Section 3.11 *Fixing the Record Date*.

(a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board or the Chairperson of the Board, as applicable, may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board or the Chairperson of the Board, and which record date shall not be more than 60 nor less than ten days before the date of such meeting. If no record date is fixed by the Board or the Chairperson of the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting, unless such record date is more than 60 days before the date of such adjourned meeting; provided, however, that the Board or the Chairperson of the Board, whichever called the meeting, may fix a new record date for the determination of stockholders entitled to notice of or to vote at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion, or exchange of stock, or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

(c) Prior to the Trigger Date, in order that the Corporation may determine the stockholders entitled to consent to corporate action without a meeting in accordance with Section 228 of Delaware Law, (i) if no prior action by the Board is required by Delaware Law, the record date shall be the first date on which a signed consent setting forth the action taken or proposed to be taken is delivered to the Corporation in accordance with Delaware Law, unless the Board has previously fixed a record date for such action by written consent (which record date

fixed by the Board shall not precede the date upon which the resolution fixing the record date is adopted by the Board and shall be no more than ten days after the date upon which the resolution fixing the record date is adopted by the Board), and (ii) if prior action of the Board is required by Delaware Law, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which date shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board. If no record date has been fixed by the Board and prior action is required by Delaware Law, the record date for determining stockholders entitled to consent to corporate action in accordance with Section 228 of Delaware Law shall be the close of business on the day on which the Board adopts the resolution taking such action.

Section 3.12 *Advance Notice of Stockholder Nominations and Proposals*.

(a) Annual Meetings. At a meeting of the stockholders, only such nominations of persons for the election of directors and such other business shall be conducted as shall have been properly brought before the meeting. Subject to the Certificate of Incorporation, to be properly brought before an annual meeting, nominations or such other business must be:

(i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board or any committee thereof;

(ii) otherwise properly brought before the meeting by or at the direction of the Board or any committee thereof; or

(iii) otherwise properly brought before an annual meeting by a Proposing Stockholder.

In addition, any proposal of business (other than the nomination of persons for election to the Board) must be a proper matter for stockholder action. For business (including, but not limited to, director nominations) to be properly brought before an annual meeting by a Proposing Stockholder pursuant to Section 3.12(a)(iii), the Proposing Stockholder must have delivered timely notice thereof pursuant to this Section 3.12(a), in writing (electronic transmission not sufficient) to the Secretary even if such matter is already the subject of any notice to the stockholders or Public Disclosure from the Board. To be timely, a Proposing Stockholder's notice for an annual meeting must comply with the requirements of this Section 3.12 and must be delivered to the principal executive offices of the Corporation in proper written form: (A) if such meeting is to be held on a day which is not more than 30 days in advance of the anniversary of the previous year's annual meeting or not later than 70 days after the anniversary of the previous year's annual meeting, not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the previous year's annual meeting (which prior year's annual meeting shall, for purposes of the Corporation's annual meeting of stockholders to be held in 2025, be deemed to have occurred on June 14, 2024); and (B) with respect to any other annual meeting of stockholders, including in the event that no annual meeting was held in the previous year, not earlier than the close of business on the 120th day prior to the annual meeting and not later than the close of business on the later of: (1) the 90th day prior to the annual meeting and (2) the close of business on the tenth day following the first date of Public Disclosure of the date of such meeting. In no event shall an adjournment, recess, rescheduling or

postponement of an annual meeting, or the Public Disclosure thereof, commence a new notice time period (or extend any notice time period). Notwithstanding anything in this paragraph to the contrary, in the event that the number of directors to be elected to the Board is increased and there is no Public Disclosure by the Corporation naming all of the nominees for director proposed by the Board or specifying the size of the increased Board at least ten days prior to the last day a Proposing Stockholder may deliver a notice of nominations in accordance with the second sentence of this paragraph, a Proposing Stockholder's notice required by this Section 3.12 shall also be considered timely, but only with respect to proposed nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth day following the day on which Public Disclosure of such increase is first made by the Corporation.

(b) Stockholder Nominations. Subject to the Certificate of Incorporation, for the nomination of any person or persons for election to the Board pursuant to Section 3.12(a)(iii) or Section 3.12(d), a Proposing Stockholder's notice to the Secretary must be timely (pursuant to Section 3.12(a)) and must set forth or include:

(i) As to each individual, if any, whom the Proposing Stockholder proposes to nominate for election or reelection to the Board:

(A) the name, citizenship, age, business address, and residence address of such proposed nominee;

(B) the principal occupation or employment of such proposed nominee (at present and for the past five years);

(C) the Specified Information of such proposed nominee as if such person were a Holder (except that no disclosure will be required hereunder with respect to any Related Person of any proposed nominee unless such Related Person is also a Related Person of a Holder);

(D) all information relating to such proposed nominee that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder;

(E) a complete and accurate description of all agreements, arrangements and understandings between such proposed nominee, on the one hand, and each Holder and any Related Person, on the other hand, during the prior three years, including, without limitation, a complete and accurate description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years between the proposed nominee and such parties, (including, without limitation, all biographical and related party transaction and other information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K under the Securities Act of 1933, as amended, if any Holder or any Related Person were the "registrant" for purposes of such rule and such proposed nominee were a director or executive officer of such registrant); and

(F) a complete and accurate, signed written questionnaire with respect to the background and qualification of such proposed nominee (which questionnaire shall be provided by the Secretary upon written request of any stockholder of record identified by name within five Business Days of such written request) and a written statement and agreement executed by such proposed nominee acknowledging that such person:

(1) consents to being named in any proxy statement as a nominee and to serving as a director if elected,

(2) if elected, intends to serve as a director for the full term for which such person is standing for election, and

(3) makes the following representations: (I) that the proposed nominee has read and agrees to adhere to the Bylaws, all publicly disclosed corporate governance, conflict of interest, confidentiality, stock ownership and trading policies and guidelines of the Corporation applicable to directors, including with regard to securities trading, and (II) that the proposed nominee is not and will not become a party to any Voting Commitment that has not been disclosed to the Corporation or any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the Corporation, with such person's fiduciary duties under applicable law, and (III) that the proposed nominee is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification that has not been disclosed to the Corporation in connection with such person's nomination for director or service as a director; and

(ii) as to each Holder:

(A) the citizenship of such Holder and each Related Person of such Holder, as well as a representation whether such person is a U.S. Citizen;

(B) the name and address of the Proposing Stockholder as they appear on the Corporation's books and of any other Holder and any Related Person of any Holder;

(C) a description of any agreement, arrangement, or understanding with respect to such nomination between or among the Proposing Stockholder or the beneficial owner, if any, on whose behalf the nomination is being made and any other person;

(D) the class and number of shares of the Corporation which are directly or indirectly owned by such Holder or any Related Person of such Holder (beneficially and of record); provided, that for purposes of this Section 3.12, any such person shall in all events be deemed to beneficially own any shares of the Corporation as to which such person has a right to acquire beneficial ownership at any time in the future other than pursuant to any Jones Act Warrants (whether such right is exercisable immediately or only after the passage of time or the fulfillment of a condition or both);

(E) a description of any Derivative Instrument directly or indirectly owned or held, including beneficially, by such Holder or any Related Person of such Holder, and any Short Interest held by such Holder or any Related Person of such Holder within the last twelve (12) months in any class or series of the shares or other securities of the Corporation;

(F) a description of any proxy, contract, arrangement, understanding or relationship pursuant to which such Holder or any Related Person of such Holder has any right to vote or has granted a right to vote any shares of stock or any other security of the Corporation;

(G) a description of any agreement, arrangement or understanding with respect to any rights to dividends or payments in lieu of dividends on the shares of the Corporation owned beneficially by such Holder or any Related Person of such Holder that are separated or separable from the underlying shares of stock or other security of the Corporation;

(H) any direct or indirect legal, economic or financial interest (including Short Interest) of such Holder and any Related Person of such Holder, if any, in the outcome of any (x) vote to be taken at any meeting of stockholders of the Corporation or (y) any meeting of stockholders of any other entity with respect to any matter that is related, directly or indirectly, to any nomination or business proposed by any Holder under these Bylaws;

(I) any direct or indirect interest of such Holder or any Related Person of such Holder in any contract with or litigation involving the Corporation, any Affiliate of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement);

(J) any material pending or threatened action, suit or proceeding (whether civil, criminal, investigative, administrative or otherwise) in which such Holder or any Related Person of such Holder is, or is reasonably expected to be made, a party or material participant involving the Corporation or any of its officers, directors or employees, or any Affiliate of the Corporation, or any officer, director or employee of such Affiliate;

(K) any other information relating to such Holder or any Related Person of such Holder that would be required to be disclosed in a proxy statement and form or proxy or other filings required to be made in connection with solicitations of proxies for, as applicable, the business proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder;

(L) a certification that such Holder and each Related Person of such Holder has complied with all applicable federal, state and other legal requirements in connection with its acquisition of shares or other securities of the Corporation and such person's acts or omissions as a stockholder of the Corporation;

(M) a representation that the Proposing Stockholder is a holder of record of shares of the Corporation entitled to vote at the meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice;

(N) a representation as to whether the Proposing Stockholder intends to (x) deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to elect such proposed nominees and/or approve or adopt any other business proposed to be brought, (y) otherwise to solicit proxies from stockholders in support of such nominations or other business proposed to be brought, if applicable, and/or (z) solicit proxies in support of any proposed nominee in accordance with Rule 14a-19 promulgated under the Exchange Act;

(O) in the case of a nomination or nominations, the information and statement required by Rule 14a-19(b) of the Exchange Act (or any successor provision);

(P) the names and addresses of other stockholders (including beneficial owners) known by such Holder or Related Person of such Holder to provide financial or otherwise material support with respect to such proposals and/or nominations (it being understood that delivery of a revocable proxy to such proponent does not in itself require disclosure hereunder), and to the extent known the class and number of all shares of the Corporation owned beneficially or of record by each such other stockholder or other beneficial owner;

(Q) in the event that the Proposing Stockholder is a Non-U.S. Citizen, a representation by the Proposing Stockholder that it disclosed its status as a Non-U.S. Citizen to its broker, the Corporation's transfer agent or the Corporation at the time of its acquisition of shares of capital stock of the Corporation; and

(R) a representation by the Proposing Stockholder as to the accuracy of the information set forth in the notice.

The Corporation and the Board may, as a condition to any such business (including, but not limited to, director nominations) being deemed properly brought before a meeting of stockholders, require any Holder or any proposed nominee to deliver to the Secretary within five Business Days of any such request, such other information as may be reasonably required by the Board, in its sole discretion, including (x) such other information as may be reasonably requested by the Board, in its sole discretion, to determine (I) the eligibility of such proposed nominee to

serve as an independent director of the Corporation, (II) whether such proposed nominee qualifies as an "independent director" or "audit committee financial expert," or otherwise meets heightened standards of independence, under applicable law, securities exchange rule or regulation or any publicly disclosed corporate governance guideline or committee charter of the Corporation, and (III) whether the citizenship of the proposed nominee would result in the Corporation losing its status as a U.S. Citizen under the Jones Act or (y) such other information that the Board determines, in its sole discretion, could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such proposed nominee.

(c) Other Stockholder Proposals. For all business other than director nominations, a Proposing Stockholder's notice to the Secretary must be timely (pursuant to Section 3.12(a)) and must set forth as to each matter the Proposing Stockholder proposes to bring before the meeting:

(i) a brief description of the business desired to be brought before the meeting;

(ii) the reasons for conducting such business at the meeting;

(iii) the text of any proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend these Bylaws or the Certificate of Incorporation, the language of the proposed amendment);

(iv) any other information relating to such stockholder and beneficial owner, if any, on whose behalf the proposal is being made, required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for the proposal and pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder;

(v) a description of all agreements, arrangements, or understandings between each Holder and each Related Person of such Holder and any other person or persons (including their names) in connection with the proposal of such business; and

(vi) any material interest of each Holder and each Related Person of any Holder in such business, including any anticipated benefit therefrom to such Holder or such Related Person.

(d) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board may be made at a special meeting of stockholders called by the Board or the Chairperson of the Board at which directors are to be elected pursuant to the Corporation's notice of meeting:

(i) by or at the direction of the Board or any committee thereof;

(ii) as provided in the Certificate of Incorporation; or

(iii) provided that the Board or the Chairperson of the Board has determined that directors shall be elected at such meeting, if otherwise properly brought before the special meeting by a Proposing Stockholder.

In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board, a Proposing Stockholder may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the Proposing Stockholder delivers a timely notice in writing that complies with the requirements of Section 3.12(b) to the Secretary at its principal executive offices not earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of: (x) the 90th day prior to such special meeting; or (y) the tenth day following the date of the first Public Disclosure of the date of the special meeting and of the nominees proposed by the Board to be elected at such meeting. In no event shall the Public Disclosure of an adjournment, recess, rescheduling or postponement of a special meeting commence a new time period (or extend any notice time period).

(e) Updates and Supplements. In addition, to be considered timely, a Proposing Stockholder's notice shall be further updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and as of the date that is ten Business Days prior to the meeting or any adjournment, recess, rescheduling or postponement thereof, and such update and supplement shall be delivered to the Secretary at the principal executive offices of the Corporation not later than five Business Days after the record date for the meeting in the case of the update and supplement required to be made as of the record date, and not later than eight Business Days prior to the date for the meeting or any adjournment, recess, rescheduling or postponement thereof in the case of the update and supplement required to be made as of ten Business Days prior to the meeting or any adjournment, recess, rescheduling or postponement thereof. In addition, if the Proposing Stockholder has delivered to the Corporation a notice relating to director nominations, the Proposing Stockholder shall deliver to the Corporation not later than eight Business Days prior to the date of the meeting or any adjournment, recess, rescheduling or postponement thereof reasonable evidence that it has complied with the requirements of Rule 14a-19 of the Exchange Act (or any successor provision). For the avoidance of doubt, the obligation to update and supplement set forth in this paragraph or any other Section of these Bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any proposal or to submit any new proposal, including by changing or adding nominees, matters, business and/or resolutions proposed to be brought before a meeting of stockholders.

(f) Effect of Noncompliance. Subject to the designation rights set forth in the Certificate of Incorporation, only such persons who are nominated in accordance with the procedures set forth in this Section 3.12 shall be eligible to be elected at any meeting of stockholders of the Corporation to serve as directors and only such other business shall be conducted at a meeting as shall be brought before the meeting in accordance with the procedures set forth in this Section 3.12, as applicable. Except as otherwise provided by law, the Certificate of Incorporation, or these Bylaws, the Board shall have the power and duty to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in these Bylaws. If any proposed nomination was not made or proposed in compliance with this Section 3.12, or other business was not made or proposed in compliance with this Section 3.12, then except as otherwise required by law, the chair of the meeting shall have the power and duty to declare that such

nomination or other business was not properly brought before the meeting and in accordance with the provisions of these Bylaws, and that such nomination shall be disregarded or that such proposed other business shall not be transacted. Notwithstanding anything in these Bylaws to the contrary, unless otherwise required by law, if a Proposing Stockholder intending to propose business or make nominations at an annual or special meeting or propose a nomination at a special meeting pursuant to this Section 3.12 does not provide the information required under this Section 3.12 to the Corporation or the Proposing Stockholder (or a qualified representative of the Proposing Stockholder) does not appear at the meeting to present the proposed business or nominations, such business or nominations shall not be considered, notwithstanding that proxies in respect of nominations or other business may have been received by the Corporation. For the avoidance of doubt, if the Proposing Stockholder provides notice pursuant to Rule 14a-19(b) under the Exchange Act and such Proposing Stockholder subsequently either (x) notifies the Corporation that such Proposing Stockholder no longer intends to solicit proxies in support of director nominees other than the Corporation's nominees in accordance with Rule 14a-19 under the Exchange Act or (y) fails to comply with the requirements of Rule 14a-19 under the Exchange Act (or fails to timely provide reasonable evidence sufficient to satisfy the Corporation that the stockholder has satisfied the requirements of Rule 14a-19 under the Exchange Act), then the nomination of such proposed nominee for election or reelection to the Board will be disregarded and no vote on the election of such proposed nominee will occur (notwithstanding that proxies in respect of such vote may have been received by the Corporation). If a stockholder of record identified by name has a bona fide question as to the meaning or interpretation of any provision of these Bylaws, such stockholder of record may request clarification from the Secretary in writing, and the Secretary shall respond within ten Business Days of such request.

(g) Rule 14a-8. This Section 3.12 shall not apply to a proposal proposed to be made by a stockholder if the stockholder has notified the Corporation of the stockholder's intention to present the proposal at an annual or special meeting only pursuant to and in compliance with Rule 14a-8 under the Exchange Act and such proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such meeting.

(h) Appointing Persons. Notwithstanding anything to the contrary contained in this Section 3.12, the requirements of this Section 3.12 shall not apply to the exercise by any Appointing Person of its Director Designation Rights or any other rights under Section 6.1 of the Certificate of Incorporation.

(i) For the purposes of this Section 3.12:

(i) "**Affiliate**" has the meaning ascribed to such term under Rule 12b-2 of the Exchange Act (or any successor provision).

(ii) "**Associate**" has the meaning ascribed to such term under Rule 12b-2 of the Exchange Act (or any successor provision).

(iii) "**Business Day**" means any day other than Saturday or Sunday or a day on which commercial banks are authorized or required by law to be closed in Delaware;

(iv) the "**close of business**" means 5:00 p.m. local time at the Corporation's principal executive offices, and if an applicable deadline falls on the "close of business" on a day that is not a Business Day, then the applicable deadline shall be deemed to be the close of business on the immediately preceding Business Day;

(v) "**delivered**" shall mean and require both (i) hand delivery, overnight courier service, or by United States certified or registered mail, return receipt requested, in each case to the Secretary at the principal executive offices of the Corporation, and (ii) electronic mail to the Secretary;

(vi) "**Derivative Instrument**" means any Short Interest, profits interest, option, warrant, convertible security, stock appreciation right or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class of shares of the Corporation or with a value derived in whole or in part from the value of any class of shares of the Corporation, or any derivative or synthetic arrangement having the characteristics of a long position in any class of shares of the Corporation, or any contract, derivative, swap or other transaction or series of transactions designed to produce economic benefits and risks that correspond substantially to the ownership of any class of shares of the Corporation, including due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by reference to the price, value or volatility of any class of shares of the Corporation, whether or not such instrument, contract or right shall be subject to settlement in the underlying class of shares of the Corporation, through the delivery of cash or other property, or otherwise, and without regard to whether the Holder and any Related Person may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation;

(vii) "**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

(viii) "**Holder**" means any of the Proposing Stockholder and the beneficial owner or beneficial owners, if any, on whose behalf the Proposing Stockholder proposes to bring any business or submit any nominations for consideration at a meeting of stockholders of the Corporation;

(ix) "**immediate family member**" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, and shall include adoptive relationships;

(x) "**Proposing Stockholder**" means a stockholder of the Corporation (a) proposing to put forth any proposed business or nominations at a meeting of stockholders in accordance with these Bylaws, (b) who is a stockholder of record at the time the notice provided for in this Section 3.12 is delivered to the Secretary, on the record date for the determination of stockholders entitled to notice of and to vote at such meeting and at the time of such meeting, (c) who is entitled to vote at the meeting, and (d) who complies with the notice procedures set forth in this Section 3.12;

(xi) "**Public Disclosure**" shall mean a disclosure made in a press release reported by the Dow Jones News Services, The Associated Press, or a comparable national news service or in a document filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14, or 15(d) of the Exchange Act;

(xii) A "**Related Person**" of any Holder means (x) any participant (as defined in paragraphs (a)(ii)-(vi) of Instruction 3 to Item 4 of Schedule 14A, or any successor instructions) with any such Holder in a solicitation of proxies in respect of any business or director nomination proposed by such Holder, (y) any Affiliate or Associate of such Holder, and (z) any person who is a member of a "group" (as such term is used in Rule 13d-5 under the Exchange Act (or any successor provision)) with such Holder;

(xiii) "**Short Interest**" means any agreement, arrangement, understanding, relationship or otherwise, including any repurchase or similar so-called "stock borrowing" agreement or arrangement, involving any Holder or any Related Person, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of any class of the shares of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of, such Holder or any Related Person with respect to any class of the shares or other securities of the Corporation, or which provides, directly or indirectly, the opportunity to profit or share in any profit derived from any decrease in the price or value of any class of the shares or other securities of the Corporation;

(xiv) "**Specified Information**" means the information required to be disclosed pursuant to subclauses (D)–(J) of Section 3.12(b)(ii), provided, however, that the Specified Information shall not include any such disclosures with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who otherwise would be required to disclose Specified Information under these Bylaws solely as a result of being the stockholder directed to prepare and submit, on behalf of a beneficial owner, the notice required by this Section 3.12; and

(xv) "**Voting Commitment**" means any agreement, arrangement, or understanding with, or any commitment or assurance to, any person or entity as to how such proposed nominee, if elected as a director of the Corporation, will act or vote on any issue or question.

Section 3.13 *Stockholder Action by Written Consent.* Any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote only to the extent permitted by and in the manner provided in the Certificate of Incorporation and in accordance with applicable law.

ARTICLE 4
DIRECTORS

Section 4.01 *General Powers.* Except as otherwise provided in Delaware Law or the Certificate of Incorporation and subject to the terms of the Amended and Restated Securityholders Agreement, dated as of [•], 2024 (as it may be amended, supplemented, restated or modified from time to time, the "**Securityholders Agreement**"), the business and affairs of the Corporation shall be managed by or under the direction of the Board.

Section 4.02 *Number, Election and Term of Office.* The number of directors shall be determined as set forth in Section 6.1(a) of the Certificate of Incorporation. Except as may otherwise be provided in the Certificate of Incorporation and subject to the terms of the Securityholders Agreement, each director shall serve for a term ending on the date of the first (1st) annual meeting of stockholders next following the annual meeting at which such director was elected or appointed, or such director's appointment, as applicable. Notwithstanding the foregoing, each director shall hold office until such director's successor shall have been duly elected and qualified or until such director's earlier death, resignation or removal. Directors need not be stockholders. Following the Effective Date (as defined in the Certificate of Incorporation), all Other Directors (as defined in the Certificate of Incorporation) shall be nominated by the Nominating, Corporate Governance and Sustainability Committee of the Board.

Section 4.03 *Citizenship Requirement for Directors.* No more than a minority of the number of directors necessary to constitute a quorum of the Board (in order for the Corporation to continue as a U.S. Citizen) (or any committee thereof) shall be Non-U.S. Citizens.

Section 4.04 *Chair.* Todd Hornbeck shall serve as the initial Chairperson until the earlier of (A) Todd Hornbeck's resignation or removal as Chief Executive Officer of the Corporation and (B) the second anniversary of the Effective Date. After such time, the Board shall vote to elect the Chairperson by a majority vote of the Board, who, for the avoidance of doubt, may be Todd Hornbeck (provided he is then serving as a member of the Board), and shall thereafter vote to elect the Chairperson annually by a majority vote of the Board. Any director elected as Chairperson of the Board in accordance with this Section 4.04 shall hold such office until such time as a replacement Chairperson of the Board has been elected by a majority vote of the Board. The Chairperson of the Board shall preside at all meetings of the stockholders of the Corporation and shall have such other powers and perform such other duties (including, without limitation, as applicable, as an officer of the Corporation) as may be prescribed by the Board or provided in these Bylaws. The Chairperson of the Board, any Vice Chairperson of the Board and any other person who chairs a meeting of the Board or the stockholders shall be a U.S. Citizen.

Section 4.05 *Lead Independent Director*. For so long as the Certificate of Incorporation requires a lead independent director (the "**Lead Independent Director**"), the Board shall maintain a Lead Independent Director Charter setting forth the qualifications and eligibility requirements for, and duties and responsibilities of, the Lead Independent Director.

Section 4.06 *Quorum and Manner of Acting.* Except as otherwise provided by these Bylaws, the Certificate of Incorporation, or required by applicable law, the presence of a majority of the total number of directors on the Board shall be necessary and sufficient to constitute a quorum for the transaction of business at any meeting of the Board, and, except as otherwise expressly required by Delaware Law or by the Certificate of Incorporation, the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board. When a meeting is adjourned to another time or place (whether or not a quorum is present), notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Board may transact any business which might have been transacted at the original meeting. If a quorum shall not be present at any meeting of the Board, the directors present thereat shall adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 4.07 *Time and Place of Meetings.* The Board shall hold its meetings at such place, either within or without the State of Delaware, and at such time as may be determined from time to time by the Board (or the Chairperson of the Board in the absence of a determination by the Board, or the Chief Executive Officer in the absence of a determination by the Board and in the Chairperson's absence).

Section 4.08 *Annual Meeting.* The Board shall meet for the purpose of organization, the election of officers and the transaction of other business, as soon as practicable after each annual meeting of stockholders, on the same day and at the same place where such annual meeting shall be held; *provided*, that, subject to the remaining provisions of this Section 4.08, the failure to hold such meeting of the Board at such time and place shall not be a breach of these Bylaws. Notice of such meeting need not be given. In the event such annual meeting is not so held, the annual meeting of the Board may be held at such place either within or without the State of Delaware, on such date and at such time as shall be specified in a notice thereof given as hereinafter provided in Section 4.11 herein or in a waiver of notice thereof signed by any director who chooses to waive the requirement of notice.

Section 4.09 *Regular Meetings.* After the place and time of regular meetings of the Board shall have been determined and notice thereof shall have been once given to each member of the Board, regular meetings may be held without further notice being given.

Section 4.10 *Special Meetings.* Special meetings of the Board may be called by (i) the Chairperson of the Board, (ii) the Chief Executive Officer, (iii) the Lead Independent Director, (iv) the President, or (v) at least two members of the Board. Notice of special meetings of the Board shall be given to each director at least three (3) days before the date of the meeting in such manner as is determined by the Board.

Section 4.11 *Notice of Meetings and Business to be Discussed*. Written notice of each meeting of the Board shall be given to each director which shall state the date, time, place of the meeting and the purpose or purposes for which the meeting is called. Only business within the purposes described in the notice may be conducted at any special meeting. Subject to Section 4.10, written notice of any meeting shall be given at least three (3) days prior to such meeting, which notice may be waived in writing or by a director attending such meeting. Attendance by a director at a meeting shall constitute a waiver of notice of such meeting except when the director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting was not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special Board or Board committee meeting need be specified in any waiver of notice.

Section 4.12 *Committees.* The Board may designate one or more committees, each committee to consist of one or more of the directors of the Corporation, and may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board establishing such committee, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (a) approving or adopting, or recommending to the stockholders, any action or matter expressly required by Delaware Law to be submitted to the stockholders for approval (other than nominations for persons for election as directors) or (b) adopting, amending or repealing any bylaw of the Corporation. Each committee shall keep regular minutes of its meetings and report the same to the Board when required. No more than a minority of the number of directors necessary to constitute a quorum of any committee of the Board shall be Non-U.S. Citizens. The chair of any committee of the Board, any vice chair of any committee of the Board and any other person who chairs a meeting of any committee of the Board shall be a U.S. Citizen.

Section 4.13 *Action by Consent.* Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting, if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions, are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper or electronic form.

Section 4.14 *Telephonic Meetings.* Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or such committee, as the case may be, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

Section 4.15 *Resignation.* Any director may resign from the Board at any time by giving notice to the Board or to the Secretary of the Corporation. Any such notice must be in writing or by electronic transmission to the Board or to the Secretary of the Corporation. The resignation of any director shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.16 *Vacancies.* Except as otherwise provided by law and subject to the Certificate of Incorporation and the Securityholders Agreement, vacancies occurring in any directorship (whether by death, resignation, retirement, disqualification, removal or other cause) and newly created directorships resulting from any increase in the number of directors shall be filled in accordance with the Certificate of Incorporation. Any director elected to fill a vacancy or newly created directorship shall hold office until the next election of directors and until his or her successor shall be elected and qualified, or until his or her earlier death, resignation, retirement, disqualification or removal.

Section 4.17 *Removal.* Directors of the Corporation may be removed in the manner provided in the Certificate of Incorporation and applicable law.

Section 4.18 *Compensation.* Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, the Board shall have authority to fix the compensation of directors, including fees and reimbursement of expenses.

ARTICLE 5
OFFICERS

Section 5.01 *Officers; Limitations*.

(a) The executive officers of the Corporation shall be a Chief Executive Officer, President, Chief Financial Officer, General Counsel, one or more Executive or Senior Vice Presidents and a Corporate Secretary who shall have the duty, among other things, to record the proceedings of the meetings of stockholders and directors in a book kept for that purpose. The Corporation may also have such other executive officers, including one or more Controllers, as the Board may in its discretion appoint. One person may hold the offices and perform the duties of any two (2) or more of said offices, except that no one person shall hold the offices and perform the duties of President and Corporate Secretary.

(b) Each of the executive officers of the Corporation shall be U.S. Citizens.

Section 5.02 *Appointment, Term of Office and Remuneration.* The officers of the Corporation shall be appointed by the Board in the manner determined by the Board. Each such officer shall hold office until his or her successor is appointed, or until his or her earlier death, resignation or removal. Subject to any delegation made pursuant to Section 5.03, the remuneration of all officers of the Corporation shall be fixed by the Board. Any vacancy in any office shall be filled in such manner as the Board shall determine.

Section 5.03 *Subordinate Officers.* In addition to the executive officers enumerated in Section 5.01 herein, the Corporation may have a Treasurer, one or more Vice Presidents, Assistant Secretaries and Assistant Controllers and such other subordinate officers, agents and employees as the Board may deem necessary, each of whom shall hold office for such period as the Board may from time to time determine; *provided, however*, that a Non-U.S. Citizen may not exercise or be delegated any authority or duties that in any way relate to the exercise of authority or performance of duties associated with the functions of the Chairperson or the President nor may such person be granted or delegated any authority to bind the Corporation. The Board may delegate to any executive officer the power to appoint, remove and remunerate any such subordinate officers, agents or employees.

Section 5.04 *Removal.* Any officer may be removed, with or without cause, at any time, by resolution adopted by a majority of the Board, except that subordinate officers may be removed in such manner and by such persons as the Board shall otherwise permit.

Section 5.05 *Resignations.* Any officer may resign at any time by giving notice to the Board (or to the Chief Executive Officer). Any such notice must be in writing. The resignation of any officer shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice, unless the Corporation provides such officer with written notice that such resignation shall be effective as of a date after such notice is delivered, but prior to the date set forth in such notice; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.06 *Powers and Duties.* The officers of the Corporation shall have such powers and perform such duties incident to each of their respective offices and such other duties as may from time to time be conferred upon or assigned to them by the Board.

ARTICLE 6
CAPITAL STOCK

Section 6.01 *Certificates for Stock; Uncertificated Shares.* The shares of the Corporation need not be represented by certificates, and the Board may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares or a combination of certificated and uncertificated shares. Any such resolution that shares of a class or series will only be uncertificated shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation; provided that all shares shall be uncertificated as of the date of adoption of these Bylaws. Except as otherwise required by Delaware Law, the rights and obligations of the holders of uncertificated shares and the rights and obligations of the holders of shares represented by certificates of the same class and series shall be identical. Every holder of stock represented by certificates shall be entitled to have a certificate signed by, or in the name of the Corporation by two authorized officers representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a .pdf. In case any officer, transfer agent or registrar who has signed or whose .pdf signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The Corporation shall not have power to issue a certificate in bearer form.

Section 6.02 *U.S. Citizenship Requirement*. At no time shall Non-U.S. Citizens be permitted to beneficially own, individually or in the aggregate, more than the Permitted Percentage of each class or series of the capital stock of the Corporation.

Section 6.03 *Dual Share System*.

(a) If the Board has determined pursuant to the Certificate of Incorporation to use a dual share system, the Corporation shall instruct its transfer agent to maintain two separate stock records for each class or series of its capital stock: (i) a record of shares owned by U.S. Citizens and (ii) a record of shares owned by Non-U.S. Citizens.

(b) Certificates and/or book entries (in the case of uncertificated shares) representing shares of each class or series of the capital stock of the Corporation shall be marked either “U.S. Citizen” or “Non-U.S. Citizen,” but shall be identical in all other respects. Shares owned by U.S. Citizens shall be represented by U.S. Citizen certificates and/or book entries, and shares owned by Non-U.S. Citizens shall be represented by Non-U.S. Citizen certificates and/or book entries. Whether shares are owned by U.S. Citizens or by Non-U.S. Citizens shall be determined in accordance with the Certificate of Incorporation.

Section 6.04 *Transfer of Shares*.

(a) Shares of the stock of the Corporation may be transferred on the record of stockholders of the Corporation by the holder thereof or by such holder's duly authorized attorney upon surrender of a certificate therefor properly endorsed or upon receipt of proper transfer instructions from the registered holder of uncertificated shares or by such holder's duly authorized attorney and upon compliance with appropriate procedures for transferring shares in uncertificated form, unless waived by the Corporation; *provided* however that such transfer must comply with the Certificate of Incorporation and applicable law, including the Jones Act.

(b) Without limiting the applicable provisions of the Certificate of Incorporation, shares of any class or series of capital stock represented by a U.S. Citizen certificate and/or book entry, or represented by a Non-U.S. Citizen certificate and/or book entry determined by the Corporation to be held by or on behalf of a U.S. Citizen, may not be transferred, and shares of any class or series of the capital stock of the Corporation may not be issued (upon original issuance), to a Non-U.S. Citizen or a holder of record that will hold such shares for or on behalf of a Non-U.S. Citizen if, upon completion of such transfer or issuance, Non-U.S. Citizens, individually or in the aggregate, will own shares of such class or series of the capital stock represented by Non-U.S. Citizen certificates and/or book entries and represented by U.S. Citizen certificates and/or book entries determined by the Corporation to be held by or on behalf of Non-U.S. Citizens in excess of the Permitted Percentage of such class or series.

Section 6.05 *Authority for Additional Rules Regarding Transfer.* The Board shall have the power and authority to make all such rules and regulations as it may deem expedient concerning the issue, transfer and registration of certificated or uncertificated shares of the stock of the Corporation (in each case, solely to the extent consistent with the Certificate of Incorporation and the Securityholders Agreement), as well as for the issuance of new certificates in lieu of those which may be lost or destroyed, and may require of any stockholder requesting replacement of lost or destroyed certificates, bond in such amount and in such form as they may deem expedient to indemnify the Corporation, and/or the transfer agents, and/or the registrars of its stock against any claims arising in connection therewith.

ARTICLE 7
INDEMNIFICATION

Section 7.01 *Procedure for Indemnification*. Any claim for indemnification or advance of expenses by an indemnitee under Article VIII of the Certificate of Incorporation shall be addressed by the Corporation promptly, and in any event within 45 days (or, in the case of an advance of expenses, 20 days, provided that the director, advisory director, board observer or officer has delivered the undertaking contemplated by Section 8.1 of the Certificate of Incorporation if required), upon the written request of the indemnitee. If the Corporation denies a written request for indemnification or advance of expenses, in whole or in part, or if payment in full pursuant to such request is not made within 45 days (or, in the case of an advance of expenses, 20 days, provided that the indemnitee has delivered the undertaking contemplated by Section 8.1

of the Certificate of Incorporation if required), the right to indemnification or advances as granted by Article VIII of the Certificate of Incorporation shall be enforceable by the indemnitee in any court of competent jurisdiction. Such person's costs and expenses incurred in connection with successfully establishing his or her right to indemnification, in whole or in part, in any such action shall also be indemnified by the Corporation to the fullest extent permitted by applicable law. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of expenses where the undertaking required pursuant to Section 8.1 of the Certificate of Incorporation, if any, has been tendered to the Corporation) that the claimant has not met the applicable standard of conduct which make it permissible under Delaware Law for the Corporation to indemnify the claimant for the amount claimed, but the burden of proof shall be on the Corporation to the fullest extent permitted by law. Neither the failure of the Corporation (including the Board, a committee thereof, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Delaware Law, nor an actual determination by the Corporation (including the Board, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

Section 7.02 *Insurance*. The Corporation may purchase and maintain insurance on its own behalf and on behalf of any person who is or was or has agreed to become a director, advisory director, board observer, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, advisory director, board observer, officer, partner, member, trustee, administrator, employee or agent of another corporation, partnership, joint venture, limited liability company, trust or other enterprise against any expense, liability or loss asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such expenses, liability or loss under Delaware Law.

ARTICLE 8
GENERAL PROVISIONS

Section 8.01 *Dividends.* Subject to limitations contained in Delaware Law and the Certificate of Incorporation, the Board may declare and pay dividends upon the shares of capital stock of the Corporation, which dividends may be paid either in cash, in property or in shares of the capital stock of the Corporation.

Section 8.02 *Year.* The fiscal year of the Corporation shall commence on January 1 and end on December 31 of each year.

Section 8.03 *Corporate Seal.* The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Delaware." The seal may be used by causing it or a .pdf thereof to be impressed, affixed or otherwise reproduced.

Section 8.04 *Actions with Respect to Securities Owned by the Corporation.* The Board may authorize any Person, on behalf of the Corporation, to attend, vote at and grant proxies to be used at any meeting, and to take comparable actions in respect of actions by written consent in lieu of a meeting, of holders of any stock and other securities of other entities (except the Corporation) owned or held by the Corporation for itself. The Person so designated shall be a U.S. Citizen. If the Board has not so authorized anyone, the Chief Executive Officer or the Chief Executive Officer's delegate shall have authority to perform such function.

Section 8.05 *Amendments.* These Bylaws may be amended, altered or repealed, and new bylaws adopted, only in the manner set forth in the Certificate of Incorporation.

Exhibit 4.8

AMENDED AND RESTATED SECURITYHOLDERS AGREEMENT

by and among

HORNBECK OFFSHORE SERVICES, INC.

and

THE OTHER PARTIES TO THIS AGREEMENT

Dated as of [•], 2024

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AMENDED AND RESTATED SECURITYHOLDERS AGREEMENT

THIS AMENDED AND RESTATED SECURITYHOLDERS AGREEMENT (this "**Agreement**"), dated as of [•], 2024 (the "**Effective Date**"), is entered into by and among Hornbeck Offshore Services, Inc., a Delaware corporation (the "**Corporation**"), and each of the Securityholders (as defined below).

RECITALS

WHEREAS, the Corporation and the Securityholders entered into that certain Securityholders Agreement of the Corporation, dated as of September 4, 2020 (as amended by that certain Amendment No. 1 to Securityholders Agreement, dated as of December 2, 2021, and that certain Amendment No. 2 to Securityholders Agreement, dated as of July 7, 2023 (as amended, the "**Original Securityholders Agreement**"));

WHEREAS, the Corporation is currently contemplating an underwritten initial public offering (the "**IPO**") of shares of its Common Stock;

WHEREAS, pursuant to Sections 2.2(a)(ii) and 8.10(b) of the Original Securityholders Agreement, the Original Securityholders Agreement may be amended (including restated) by an instrument in writing executed by the Securityholders beneficially owning at least 75% of the Fully Diluted Securities (as defined herein), which must include each Appointing Person (as defined herein);

WHEREAS, the undersigned Securityholders are Appointing Persons and beneficially own at least 75% of the Fully Diluted Securities in the aggregate;

WHEREAS, in connection with, and effective immediately prior to effectiveness of the registration statement on Form 8-A filed by the Corporation in connection with the IPO, the Corporation and the undersigned Securityholders wish to amend and restate the Original Securityholders Agreement to set forth certain understandings between such parties, including with respect to certain governance matters; and

NOW THEREFORE, in consideration of the premises, mutual covenants and agreements hereinafter contained, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows effective as of the Effective Date:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions.

(a) As used herein, the following terms have the following meanings:

"**Affiliate**" has the meaning specified in the Certificate of Incorporation.

"**Applicable Law**" has the meaning specified in the Certificate of Incorporation.

"**Appointing Person**" has the meaning specified in the Certificate of Incorporation.

"**Appointing Person Designee**" has the meaning specified in the Certificate of Incorporation.

"**Ares**" means, collectively, (i) ASSF IV HOS AIV 1, L.P., (ii) ASOF HOS AIV 1, L.P., (iii) ASSF IV HOS AIV 2, L.P, (iv) ASOF HOS AIV 2, L.P., (v) ASSF IV AIV B, L.P., (vi) ASSF IV AIV B Holdings III, L.P., (vii) ASOF Holdings I, L.P., (viii) ASOF II Holdings I, L.P., (ix) ASOF II A (DE) Holdings I, L.P., (x) the two entities listed on Schedule 1 hereto and (xi) each of their Affiliates that is or becomes a Securityholder in accordance with this Agreement.

"**Board**" means the board of directors of the Corporation.

"**Board Designees**" has the meaning specified in the Certificate of Incorporation.

"**Business Day**" means any day other than a Saturday, Sunday or a day on which state or federally chartered banking institutions in New York City, New York are not required to be opened.

"**Bylaws**" means the Sixth Amended and Restated Bylaws of the Corporation, as in effect on the date hereof and as the same may be amended and/or restated from time to time in accordance with the terms thereof.

"**Certificate of Incorporation**" means the Fourth Amended and Restated Certificate of Incorporation of the Corporation, as in effect on the date hereof and as the same may be amended and/or restated from time to time in accordance with its terms.

"**Chief Executive Officer**" means the duly appointed and acting Chief Executive Officer of the Corporation.

"**Commission**" means the United States Securities and Exchange Commission.

"**Common Stock**" means the common stock, par value $0.00001 per share, of the Corporation.

"**Corporation Securities**" has the meaning specified in the Certificate of Incorporation.

"**Director**" means any director of the Corporation.

"**Director Designation Rights**" has the meaning specified in the Certificate of Incorporation.

"**Excess Shares**" has the meaning specified in the Certificate of Incorporation.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated by the Commission thereunder.

"**Fully Diluted Securities**" has the meaning specified in the Certificate of Incorporation.

"**GAAP**" means United States generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants, statements and pronouncements of the Financial Accounting Standards Board and, when applicable, rules of the Commission or in such other statements by such other entity as have been approved by a significant segment of the accounting profession that are in effect from time to time, applied on a consistent basis for the periods involved.

"**Highbridge**" means, collectively, (i) 1992 Master Fund Co-Invest SPC- Series 1 Segregated Portfolio, (ii) Highbridge Tactical Credit Master Fund, LP, (iii) Highbridge SCF Special Situations SPV, LP, (iv) Highbridge Tactical Credit Institutional Fund LTD, and (v) each of its Affiliates that is or becomes a Securityholder in accordance with this Agreement.

"**Joinder Agreement**" means an agreement in the form of Exhibit A hereto entered into from time to time between the Corporation and any Person who acquires any Corporation Security after the date hereof who is not already a party to this Agreement.

"**Jones Act**" has the meaning specified in the Certificate of Incorporation.

"**Jones Act Compliance**" means compliance by the Corporation with the U.S. citizenship requirements of the Jones Act to be eligible to own and operate U.S. Vessels in U.S. Coastwise Trade or to obtain a coastwise endorsement.

"**Jones Act Warrant Agreement**" has the meaning specified in the Certificate of Incorporation.

"**Jones Act Warrants**" has the meaning specified in the Certificate of Incorporation.

"**Minimum Threshold**" has the meaning specified in the Certificate of Incorporation.

"**Necessary Action**" means:

(i) with respect to the Corporation and a specified result, all actions (to the extent such actions are not prohibited by Applicable Law and are within such party to this Agreement's control, and in the case of any action that requires a vote or other action on the part of the Board to the extent such action is consistent with fiduciary duties that the Corporation's Directors may have in such capacity) necessary to cause such result, including (a) calling meetings of stockholders, (b) assisting in preparing or furnishing forms of ballots, proxies, consents or similar instruments, if applicable, in each case, with respect to shares of Common Stock, and facilitating the collection or processing of such ballots, proxies, consents, or instruments, (c) executing agreements and instruments, (d) making, or causing to be made, with any government, governmental department or agency, or political subdivision thereof, all filings, registrations, or similar actions that are required to achieve such result, (e) nominating or appointing, or taking steps to cause the nomination or appointment of, certain Persons (including to fill vacancies) and providing the highest level of support for the election or appointment of such Persons to the Board or any committee thereof, including in connection with the annual or special meeting of stockholders of the Corporation, and (f) assuring Jones Act Compliance, and

(ii) with respect to a Securityholder and a specified result, including the election of Board Designees, (a) attending, in person or by proxy, all meetings of the stockholders of the Corporation, and (b) voting or providing a written consent or proxy, if applicable in each case, with respect to shares of Common Stock held by such Securityholder, in each case, necessary to cause such result.

"**Non-U.S. Citizen**" means any Person who is not a U.S. Citizen.

"**Officer**" means an officer of the Corporation.

"**Organizational Documents**" means, collectively, each of this Agreement, the Bylaws, and the Certificate of Incorporation.

"**Permitted Transferee**" means, with respect to any Securityholder, any Affiliate of such Securityholder and, in the case of a Securityholder that is an individual, any member of such Securityholder's immediate family (as defined in Item 404 of Regulation S-K) and any descendant of any such Securityholder, or any trust or like vehicle solely for the benefit of one or more of the foregoing; *provided* that each such transferee shall execute a Joinder Agreement and shall be subject to Jones Act Compliance, including the issuance of Jones Act Warrants in lieu of Common Stock, if necessary.

"**Person**" means any individual, firm, partnership, limited liability or other company, corporation, joint venture or other entity, and shall include any successor (by merger, business combination or otherwise) of such entity.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated by the Commission thereunder.

"**Securityholders**" has the meaning specified in the Certificate of Incorporation.

"**Subsidiaries**" has the meaning specified in the Certificate of Incorporation.

"**Transfer**" means, when used as a verb, to directly or indirectly sell, transfer, assign, convey or otherwise dispose of, and when used as a noun, any direct or indirect sale, transfer, assignment, conveyance or other disposition, including by merger, business combination, operation of law, bequest or pursuant to any domestic relations order, whether voluntarily or involuntarily; *provided, that* (i) with respect to any Securityholder that is a widely held "investment company" as defined in the Investment Company Act of 1940, as amended, or any publicly traded company whose securities are registered under the Exchange Act, a sale, transfer, gift, hypothecation, pledge, assignment, devise or other disposition of ownership interests in such investment company or publicly traded company shall not be deemed a Transfer; and (ii) with respect to any Securityholder that is a private equity fund, hedge fund, investment vehicle, managed account (including separately managed account) or similar vehicle, any sale, transfer, gift, hypothecation, pledge, assignment, devise or other disposition of partnership or other ownership interests in any entity which is a pooled investment vehicle holding other material investments and which is an equityholder (directly or indirectly) of a Securityholder, or any sale, transfer, gift, hypothecation, pledge, assignment, devise or other disposition of partnership or other ownership interests in any general partner, manager or similar Person of such entity, shall not be deemed to be a Transfer for purposes hereof. The terms "**Transferred**" or "**Transferring**" shall have a correlative meaning.

"**U.S. Citizen**" means any Person which is eligible and qualified to own and operate U.S. Vessels in U.S. Coastwise Trade term pursuant to the Jones Act.

"**U.S. Coastwise Trade**" has the meaning specified in the Certificate of Incorporation.

"**U.S. Vessel**" has the meaning specified in the Certificate of Incorporation.

"**Whitebox**" means collectively, (i) Whitebox Caja Blanca Fund, LP Whitebox Advisors, (ii) Whitebox Relative Value Partners, L.P., (iii) Whitebox GT Fund, LP, (iv) Whitebox Multi-Strategy Partners, L.P., (v) Whitebox Credit Partners, LP Whitebox Advisors, (vi) Pandora Select Partners, L.P. Whitebox Advisors, and (vii) each of its Affiliates that is or becomes a Securityholder in accordance with this Agreement.

Section 1.2 Other Definitional and Interpretive Matters. For purposes of this Agreement, the following rules shall apply:

(a) *Calculation of Time Period*. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

(b) *Dollars*. Any reference in this Agreement to "$" shall mean U.S. dollars.

(c) *Gender and Number*. Any reference in this Agreement to gender shall include all genders, and words imparting the singular number only shall include the plural and vice versa.

(d) *Headings*. The provision of a Table of Contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in construing or interpreting this Agreement. All references in this Agreement to any "Article" or "Section" are to the corresponding Article or Section of this Agreement unless otherwise specified.

(e) *Herein*. The words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.

(f) *Including*. The word "including" or any variation thereof means "including, without limitation" and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

(g) *Successor Laws*. Any reference to any law or code section thereof will be interpreted to include any revision of or successor to that section regardless of how it is numbered or classified, and any and all rules or regulations promulgated thereunder.

(h) *Successor Agreements*. Any definition of or reference to any agreement, instrument, or document herein shall be construed as referring to such agreement, instrument, or document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein).

(i) *Heirs, Executors, etc*. References herein to any Person shall include such Person's heirs, executors, personal representatives, administrators and successors and assigns; *provided*, *however*, that nothing contained in this Section 1.2(i) is intended to authorize any assignment or other Transfer not otherwise permitted by this Agreement.

ARTICLE II
MANAGEMENT OF THE CORPORATION AND CERTAIN ACTIVITIES

Section 2.1 Board. Each of the Securityholders, severally and not jointly, agrees with the Corporation, and only the Corporation, to take all Necessary Action to ensure that the provisions of this Article II and Article VI of the Certificate of Incorporation are fully implemented and carried out.

(a) *Board Representation; Number of Directors*. From and after the Effective Date, the Board shall consist of seven (7) Directors or such greater number approved by the Board and the Appointing Persons in accordance with the Certificate of Incorporation.

(i) Effective as of the Effective Date: (x) [•] and [•] shall be the initial Appointing Person Designees of Ares; (y) [•] shall be the initial Appointing Person Designee of Whitebox; and (z) [•] shall be the initial Appointing Person Designee of Highbridge.

(b) In the event that a vacancy is created at any time by the death, resignation, removal (in accordance with the Certificate of Incorporation), retirement or disqualification of any Director listed as an initial Appointing Person Designee in Section 2.1(a)(i) or designated by an Appointing Person pursuant to the Certificate of Incorporation, the Corporation agrees with each of the Securityholders, severally and not jointly, that it shall, to the fullest extent permitted by Applicable Law (including with respect to fiduciary duties under Delaware law), take all Necessary Action to cause the vacancy created thereby to be filled in accordance with Article VI, Section 6.1(d)(v) of the Certificate of Incorporation as soon as possible unless the Securityholders have ceased to have the right under this Agreement or Article VI, Section 6.1(d)(v) to fill such vacancy, and the Corporation hereby agrees to take, to the fullest extent permitted by Applicable Law (including with respect to fiduciary duties under Delaware law), at any time and from time to time, all Necessary Action to accomplish the same, including calling a special meeting of the Board or the stockholders of the Corporation.

(c) The Corporation agrees with each of the Securityholders, severally and not jointly, to the fullest extent permitted by Applicable Law (including with respect to fiduciary duties under Delaware law), to take, or cause to be taken, all Necessary Action to cause the election of each Board Designee, which such Necessary Action shall include the items set forth in Article VI, Section 6.1(d)(i) of the Certificate of Incorporation. For the avoidance of doubt, the rights granted to the Appointing Persons to designate for nomination members of the Board are additive to, and not intended to limit in any way, the rights that the Appointing Persons may otherwise have to nominate, elect or remove Directors under the Certificate of Incorporation, the Bylaws or the Delaware General Corporation Law.

(d) Promptly after an Appointing Person's beneficial ownership ceases to be equal to or greater than the applicable threshold for designation of an applicable Appointing Person Designee, such Appointing Person shall cause any such applicable Appointing Person Designee that is an employee of such Appointing Person or any of its Affiliates to tender his or her resignation to the Board.

Section 2.2 Subsidiaries. Except as set forth in the last sentence of this Section 2.2 or when the Board determines to otherwise create or approve a board of managers or similar governing body at any of the Corporation's Subsidiaries, the Chief Executive Officer (or other Officer of the Corporation as designated in writing by the Board) shall be the sole manager of each

of the Corporation's Subsidiaries. Notwithstanding the foregoing, in the event either through a Board determination or through other Necessary Action (including, for the avoidance of doubt, by any board of managers or similar governing body of any Subsidiary of the Corporation), a board of managers or similar governing body is created or approved for any of the Corporation's Subsidiaries holding or operating under a Facility Clearance, as defined in the in the National Industrial Security Program Operating Manual (the "**NISPOM**"), then, that board or other similar governing body shall exclude any Board Designee of Highbridge. If the Board so determines to otherwise create or approve a board of directors or similar governing body at any of the Corporation's Subsidiaries, to the extent requested by an Appointing Person, each of the Securityholders, severally and not jointly, agree with the Corporation, and only the Corporation, to take all Necessary Action to cause the Board Designee designated by such Appointing Person to be designated as members of the board of directors or similar governing body of any of the Corporation's Subsidiaries with the same proportionate representation of such Appointing Person on such other board or governing body as on the Board. The rights set forth in the preceding sentence shall not apply to Highbridge and the Corporation and each Securityholder shall not honor, any such request from Highbridge for representation on the board of directors or similar governing body of any Subsidiary of the Corporation holding or operating under a Facility Clearance (as defined in the NISPOM). Each of the Securityholders, severally and not jointly, agree with the Corporation, and only the Corporation, to take all Necessary Action to cause any Subsidiary of the Corporation holding or operating under a Facility Clearance (as defined in the NISPOM) to have, and be managed under the direction of, a board of managers or similar governing body.

Section 2.3 Permitted Disclosure. Each Appointing Person Designee is permitted to disclose to the Appointing Person and its Affiliates by which such Appointing Person Designee was designated as a Director, information about the Corporation and its Affiliates that he or she receives as a result of being a Director, subject to his or her fiduciary duties under Delaware law.

Section 2.4 Jones Act Compliance. The Corporation shall review its books and records and third party publicly available information at least quarterly to determine Jones Act Compliance pursuant to the requirements of Applicable Law and the Organizational Documents. If, after making such review, the Corporation determines, in its sole discretion, that conversion of some or all of the outstanding Jones Act Warrants held by Non-U.S. Citizens that are exercisable at the time of such review will not result in (and would not reasonably be expected to result in) ownership and control (i) with respect to all Non-U.S. Citizens in the aggregate, in excess of twenty one percent (21%) of the aggregate outstanding Common Stock after giving effect to such conversion and (ii) with respect to any individual Non-U.S. Citizen, in excess of 4.9% of the aggregate outstanding Common Stock after giving effect to such conversion (collectively, the "**Exercise Cap**"), the Corporation shall effect in accordance with the Jones Act Warrant Agreement the automatic conversion of such amount of outstanding Jones Act Warrants covered by a Warrant Exercise Notice (as defined in the Jones Act Warrant Agreement) that has not been withdrawn into the total number of shares of Common Stock that the Corporation has so determined, in its sole discretion, may be issued at such time without causing the Exercise Cap to be exceeded or Excess Shares being issued.

ARTICLE III
INFORMATION AND ACCESS

Section 3.1 Information and Access Rights.

(a) *Books and Records; Access*. The Corporation shall, and shall cause its Subsidiaries to, keep proper books, records and accounts, in which full and correct entries shall be made of all financial transactions and the assets and business of the Corporation and each of its Subsidiaries in accordance with GAAP. For so long as an Appointing Person owns at least the Minimum Threshold of Fully Diluted Securities, the Corporation shall, and shall cause its Subsidiaries to, permit such Appointing Person and the Appointing Person Designee's respective designated representatives, at reasonable times and upon reasonable prior notice to the Corporation, to inspect, review and/or make copies and extracts from the books and records of the Corporation or any of the Corporation's Subsidiaries and to discuss the affairs, finances and condition of the Corporation or any of the Corporation's Subsidiaries with the personnel or senior management of the Corporation or the Corporation's Subsidiaries. For the avoidance of doubt, the rights to Corporation information granted under this Section 3.1(a) shall be permanently terminated if such Appointing Person at any time owns less than the Minimum Threshold of Fully Diluted Securities. Notwithstanding the foregoing, in no event shall the terms of this Section 3.1(a) limit in any way the rights the Securityholders otherwise enjoy under applicable Delaware law.

(b) *Sharing of Information*. Individuals associated with the Appointing Persons may from time to time serve on the Board (including as Appointing Person Designees) or be observers to the Board or the equivalent governing body of the Corporation's Subsidiaries. The Corporation, on its behalf and on behalf of its Subsidiaries, recognizes that such individuals: (i) will from time to time receive non-public information concerning the Corporation and its Subsidiaries; and (ii) may (subject to the obligation to maintain the confidentiality of such information in accordance with Section 3.1(d)) share such information with other individuals associated with the Appointing Persons. The Corporation, on behalf of itself and its Subsidiaries, irrevocably consents to such sharing. Taking into account the common interest and joint defense doctrine as may be applicable that would permit the sharing of potentially privileged information without a resulting waiver, the Corporation shall not be required to disclose any privileged information where such disclosure would result in a waiver of the applicable privilege so long as the Corporation has used its best efforts to enter into an arrangement pursuant to which it may provide such information to the Appointing Persons without the loss of any such privilege and has notified the Appointing Persons that such information has not been provided.

(c) *Certain Reports*. For so long as an Appointing Person is entitled to designate for nomination a Board Designee, at the request of such Appointing Person, the Corporation shall deliver or cause to be delivered to the Appointing Person, to the extent otherwise prepared by the Corporation: (i) operating and capital expenditure budgets and periodic information packages relating to the operations and cash flows of the Corporation and its Subsidiaries; and (ii) such other reports and information as may be reasonably requested by the Appointing Person.

(d) *Confidentiality Obligations*. Each Appointing Person shall maintain the confidentiality of any confidential and proprietary information of the Corporation and its Subsidiaries ("**Confidential Information**") using the same standard of care, but in no event less than reasonable care, as it applies to its own confidential information, except that such Confidential Information may be disclosed (i) by an Appointing Person to its Affiliates and to its and their respective directors, managers, officers, employees, and authorized representatives (including attorneys, accountants, consultants, bankers, and financial advisors of such Appointing Person or its Affiliates) (collectively, "**Representatives**") who need to be provided such Confidential Information to assist such Appointing Person in evaluating or reviewing its investment in securities of the Corporation; *provided*, that each of such Representatives shall be deemed to be bound by the provisions of this Section 3.1(d) and such Appointing Person shall be responsible for any breach of this Section 3.1(d) by its Representatives, (ii) by an Appointing Person to the current or prospective lenders, partners, members, or other investors of such Appointing Person (or any direct or indirect investor in such Appointing Person) or former partners, members, or other investors who retained an economic interest in such Appointing Person (or in such investor) to the extent such disclosure is limited to customary disclosures made in the ordinary course of business by an investment fund to its current, prospective, or former investors or equity holders in respect of investments made thereby, including in connection with the disposition thereof; *provided*, that such Appointing Person shall be responsible to the Corporation for any breach of such agreement or obligation by any such partner, member, or other investor, (iii) by an Appointing Person to any potential Permitted Transferee that agrees to be bound by the provisions of this Section 3.1(d) or a confidentiality agreement having restrictions substantially similar to this Section 3.1(d), and such Appointing Person shall be responsible for any breach of this provision or such confidentiality agreement by any such Person, (iv) by any Appointing Person or Representative to the extent that the Appointing Person or its Representative has received advice from its counsel that it is legally compelled to do so or is required to do so pursuant to a subpoena or other order from a court of competent jurisdiction or other applicable law, rule, regulation, legal, or judicial process or audit or inquiries by a regulator, bank examiner, or self-regulatory organization (collectively, "**Law**"); *provided*, that prior to making such disclosure, the Appointing Person or Representative, as the case may be, uses commercially reasonable efforts to preserve the confidentiality of the Confidential Information to the extent permitted by Law, including providing prior written notice to and consulting with the Corporation regarding such disclosure and, if reasonably requested by the Corporation, assisting the Corporation, at the Corporation's expense, in seeking a protective order to prevent the requested disclosure; *provided*, however, that the Appointing Person or Representative, as the case may be, discloses only that portion of the Confidential Information as is, based on the advice of its counsel, legally required, (v) notwithstanding the foregoing clause (iv), by any Appointing Person or Representative, without the requirement to provide notice or take any other action under this Agreement, in connection with any audit or any examination by a regulator, bank examiner, or self-regulatory organization with regulatory oversight over such Appointing Person or Representative; *provided*, that such audit or examination is not specifically directed primarily at the Corporation, any of its Subsidiaries or the Confidential Information, (vi) by any Appointing Person for any Confidential Information which is publicly available (other than as a result of dissemination by such Appointing Person in breach of this Agreement) or a matter of public knowledge generally or (vii) by any Appointing Person for Confidential Information that was known to such Appointing Person on a non-confidential basis, without, to such Appointing Person's knowledge, breach of any confidentiality obligations to the Corporation or its Affiliates in respect thereof, prior to its disclosure by the Corporation or its Affiliates.

ARTICLE IV
[RESERVED]

ARTICLE V
MISCELLANEOUS

Section 5.1 Notices. All notices, requests, waivers and other communications made pursuant to this Agreement shall be in writing and shall be deemed to have been effectively given (a) when delivered by hand, facsimile or electronic transmission to the party to be notified, (b) one Business Day after deposit with a national overnight delivery service with next-business-day delivery guaranteed, or (c) three Business Days after deposit in the United States mail postage prepaid by certified or registered mail return receipt requested, in each case addressed to the party to be notified at the addresses set forth below such party's respective signature to this Agreement. Any party to this Agreement may change its address for purposes of notice hereunder by giving ten days' written notice of such change to the Corporation, in the manner provided in this Section 5.1. Failure to mail a notice or communication to a Securityholder or any defect in it shall not affect its sufficiency with respect to other Securityholders.

Any notices, requests, waivers and other communications required or permitted hereunder shall be addressed as follows (or at such other address as may be substituted by notice given as herein provided):

If to the Corporation:

Hornbeck Offshore Services, Inc.
103 Northpark Blvd., Suite 300
Covington, LA 70433
Attention: James O. Harp, Jr., Executive Vice President and Chief Financial Officer
Email: james.harp@hornbeckoffshore.com

with a copy to:

Hornbeck Offshore Services, Inc.
103 Northpark Blvd., Suite 300
Covington, LA 70433
Attention: Samuel A. Giberga, Executive Vice President, General Counsel and
Chief Compliance Officer & Corporate Secretary
Email: samuel.giberga@hornbeckoffshore.com

If to any Securityholder, at its address, if any, provided on the signature pages of this Agreement or as otherwise provided in a written notice to the Corporation from such Securityholder.

Section 5.2 Survival; Termination. This Agreement, and the Corporation's and the Securityholders' respective rights and obligations hereunder shall remain in effect until the earlier to occur of (i) this Agreement being terminated by agreement of the Corporation and each Appointing Person, and (ii) all Director Designation Rights having terminated pursuant to Section 6.1(b) of the Certificate of Incorporation; *provided* that the provisions of this Agreement

shall survive any such termination to the extent necessary for any Person to enforce any right of such Person that accrued hereunder prior to or on account of such termination. This Agreement shall terminate automatically with respect to any Securityholder when such Securityholder ceases to beneficially own any Corporation Securities; *provided* that (A) the provisions of this Agreement shall survive any such termination to the extent necessary for any Person to enforce any right of such Person that accrued hereunder prior to or on account of such termination, and (B) this Article V shall survive any such termination and shall terminate as set forth therein.

Section 5.3 Governing Law. This Agreement and all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to this Agreement or the negotiation, execution or performance of this Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction).

Section 5.4 Submission to Jurisdiction. Any action, suit or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby must be brought in Delaware Chancery Court; *provided* that if such court does not have jurisdiction then such action, suit or proceeding must be brought in the United States District Court for the District of Delaware. Each party consents to the exclusive jurisdiction and venue of such courts (and of the appropriate appellate courts therefrom) in any such action, suit or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such, action, suit or proceeding in any such court or that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

Section 5.5 Waiver of Jury Trial. Each of the parties to this Agreement hereby agrees to waive its respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this Agreement, including contract claims, tort claims and all other common law and statutory claims. Each party hereto acknowledges that this waiver is a material inducement to enter into this Agreement, that each has already relied on this waiver in entering into this Agreement and that each will continue to rely on this waiver in their related future dealings. Each party hereto further warrants and represents that it has reviewed this waiver with its legal counsel and that it knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 5.5 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

Section 5.6 Successors and Assigns. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by any party hereto pursuant to any Transfer of Corporation Securities or otherwise, except that each Securityholder may assign all or a portion of its rights hereunder to a Permitted Transferee in connection with a Transfer of Corporation Securities by such Securityholder to such Permitted Transferee in

compliance with the terms of this Agreement; *provided* that such Permitted Transferee executes a Joinder Agreement and becomes bound to the provisions of this Agreement and the Certificate of Incorporation. Subject to the rights and restrictions on Transfers set forth in this Agreement, this Agreement shall be binding upon the Corporation, each Securityholder, and their respective successors and permitted assigns.

Section 5.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. This Agreement and any signed agreement entered into in connection herewith or contemplated hereby, and any amendments hereto or thereto, to the extent signed and delivered by facsimile, by electronic mail in "portable document format" (".pdf") form, or any other electronic transmission, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person.

Section 5.8 Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction (including any provision hereof that would violate the Jones Act) is, as to such jurisdiction, ineffective to the extent of any such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof, or affecting the validity, enforceability or legality of such provision in any other jurisdiction, unless the ineffectiveness of such provision would result in such a material change as to cause completion of the transactions contemplated hereby to be unreasonable. Upon a determination that any provision of this Agreement is prohibited, unenforceable or not authorized (including any determination that any provision hereof that would violate the Jones Act), the parties hereto agree to negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible, in a mutually acceptable manner, in order that the transactions contemplated hereby are consummated as originally contemplated to the fullest extent possible.

Section 5.9 Specific Performance. Each party hereto agrees that irreparable harm would occur to the other parties hereto, for which monetary damages would not be an adequate remedy, in the event that any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached, including if any party hereto fails to take any action required of them hereunder, or threatened to be breached. It is accordingly agreed that, in addition to any and all other rights and remedies that may be available to them at law or equity, the parties hereto shall be entitled to an injunction or injunctions, without proof of damages, to prevent breaches or threatened breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement. Each party hereto agrees that it will not oppose the granting of an injunction or a temporary restraining order, specific performance or other equitable relief from a court of competent jurisdiction (without any requirement to post bond) on the basis that (i) the other party has an adequate remedy at law or (ii) an award of specific performance is not an appropriate remedy for any reason at law or in equity. Each of the parties hereto hereby waives (i) any defenses in any action for specific performance, including the defense that a remedy at law would be adequate and (ii) any requirement under any law to post a bond or other security as a prerequisite to obtaining equitable relief.

Section 5.10 No Waivers; Amendments.

(a) No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege. The remedies provided for herein are cumulative and are not exclusive of any remedies that may be available to the Corporation or any Securityholder at law or in equity or otherwise.

(b) This Agreement may only be amended, waived or otherwise modified (including restated or supplemented) (whether by merger, consolidation or otherwise) by an instrument in writing executed by at least two Appointing Persons (or by a sole remaining Appointing Person); *provided*, that no provision of this Agreement shall be amended, waived or otherwise modified (including restated or supplemented) (whether by merger, consolidation or otherwise) (i) (A) in a manner that is disproportionately and materially adverse to any Securityholder (as compared to other Securityholders holding the same class of Corporation Securities), (B) in a manner that would materially and adversely affect the rights of any Securityholder provided in Article III, or (C) in a manner that would impose any Transfer restrictions applicable to any Securityholder, in each case without the prior written consent of such Securityholder so affected or (ii) in a manner that would reduce the threshold for termination set forth in Section 5.2 without the prior written consent of each Appointing Person *provided*, *however*, that any Securityholder may waive any or all of its rights hereunder by an instrument in a writing executed by such Securityholder without the consent of any other Person, so long as such waiver does not adversely affect the rights of any other Securityholder in any respect. Notwithstanding the foregoing, Exhibit A may be amended by resolution of the Board. The Corporation shall give prompt written notice to the Securityholders of any amendments, waivers or modifications of the provisions of this Agreement.

Section 5.11 Non-Recourse. All claims, obligations, liabilities, or causes of action (whether in contract or in tort, in law or in equity, or granted by statute) that may be based upon, in respect of, arise under, out or by reason of, be connected with, or relate in any manner to this Agreement, or the negotiation, execution, or performance of this Agreement (including any representation or warranty made in, in connection with, or as an inducement to, this Agreement), may be made only against (and are expressly limited to) the entities that are identified as parties in the preamble to this Agreement ("**Contracting Parties**"). No Person who is not a Contracting Party, including any director, advisory director, board observer, officer, employee, incorporator, member, partner, manager, stockholder, Affiliate, agent, attorney, or representative of, and any financial advisor or lender to, any Contracting Party, or any director, advisory director, board observer, officer, employee, incorporator, member, partner, manager, stockholder, Affiliate, agent, attorney, or representative of, and any financial advisor or lender to, any of the foregoing ("**Non-Party Affiliates**"), shall have any liability (whether in contract or in tort, in law or in equity, or granted by statute) for any claims, causes of action, obligations, or liabilities arising under, out of, in connection with, or related in any manner to this Agreement or based on, in respect of, or by reason of this Agreement or its negotiation, execution, performance, or breach; and, to the maximum extent permitted by law, each Contracting Party hereby waives and releases all such liabilities, claims, causes of action, and obligations against any such Non-Party Affiliates.

Section 5.12 Action by Appointing Persons.

(a) Any action to be taken or consent or approval to be given by an Appointing Person pursuant to this Agreement shall be deemed taken, consented to or approved upon the affirmative consent or approval by Securityholders comprising such Appointing Person that beneficially own a majority of the Fully Diluted Securities beneficially owned by such Appointing Person.

(b) Any Appointing Person may exercise the rights, and grant any approval or consent, under this Agreement of the other Securityholders comprising such Appointing Person.

Section 5.13 Further Assurances. Each party shall cooperate and shall take such further action and shall execute and deliver such further documents, certificates, instruments, conveyances, and assurances and to take such further actions as may be reasonably requested by any other party hereto in order to carry out the provisions and purposes of this Agreement.

Section 5.14 Entire Agreement. This Agreement contains the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, both oral and written, among the parties hereto with respect to such matters. In the event of any inconsistency or conflict between this Agreement and any other Organizational Document, the Securityholders and the Corporation shall, to the extent permitted by Applicable Law, amend such other Organizational Document to comply with the terms of this Agreement.

Section 5.15 Independent Agreement by the Securityholders. The obligations of each Securityholder hereunder are several and not joint with the obligations of any other Securityholder, and no provision of this Agreement is intended to confer any obligations on any Securityholder vis-à -vis any other Securityholder. Nothing contained herein, and no action taken by any Securityholder pursuant hereto, shall be deemed to constitute the Securityholders as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Securityholders are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated herein.

Section 5.16 No Third-Party Beneficiaries. Except for Section 5.10, this Agreement is for the sole benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

Section 5.17 Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, all as of the date first written above.

CORPORATION:

Hornbeck Offshore Services, Inc.

By: _____
Name: James O. Harp, Jr.
Title: Executive Vice President and Chief Financial Officer

SECURITYHOLDERS:

[SECURITYHOLDER]

By: _____
Name:
Title:

ADDRESS:
[ADDRESS]
[ADDRESS]
Attention: [•]
Email: [•]

With a copy to:

[ADDRESS]
[ADDRESS]
Attention: [•]
Email: [•]

Exhibit A

FORM OF JOINDER AGREEMENT

This Joinder Agreement (this "Joinder Agreement") is made as of **[**_____ ___, 20__**]** by the undersigned (the "Transferee") in accordance with the Amended and Restated Securityholders Agreement of Hornbeck Offshore Services, Inc. (the "Corporation") dated as of [•], 2024 (as it may be amended, supplemented, restated or modified from time to time, the "Securityholders Agreement"). Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Securityholders Agreement.

The Transferee hereby acknowledges, agrees and confirms that, by its execution of this Joinder Agreement, it shall become a party to the Securityholders Agreement and shall be fully bound by and subject to (i) all of the covenants, terms and conditions of the Securityholders Agreement as though an original party thereto and shall be deemed and is hereby admitted as, a Securityholder for all purposes thereof and entitled to all the rights incidental thereto and (ii) the terms and conditions of the Certificate of Incorporation applicable to Securityholders (as defined therein), in each case as of the date first written above.

The Transferee hereby represents and warrants that (i) it is a Permitted Transferee of [the transferring Securityholder] and will be the lawful record owner of [amount and type of Corporation Securities] as of the date hereof, (ii) the Transferee has all requisite power and authority to execute this Joinder Agreement and to perform its obligations under the Securityholders Agreement and (iii) the execution and delivery of this Joinder Agreement and the performance of the Transferee's obligations under the Securityholders Agreement will not conflict with or constitute a default under any material contract to which the Transferee is a party, constitute a default under the Transferee's governing documents or conflict with or constitute a violation of any Applicable Law.

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement as of the date first written above and hereby authorizes this signature page to be attached to a counterpart of the Securityholders Agreement.

[TRANSFEREE**]**

By: _____

Name:
Title:

KIRKLAND & ELLIS LLP
AND AFFILIATED PARTNERSHIPS

609 Main Street
Houston, TX 77002
United States

+1 713 836 3600

www.kirkland.com

, 2024

Hornbeck Offshore Services, Inc.
103 Northpark Boulevard, Suite 300
Covington, Louisiana 70433

Re: Registration Statement on Form S-1

Ladies and Gentlemen:

We are issuing this opinion in our capacity as special legal counsel to Hornbeck Offshore Services, Inc., a Delaware corporation (the "Company"), in connection with the proposed registration by the Company under the Securities Act of 1933, as amended (the "Act"), on a Registration Statement on Form S-1 (Registration No. 333-275939) initially publicly filed with the Securities and Exchange Commission (the "Commission") on December 7, 2023 (as such registration statement is amended or supplemented, the "Registration Statement") of (i) shares of common stock, par value $0.00001 per share (the "Common Stock"), that may be offered by the Company (the "Primary Shares") and (ii) shares of Common Stock that may be offered by certain stockholders (the "Selling Stockholders") of the Company (including shares that may be sold by the Selling Stockholders upon exercise of the underwriters' over-allotment option, if any), which includes (A) shares of Common Stock held by the Selling Stockholders (the "Secondary Shares") and (B) shares of Common Stock issuable by the Company upon exercise of warrants (the "Warrants") held by the Selling Stockholders to purchase Common Stock (the "Secondary Warrant Shares" and, together with the Secondary Shares and the Primary Shares, the "Shares").

In connection therewith, we have examined originals, or copies certified or otherwise identified to our satisfaction, of such documents, corporate records and other instruments as we have deemed necessary for the purposes of this opinion, including (i) the corporate and organizational documents of the Company, including the form of Fourth Amended and Restated Certificate of Incorporation of the Company filed as Exhibit 3.3 to the Registration Statement (the "Certificate of Incorporation") to be filed with the Secretary of State of the State of Delaware prior to the sale of the Shares; (ii) the Jones Act Warrant Agreement, dated September 4, 2020, between the Company and Computershare, Inc. and Computershare Trust Company, N.A., collectively as warrant agent, as amended by Amendment No. 1 to Jones Act Warrant Agreement, dated as of December 31, 2020 (as amended, the "Warrant Agreement"), filed as Exhibit 4.1 and Exhibit 4.2, respectively, to the Registration Statement; (iii) the form of Underwriting Agreement (the "Underwriting Agreement") proposed to be entered into by and among the Company, the Selling Stockholders and J.P. Morgan Securities LLC and Barclays Capital Inc., as representatives of the several underwriters named therein (the "Underwriters"), relating to the sale by the Company and the Selling Stockholders, as applicable, to the Underwriters of the Shares, filed as Exhibit 1.1 to the Registration Statement; (iv) minutes and records of the corporate proceedings of the Company with respect to the issuance and sale of the Primary Shares by the Company and (v) the Registration Statement.

For purposes of this opinion, we have assumed the authenticity of all documents submitted to us as originals, the conformity to the originals of all documents submitted to us as copies and the authenticity of the originals of all documents submitted to us as copies. We have also assumed the legal capacity of all natural persons, the genuineness of the signatures of persons signing all documents in connection with which this opinion is rendered, the authority of such persons signing on behalf of the parties thereto other than the Company, and the due authorization, execution and delivery of all documents by the parties thereto other than the Company. As to any facts material to the opinions expressed herein which we have not independently established or verified, we have relied upon statements and representations of officers and other representatives of the Company and others.

Based upon and subject to the assumptions, qualifications and limitations identified in this opinion, we are of the opinion that:

1. when the Certificate of Incorporation is duly filed with the Secretary of State of the State of Delaware, the Primary Shares will be duly authorized, and, when the Registration Statement becomes effective under the Act, the final Underwriting Agreement is duly executed and delivered by the parties thereto and the Primary Shares are registered by the Company's transfer agent and delivered against payment of the agreed consideration therefor, all in accordance with the final Underwriting Agreement, the Primary Shares will be validly issued, fully paid and nonassessable;

2. the Secondary Shares have been duly authorized, validly issued and fully paid and are non-assessable; and

3. the Secondary Warrant Shares have been duly authorized and, when issued and delivered by the Company upon exercise of the Warrants against payment of the exercise price therefor, all in accordance with the Warrants and the Warrant Agreement, will be validly issued, fully paid and non-assessable.

Our opinions expressed above are subject to the qualification that we express no opinion as to the applicability of, compliance with, or effect of any laws except the General Corporation Law of the State of Delaware (including the statutory provisions, all applicable provisions of the Delaware constitution and reported judicial decisions interpreting the foregoing).

For purposes of rendering our opinions expressed above, we have assumed that (i) the Registration Statement remains effective during the offer and sale of the Shares, and (ii) at the time of the issuance of each Primary Share and each Secondary Warrant Share and the sale and delivery of each Share (x) there will not have occurred any change in law affecting the validity, legally binding character or enforceability of such Share and (y) the issuance of such Primary Share and such Secondary Warrant Share and the sale and delivery of such Share, the terms of such Share and compliance by the Company with the terms of such Share will not violate any applicable law, any agreement or instrument then binding upon the Company or any restriction imposed by any court or governmental body having jurisdiction over the Company.

We do not find it necessary for the purposes of this opinion, and accordingly we do not purport to cover herein, the application of the securities or "Blue Sky" laws of the various states to the offer and sale of the Shares.

This opinion is limited to the specific issues addressed herein, and no opinion may be inferred or implied beyond that expressly stated herein. This opinion speaks only as of the date that the Registration Statement becomes effective under the Act, and we assume no obligation to revise or supplement this opinion after the date of effectiveness should the General Corporation Law of the State of Delaware be changed by legislative action, judicial decision or otherwise after the date hereof.

This opinion is furnished to you in connection with the filing of the Registration Statement and is not to be used, circulated, quoted or otherwise relied upon for any other purposes.

We hereby consent to the filing of this opinion with the Commission as Exhibit 5.1 to the Registration Statement. We also consent to the reference to our firm under the heading "Legal Matters" in the Registration Statement. In giving this consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission.

This opinion and consent may be incorporated by reference in a subsequent registration statement on Form S-1 filed pursuant to Rule 462(b) under the Act with respect to the registration of additional securities for sale in the offering contemplated by the Registration Statement and shall cover such additional securities, if any, registered on such subsequent registration statement.

Very truly yours,

Exhibit 10.1

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (this "Agreement") is made and entered into as of [•], 2024 between Hornbeck Offshore Services, Inc., a Delaware corporation (the "Company"), and [•] ("Indemnitee").

WHEREAS, highly competent persons have become more reluctant to serve corporations as directors or officers or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, the board of directors of the Company (the "Board") has determined that, to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities. Although the furnishing of such insurance has been a customary and widespread practice among United States-based corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions. At the same time, directors, officers and other persons in service to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the corporation or business enterprise itself. The certificate of incorporation (as amended or restated, the "COI") and the bylaws (as amended or restated, the "Bylaws") of the Company require indemnification of the officers and directors of the Company. Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware ("DGCL"). The COI, the Bylaws and the DGCL expressly provide or contemplate that the indemnification provisions set forth therein are not exclusive, and, accordingly, contracts may be entered into between the Company and members of the Board, officers of the Company and other persons with respect to indemnification;

WHEREAS, the uncertainties relating to such insurance and to indemnification have increased the difficulty of attracting and retaining such persons;

WHEREAS, the Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company and its stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, this Agreement is a supplement to and in furtherance of the COI, the Bylaws and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder; [and]

WHEREAS, Indemnitee may not be willing to serve or continue to serve as an officer or director without adequate protection, and the Company desires Indemnitee to serve or continue to serve in such capacity; Indemnitee is willing to serve, continue to serve and take on additional service for or on behalf of the Company on the condition that Indemnitee be so indemnified[.][; and]

[WHEREAS, Indemnitee has certain rights to indemnification and/or insurance provided by [•] ("[•]"), or affiliates of [•], which Indemnitee and [•] intend to be secondary to the primary obligation of the Company to indemnify Indemnitee as provided herein, with the Company's acknowledgment of and agreement to the foregoing being a material condition to Indemnitee's willingness to serve on the Board].

NOW, THEREFORE, in consideration of Indemnitee's agreement to serve as an officer and/or a director from and after the date hereof, the parties hereto agree as follows:

1. Indemnity of Indemnitee. Subject to the provisions of Section 9, the Company hereby agrees to hold harmless and indemnify Indemnitee to the fullest extent permitted by law, as such may be amended from time to time, if Indemnitee was or is, or is threatened to be made, a party to, or otherwise becomes involved in, any Proceeding (as hereinafter defined) by reason of Indemnitee's Corporate Status (as hereinafter defined). In furtherance of the foregoing indemnification, and without limiting the generality thereof:

(a) Proceedings other than Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(a) if, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in, or otherwise becomes involved in, any Proceeding other than a Proceeding by or in the right of the Company. Pursuant to this Section 1(a), Indemnitee shall be indemnified against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe Indemnitee's conduct was unlawful.

(b) Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(b) if, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 1(b), Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; provided, however, if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been finally adjudged by a court to be liable to the Company unless and only to the extent that the court in which the Proceeding was brought shall determine that Indemnitee is fairly and reasonably entitled to indemnification.

(c) Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a party to or participant in and is successful, on the merits or otherwise, in any Proceeding or in defense of any claim, issue or matter therein, in whole or in part, Indemnitee shall be indemnified to the maximum extent permitted by law, as such may be amended from time to time, against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section 1(c) and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

(d) Indemnification of Nominating Member. If (i) Indemnitee is or was affiliated with one or more investment partnerships that has invested directly or indirectly in the Company (a "Nominating Member"), (ii) the Nominating Member is, or is threatened to be made, a party to or a participant in any Proceeding, and (iii) the Nominating Member's involvement in the Proceeding results from any claim based on the Indemnitee's service to the Company as a director or other fiduciary of the Company, the Nominating Member will be entitled to indemnification hereunder for Expenses to the same extent as Indemnitee and advancement of Expenses shall apply to any such indemnification of Nominating Member. The Company and Indemnitee agree that each Nominating Member is an express third-party beneficiary of the terms of this Section 1(d).

2. Additional Indemnity. In addition to, and without regard to any limitations on, the indemnification provided for in Section 1 of this Agreement, the Company shall and hereby does, to the fullest extent permitted by applicable law, indemnify and hold harmless Indemnitee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee or on Indemnitee's behalf if, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company). The only limitation that shall exist upon the Company's obligations pursuant to this Agreement, other than those set forth in Section 9 hereof, shall be that the Company shall not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 6 and 7 hereof) to be unlawful.

3. Contribution.

(a) Whether or not the indemnification provided in Sections 1 and 2 hereof is available, in respect of any threatened, pending or completed action, suit or Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or Proceeding), to the fullest extent permitted by applicable law, the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such action, suit or Proceeding without requiring Indemnitee to contribute to such payment and the

Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company shall not, without the Indemnitee's prior written consent, enter into any such settlement of any action, suit or Proceeding (in whole or in part) unless such settlement (i) provides for a full and final release of all claims asserted against Indemnitee and (ii) does not impose any Expense, judgment, fine, penalty or limitation on Indemnitee.

(b) Without diminishing or impairing the obligations of the Company set forth in the preceding subparagraph, if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any threatened, pending or completed action, suit or Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or Proceeding), to the fullest extent permitted by applicable law, the Company shall contribute to the amount of Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or Proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction or events from which such action, suit or Proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or Proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the transaction or events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which the law may require to be considered. The relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or Proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

(c) To the fullest extent permitted by applicable law, the Company hereby agrees to fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by officers, directors or employees of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

(d) To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an otherwise indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding, and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents other than Indemnitee) and Indemnitee in connection with such event(s) and/or transaction(s).

4. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a witness, is made (or asked) to respond to discovery requests, or is otherwise asked to participate, in any Proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

5. Advancement of Expenses. Notwithstanding any other provision of this Agreement (other than Section 9), the Company shall advance, to the extent not prohibited by law, all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding (or part of any Proceeding) not initiated by Indemnitee or any Proceeding initiated by Indemnitee with the prior approval of the Board as provided in Section 9(d), within 20 days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee. Any advances pursuant to this Section 5 shall be unsecured and interest free. In accordance with Section 7(d) of this Agreement, advances shall include any and all reasonable Expenses incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the advances claimed. This Section 5 shall not apply to claim by Indemnitee for Expenses in a matter for which indemnity and advancement of expenses is excluded pursuant to Section 9.

6. Procedures and Presumptions for Determination of Entitlement to Indemnification. It is the intent of this Agreement to secure for Indemnitee rights of indemnity that are as favorable as may be permitted under the DGCL and public policy of the State of Delaware. Accordingly, the parties agree that the following procedures and presumptions shall apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure of Indemnitee to provide such a request to the Company, or to provide such a request in a timely fashion, shall not relieve the Company of any liability that it may have to Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Company.

(b) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 6(a) hereof, a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following four methods, which shall be at the election of the Board: (1) by a majority vote of the Disinterested Directors (as hereinafter defined), even though less than a quorum; (2) by a committee of Disinterested

Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum; (3) if there are no Disinterested Directors, or if the Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; or (4) if so directed by the Board, by the stockholders of the Company; provided, however, that if a Change in Control has occurred, the determination with respect to Indemnitee's entitlement to indemnification shall be made by Independent Counsel.

(c) In the event the determination of entitlement to indemnification is to be made by Independent Counsel, the Independent Counsel shall be selected as provided in this Section 6(c). If a Change in Control has not occurred, the Independent Counsel shall be selected by the Board, and the Company shall give written notice to the Indemnitee advising Indemnitee of the identity of the Independent Counsel so selected. Indemnitee may, within 10 days after such written notice of selection shall have been given, deliver to the Company a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 12 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the Person so selected shall act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If a Change in Control has occurred, the Independent Counsel shall be selected by the Indemnitee (unless the Indemnitee shall request that such selection be made by the Board, in which event the preceding sentence shall apply), and approved by the Board within 20 days after notification by Indemnitee, such approval to not be unreasonably withheld. If (i) an Independent Counsel is to make the determination of entitlement pursuant to this Section 6, and (ii) within 20 days after submission by Indemnitee of a written request for indemnification pursuant to Section 6(a) hereof, no Independent Counsel shall have been selected (including as a result of an objection to the selected Independent Counsel), either the Company or Indemnitee may petition the Court of Chancery of the State of Delaware or other court of competent jurisdiction for resolution of any objection which shall have been made by Indemnitee to the Company's selection of Independent Counsel and/or for the appointment as Independent Counsel of a Person selected by the court or by such other Person as the court shall designate, and the Person with respect to whom all objections are so resolved or the Person so appointed shall act as Independent Counsel under Section 6(b) hereof. The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with acting pursuant to Section 6(b) hereof, and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section 6(c), regardless of the manner in which such Independent Counsel was selected or appointed.

(d) In making a determination with respect to entitlement to indemnification hereunder, the Person making such determination shall to the fullest extent permitted by law presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof to overcome such presumption and the burden of persuasion by clear and convincing evidence. Neither the

failure of the Company (including by its directors or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or Independent Counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(e) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise (as hereinafter defined), including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 6(e) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof to overcome such presumption and the burden of persuasion by clear and convincing evidence.

(f) If the Person empowered or selected under this Section 6 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within 30 days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall to the fullest extent permitted by law be deemed to have been made and Indemnitee shall be entitled to such indemnification absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such 30-day period may be extended for a reasonable time, not to exceed an additional 15 days, if the Person making such determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 6(f) shall not apply if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 6(b) of this Agreement and if (A) within 15 days after receipt by the Company of the request for such determination, the Board or the Disinterested Directors, if appropriate, resolve to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within 75 days after such receipt and such determination is made thereat, or (B) a special meeting of stockholders is called within 15 days after such receipt for the purpose of making such determination, such meeting is held for such purpose within 60 days after having been so called and such determination is made thereat.

(g) Indemnitee shall cooperate with the Person making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such Person upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including reasonable attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the Person making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(h) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any action, claim or Proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such action, claim or Proceeding with or without payment of money or other consideration), it shall to the fullest extent permitted by law be presumed that Indemnitee has been successful on the merits or otherwise in such action, suit or Proceeding. Anyone seeking to overcome this presumption shall have the burden of proof to overcome such presumption and the burden of persuasion by clear and convincing evidence.

(i) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

7. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 6 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 5 of this Agreement, (iii) no determination of entitlement to indemnification is made pursuant to Section 6(b) of this Agreement within 30 days after receipt by the Company of the request for indemnification or (iv) payment of indemnification is not made within 15 days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 6 of this Agreement, Indemnitee shall be entitled to an adjudication in an appropriate court of the State of Delaware, or in any other court of competent jurisdiction, of Indemnitee's entitlement to such indemnification, contribution or advancement of Expenses. Alternatively, Indemnitee, at Indemnitee's option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 7 shall be conducted in all respects as a de novo trial, or arbitration, on the merits, and Indemnitee shall not be prejudiced by reason of the adverse determination under Section 6(b). In any judicial proceeding or arbitration commenced pursuant to this Section 7, Indemnitee shall be presumed to be entitled to indemnification under this Agreement and the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses and shall have the burden of persuasion by clear and convincing evidence, as the case may be, and the Company may not refer to, or introduce into evidence, any determination pursuant to Section 6(b) of this Agreement adverse to Indemnitee for any purpose other than to establish its compliance with the terms of this Agreement. If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 7, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Section 5 until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed).

(c) If a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 7, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's misstatement not materially misleading, in connection with the application for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) In the event that Indemnitee, pursuant to this Section 7, incurs costs, in a judicial or arbitration proceeding or otherwise, attempting to enforce Indemnitee's rights under, or to recover damages for breach of, this Agreement, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company shall pay on Indemnitee's behalf, in advance, any and all Expenses actually and reasonably incurred by Indemnitee in such efforts, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of Expenses or insurance recovery, to the fullest extent permitted by applicable law. It is the intent of the Company that, to the fullest extent permitted by applicable law, Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to Indemnitee hereunder.

(e) The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 7 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(f) Notwithstanding anything in this Agreement to the contrary, if a determination of entitlement to indemnification has not been made previously, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

8. Non-Exclusivity; Survival of Rights; [Primacy of Indemnification;] Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the COI, the Bylaws, any agreement, a vote of stockholders, a resolution of directors or otherwise, of the Company. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in Indemnitee's Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in the DGCL, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under the COI, Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) The Company shall, if commercially reasonable, obtain and maintain in effect during the entire period for which the Company is obligated to indemnify Indemnitee under this Agreement, one or more policies of insurance with reputable insurance companies to provide the directors, advisory directors, board observers and officers of the Company with coverage for losses from wrongful acts and omissions and to ensure the Company's performance of its indemnification obligations under this Agreement. Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such officer, director, advisory directors or board observers under such policy or policies. In all such insurance policies, Indemnitee shall be named as an insured in such a manner as to provide Indemnitee with the same rights and benefits as are accorded to the most favorably insured of the Company's directors, advisory directors, board observers and officers. At the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company shall give prompt notice of the commencement of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

(c) [The Company hereby acknowledges that Indemnitee has certain rights to indemnification, advancement of expenses and/or insurance provided by [•] and certain affiliates that, directly or indirectly, (i) are controlled by, (ii) control or (iii) are under common control with, [•] (collectively, the "Fund Indemnitors"). With respect to any amounts that are subject to indemnity under this Agreement and also subject to an

indemnity obligation owed by Fund Indemnitors, the Company hereby agrees (i) that, as compared to the Fund Indemnitors, the Company is the indemnitor of first resort with respect to any rights to indemnification provided to Indemnitee herein (i.e., its obligations to Indemnitee are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee is secondary), (ii) that the Company shall be required to advance the full amount of expenses incurred by Indemnitee and shall be liable for the full amount of all Expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement and the COI or Bylaws of the Company (or any other agreement between the Company and Indemnitee), without regard to any rights Indemnitee may have against the Fund Indemnitors, and (iii) that the Company irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and Indemnitee agree that the Fund Indemnitors are express third party beneficiaries of the terms of this Section 8(c).]

(d) [Except as provided in Section 8(c) above,] in the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee [(other than against the Fund Indemnitors)], who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(e) [Except as provided in Section 8(c) above,] the Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable (or for which advancement of Expenses is provided) hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(f) [Except as provided in Section 8(c) above,] the Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company in a Corporate Status with any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

9. Exception to Right of Indemnification. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity or advancement of Expenses in connection with any claim made against Indemnitee:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; [provided, that the foregoing shall not affect the rights of Indemnitee or the Fund Indemnitors set forth in Section 8(c) above;] or

(b) for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act (as hereinafter defined), or similar provisions of state statutory law or common law; or

(c) for reimbursement to the Company of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, in each case as required under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") or Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act in connection with an accounting restatement of the Company or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act);

(d) in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Company has joined in or the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, or (iii) the Proceeding is one to enforce Indemnitee's rights under this Agreement or;

(e) any reimbursement of the Company by Indemnitee of any compensation pursuant to any compensation recoupment or clawback policy adopted by the Board or the compensation committee of the Board, including but not limited to any such policy adopted to comply with stock exchange listing requirements implementing Section 10D of the Exchange Act.

10. Non-Disclosure of Payments. Except as expressly required by the securities laws of the United States of America or other applicable law, neither party shall disclose any payments under this Agreement unless prior approval of the other party is obtained. If any payment information must be disclosed, the Company shall afford the Indemnitee an opportunity to review all such disclosures and, if requested, to explain in such statement any mitigating circumstances regarding the events to be reported.

11. Duration of Agreement. All agreements and obligations of the Company contained herein shall continue until and terminate upon the later of (i) 20 years after the date that Indemnitee shall have ceased to serve with Corporate Status for the Company or for any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which Indemnitee served at the request of the Company, and (ii) 1 year after the final termination of any Proceeding

(including any rights of appeal thereto) in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any Proceeding commenced by Indemnitee pursuant to Section 7 of this Agreement relating thereto (including any rights of appeal of any Proceeding commenced pursuant to Section 7 of this Agreement). Termination of this Agreement shall not adversely affect any right or protection hereunder of any Indemnitee in respect of any Proceeding (regardless of when such Proceeding is first threatened, commenced or completed) arising out of, or related to, any act or omission occurring prior to the time of such termination. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives.

12. Definitions. For purposes of this Agreement:

(a) "Beneficial Owner" shall have the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner shall exclude any Person otherwise becoming a Beneficial Owner by reason of the stockholders of the Company approving a merger of the Company with another entity.

(b) "Change in Control" shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

(i) *Acquisition of Stock by Third Party*. Any Person (as defined below), other than [•] and its affiliates, and other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the Beneficial Owner (as defined above), directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities, unless the change in relative Beneficial Ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding securities entitled to vote generally in the election of directors;

(ii) *Change in Board of Directors*. During any period of 2 consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a Person who has entered into an agreement with the Company to effect a transaction described in Sections 12(b)(i), 12(b)(iii) or 12(b)(iv)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

(iii) *Corporate Transactions*. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving entity; and

(iv) *Liquidation.* The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement or series of agreements for the sale or disposition by the Company of all or substantially all of the Company's assets, or, if such approval is not required, the decision by the Board to proceed with such a liquidation, sale, or disposition in one transaction or a series of related transactions.

(c) "Corporate Status" describes the status of a person who is or was a director, advisory director, officer, employee, agent or fiduciary of the Company, any direct or indirect subsidiary of the Company, or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving at the express written request of the Company.

(d) "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(e) "Enterprise" shall mean the Company and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the request of the Company as a director, officer, trustee, partner, managing member, employee, agent or fiduciary.

(f) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(g) "Expenses" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts and other professionals, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, ERISA excise taxes and penalties, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding and any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(h) "Independent Counsel" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past 5 years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any Person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees and disbursements of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(i) "Person" shall have the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person shall exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (iii) any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(j) "Proceeding" includes any threatened, pending or completed action, suit, claim, counterclaim, cross claim, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of Indemnitee's Corporate Status, by reason of any action taken by Indemnitee or of any inaction on Indemnitee's part while acting in the capacity of its Corporate Status, or by reason of the fact that Indemnitee is or was serving at the request of the Company in a Corporate Status of another corporation, partnership, joint venture, trust or other enterprise; in each case whether or not Indemnitee is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement; including one pending on or before the date of this Agreement, but excluding one initiated by an Indemnitee pursuant to Section 7 of this Agreement to enforce Indemnitee's rights under this Agreement.

13. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality, and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (ii) such provision or provisions shall be deemed reformed to the fullest extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (iii) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee [and Nominating Member] indemnification rights to the fullest extent permitted by applicable laws.

14. Enforcement and Binding Effect.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve with Corporate Status, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving or continuing to serve with Corporate Status.

(b) Without limiting any of the rights of Indemnitee under the COI or Bylaws of the Company as they may be amended from time to time, this Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof.

(c) The indemnification and advancement of Expenses provided by, or granted pursuant to, this Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), shall continue as to an Indemnitee who has ceased to have Corporate Status, and shall inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

(d) The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(e) The Company and Indemnitee agree herein that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which Indemnitee may be entitled. The Company and Indemnitee further agree that Indemnitee shall be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertaking in connection therewith. The Company acknowledges that in the absence of a waiver, a bond or undertaking may be required of Indemnitee by the court, and the Company hereby waives any such requirement of such a bond or undertaking.

15. Modification and Waiver. No supplement, modification, termination or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

16. Notice By Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder. The failure to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

17. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day, (iii) 5 days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) 1 day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent:

(a) To Indemnitee at the address set forth below Indemnitee's signature hereto.

(b) To the Company at:

Hornbeck Offshore Services, Inc.
103 Northpark Boulevard, Suite 300
Covington, LA 70433
Attention: Samuel A. Giberga
EVP, General Counsel and Chief Compliance Officer & Corporate Secretary
E-mail: samuel.giberga@hornbeckoffshore.com

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. This Agreement may also be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

19. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

20. Usage of Pronouns. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate.

21. Governing Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict-of-laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 7 of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chancery Court of the State of Delaware (the "Delaware Court"), and not in any other state or federal court in the United States of America or any court in any other country, and (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on and as of the day and year first written above.

HORNBECK OFFSHORE SERVICES, INC.

By: _____
Name:
Title:

INDEMNITEE

_____
Name:

Address:

_____

_____

_____

HORNBECK OFFSHORE SERVICES, INC.

2024 OMNIBUS INCENTIVE PLAN

ARTICLE I
PURPOSE

The purpose of this Hornbeck Offshore Services, Inc. 2024 Omnibus Incentive Plan (this "**Plan**") is to promote the success of the Company's business for the benefit of its stockholders by enabling the Company to offer Eligible Individuals cash and stock-based incentives in order to attract, retain, and reward such individuals and strengthen the mutuality of interests between such individuals and the Company's stockholders. This Plan is effective as of the date set forth in Article XIV.

ARTICLE II
DEFINITIONS

For purposes of this Plan, the following terms shall have the following meanings:

2.1 "Affiliate" means a corporation or other entity controlled by, controlling, or under common control with the Company. The term "control" (including, with correlative meaning, the terms "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of management and policies of such Person, whether through the ownership of voting or other securities, by contract or otherwise.

2.2 "Applicable Law" means the requirements relating to the administration of equity-based awards and the related shares under U.S. state corporate law, U.S. federal and state securities laws, the rules or requirements of any stock exchange or quotation system on which the shares are listed or quoted, and any other applicable laws, including tax laws, of any U.S. or non-U.S. jurisdictions where Awards are, or will be, granted under this Plan.

2.3 "Award" means any award under this Plan of any Stock Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Units, Performance Award, Other Stock-Based Award, or Cash Award. All Awards shall be evidenced by and subject to the terms of an Award Agreement.

2.4 "Award Agreement" means the written or electronic agreement, contract, certificate, or other instrument or document evidencing the terms and conditions of an individual Award. Each Award Agreement shall be subject to the terms and conditions of this Plan.

2.5 "Board" means the Board of Directors of the Company.

2.6 "Cash Award" means an Award granted to an Eligible Individual pursuant to Section 9.3 and payable in cash at such time or times and subject to such terms and conditions as determined by the Committee in its sole discretion.

2.7 "Cause" means, unless otherwise determined by the Committee in the applicable Award Agreement, with respect to a Participant's Termination of Service, the following: (a) in the case where there is no employment agreement, offer letter, consulting agreement, change in control agreement, or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such agreement in effect but it does not define "cause" (or words of like import)), the Participant's (i) commission of, or plea of guilty or no contest to, a felony or a crime involving moral turpitude or the commission of any other act involving embezzlement, fraud, material dishonesty, willful malfeasance or material fiduciary breach with respect to the Company or an Affiliate; (ii) substantial and repeated failure to perform duties as reasonably directed by the person to whom the Participant reports; (iii) conduct that brings or is reasonably likely to bring the Company or an Affiliate negative publicity or into public disgrace, embarrassment, or disrepute; (iv) gross negligence or willful misconduct with respect to the Company or an Affiliate; (v) material violation of the Company's policies or codes of conduct, including policies related to discrimination, harassment, performance of illegal or unethical activities, or ethical misconduct; (vi) failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company or an Affiliate to cooperate, or willful destruction of or failure to preserve documents or other materials known to be relevant to such investigation or inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation; or (vii) any breach of any non-competition, non-solicitation, no-hire, or confidentiality covenant or any other restrictive covenant between the Participant and the Company or an Affiliate; or (b) in the case where there is an employment agreement, offer letter, consulting agreement, change in control agreement, or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award that defines "cause" (or words of like import), "cause" as defined under such agreement; *provided*, *however*, that with regard to any agreement under which the definition of "cause" only applies on occurrence of a change in control, such definition of "cause" shall not apply until a change in control (as defined in such agreement) actually takes place and then only with regard to a termination thereafter.

2.8 "Change in Control" means and includes each of the following, unless otherwise determined by the Committee in the applicable Award Agreement or other written agreement with a Participant approved by the Committee:

(a) any Person (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of the Company), becoming the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities, excluding for purposes herein, acquisitions pursuant to a Business Combination (as defined below) that does not constitute a Change in Control as defined in Section 2.8(b);

(b) a merger, reorganization, or consolidation of the Company or in which equity securities of the Company are issued (each, a "**Business Combination**"), other than a merger, reorganization or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its direct or indirect parent) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity (or, as applicable, a direct or indirect parent of the Company or such surviving entity) outstanding immediately after such merger, reorganization or consolidation; *provided, however*, that a merger, reorganization or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person (other than those covered by the exceptions in Section 2.8(a)) acquires more than 50% of the combined voting power of the Company's then outstanding securities shall not constitute a Change in Control;

(c) during the period of two consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new director(s) (other than a director designated by a Person who has entered into an agreement with the Company to effect a transaction described in Sections 2.8(a) or (b)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(d) a complete liquidation or dissolution of the Company or the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets other than the sale or disposition of all or substantially all of the assets of the Company to a Person or Persons who beneficially own, directly or indirectly, 50% or more of the combined voting power of the outstanding voting securities of the Company at the time of the sale.

For purposes of this Section 2.8, acquisitions of securities of the Company by Ares Management Corporation, Whitebox Advisors LLC or Highbridge Capital Management, LLC (collectively, the "**Specified Investors**"), any of their respective affiliates, or any investment vehicle or fund controlled by or managed by, or otherwise affiliated with any of the Specified Investors shall not constitute a Change in Control. Notwithstanding the foregoing, with respect to any Award that is characterized as "nonqualified deferred compensation" within the meaning of Section 409A of the Code, an event shall not be considered to be a Change in Control under this Plan for purposes of payment of such Award unless such event is also a "change in ownership," a "change in effective control," or a "change in the ownership of a substantial portion of the assets" of the Company within the meaning of Section 409A of the Code.

2.9 "Change in Control Price" means the highest price per Share paid in any transaction related to a Change in Control as determined by the Committee in its discretion.

2.10 "Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time. Any reference to any section of the Code shall also be a reference to any successor provision and any guidance and treasury regulation promulgated thereunder.

2.11 "Committee" means any committee of the Board duly authorized by the Board to administer this Plan; *provided*, *however*, that unless otherwise determined by the Board, the Committee shall consist solely of two or more members of the Board who are each (a) a "non-employee director" within the meaning of Rule 16b-3(b), and (b) "independent" under the listing standards or rules of the securities exchange upon which the Common Stock is traded, but only to the extent such independence is required in order to take the action at issue pursuant to such standards or rules. If no committee is duly authorized by the Board to administer this Plan, the term "Committee" shall be deemed to refer to the Board for all purposes under this Plan. The Board may abolish any Committee or re-vest in itself any previously delegated authority from time to time, and will retain the right to exercise the authority of the Committee to the extent consistent with Applicable Law.

2.12 "Common Stock" means the common stock, par value $0.00001 per share, of the Company.

2.13 "Company" means Hornbeck Offshore Services, Inc., a Delaware corporation, and its successors by operation of law.

2.14 "Consultant" means any natural person who is an advisor or consultant or other service provider to the Company or any of its Affiliates.

2.15 "Disability" means, unless otherwise determined by the Committee in the applicable Award Agreement, with respect to a Participant's Termination of Service, that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment, after accounting for reasonable accommodations (if applicable and required by Applicable Law); *provided, however*, for purposes of an Incentive Stock Option, the term Disability shall have the meaning ascribed to it under Section 22(e)(3) of the Code. The determination of whether an individual has a Disability shall be determined by the Committee, and the Committee may rely on any determination that a Participant is disabled for purposes of benefits under any long-term disability plan in which a Participant participates that is maintained by the Company or any Affiliate.

2.16 "Dividend Equivalent Rights" means a right granted to a Participant under this Plan to receive the equivalent value (in cash or Shares) of dividends paid on Shares.

2.17 "Effective Date" means the effective date of this Plan as defined in Article XIV.

2.18 "Eligible Employee" means each employee of the Company or any of its Affiliates. An employee on a leave of absence may be an Eligible Employee.

2.19 "Eligible Individual" means an Eligible Employee, Non-Employee Director, or Consultant who is designated by the Committee in its discretion as eligible to receive Awards subject to the terms and conditions set forth herein.

2.20 "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time. Reference to a specific section of the Exchange Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing, or superseding such section or regulation.

2.21 "Fair Market Value" means, for purposes of this Plan, unless otherwise required by any applicable provision of the Code or any regulations issued thereunder, as of any date and except as provided below, the last sales price reported for the Common Stock on the applicable date: (a) as reported on the principal national securities exchange in the United States on which it is then traded, listed or otherwise reported or quoted or (b) if the Common Stock is not traded, listed, or otherwise reported or quoted, the Committee shall determine in good faith the Fair Market Value in whatever manner it considers appropriate, taking into account the requirements of Section 409A of the Code. For purposes of the grant of any Award, the applicable date shall be the trading day immediately prior to the date on which the Award is granted. For purposes of the exercise of any Award, the applicable date shall be the date a notice of exercise is received by the Committee or, if not a date on which the applicable market is open, the next day that it is open. Notwithstanding the foregoing, with respect to any Award granted on the pricing date of the Company's initial public offering, the Fair Market Value shall mean the initial public offering price of a Share as set forth in the Company's final prospectus relating to its initial public offering filed with the Securities and Exchange Commission.

2.22 "Family Member" means "family member" as defined in Section A.1.(a)(5) of the general instructions of Form S-8.

2.23 "Incentive Stock Option" means any Stock Option granted to an Eligible Employee who is an employee of the Company or its Subsidiaries under this Plan and that is intended to be, and is designated as, an "Incentive Stock Option" within the meaning of Section 422 of the Code.

2.24 "Non-Employee Director" means a director on the Board who is not an employee of the Company.

2.25 "Non-Qualified Stock Option" means any Stock Option granted under this Plan that is not an Incentive Stock Option.

2.26 "Other Stock-Based Award" means an Award granted under Article IX of this Plan that is valued in whole or in part by reference to, or is payable in or otherwise based on, Shares, but may be settled in the form of Shares or cash.

2.27 "Participant" means an Eligible Individual to whom an Award has been granted pursuant to this Plan.

2.28 "Performance Award" means an Award granted under Article VIII of this Plan.

2.29 "Performance Goals" means goals established by the Committee as contingencies for Awards to vest and/or become exercisable or distributable.

2.30 "Performance Period" means the designated period during which the Performance Goals must be satisfied with respect to the Award to which the Performance Goals relate.

2.31 "Person" means any "person" as such term is used in Sections 13(d) and 14(d) of the Exchange Act.

2.32 "Restricted Stock" means an Award of Shares granted under Article VII of this Plan.

2.33 "Restricted Stock Unit" means an unfunded, unsecured right to receive, on the applicable settlement date, one Share or an amount in cash or other consideration determined by the Committee to be of equal value as of such settlement date, subject to certain vesting conditions and other restrictions.

2.34 "Rule 16b-3" means Rule 16b-3 under Section 16(b) of the Exchange Act as then in effect or any successor provision.

2.35 "Section 409A of the Code" means the nonqualified deferred compensation rules under Section 409A of the Code and any applicable treasury regulations and other official guidance thereunder.

2.36 "Securities Act" means the Securities Act of 1933, as amended, and all rules and regulations promulgated thereunder. Reference to a specific section of the Securities Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing, or superseding such section or regulation.

2.37 "Shares" means shares of Common Stock.

2.38 "Stock Appreciation Right" means a stock appreciation right granted under Article VI of this Plan.

2.39 "Stock Option" or **"Option"** means any option to purchase Shares granted pursuant to Article VI of this Plan.

2.40 "Subsidiary" means any subsidiary corporation of the Company within the meaning of Section 424(f) of the Code.

2.41 "Ten Percent Stockholder" means a Person owning stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or its Subsidiaries.

2.42 "Termination of Service" means the termination of the applicable Participant's employment with, or performance of services for, the Company and its Affiliates. Unless otherwise determined by the Committee, (a) if a Participant's employment or services with the Company and its Affiliates terminates but such Participant continues to provide services to the Company and its Affiliates in a non-employee capacity, such change in status shall not be deemed a Termination of Service with the Company and its Affiliates and (b) a Participant employed by, or performing services for an Affiliate that ceases to be an Affiliate shall also be deemed to have incurred a Termination of Service provided the Participant does not immediately thereafter become an employee of the Company or another Affiliate. Notwithstanding the foregoing provisions of this definition, with respect to any Award that constitutes a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code, a Participant shall not be considered to have experienced a "Termination of Service" unless the Participant has experienced a "separation from service" within the meaning of Section 409A of the Code.

ARTICLE III
ADMINISTRATION

3.1 Authority of the Committee. This Plan shall be administered by the Committee. Subject to the terms of this Plan and Applicable Law, the Committee shall have full authority to grant Awards to Eligible Individuals under this Plan. In particular, the Committee shall have the authority to:

(a) determine whether and to what extent Awards, or any combination thereof, are to be granted hereunder to one or more Eligible Individuals;

(b) determine the number of Shares to be covered by each Award granted hereunder;

(c) determine the terms and conditions, not inconsistent with the terms of this Plan, of any Award granted hereunder (including, but not limited to, the exercise or purchase price (if any), any restriction or limitation, any vesting schedule or acceleration thereof, or any forfeiture restrictions or waiver thereof, regarding any Award and the Shares, if any, relating thereto, based on such factors, if any, as the Committee shall determine, in its sole discretion);

(d) determine the amount of cash to be covered by each Award granted hereunder;

(e) determine whether, to what extent, and under what circumstances grants of Options and other Awards under this Plan are to operate on a tandem basis and/or in conjunction with or apart from other awards made by the Company outside of this Plan;

(f) determine whether and under what circumstances an Award may be settled in cash, Shares, other property, or a combination of the foregoing;

(g) determine whether, to what extent and under what circumstances cash, Shares, or other property and other amounts payable with respect to an Award under this Plan shall be deferred either automatically or at the election of the Participant;

(h) modify, waive, amend, or adjust the terms and conditions of any Award, at any time or from time to time, including but not limited to Performance Goals;

(i) determine whether a Stock Option is an Incentive Stock Option or Non-Qualified Stock Option;

(j) determine whether to require a Participant, as a condition of the granting of any Award, to not sell or otherwise dispose of Shares acquired pursuant to the exercise or vesting of an Award for a period of time as determined by the Committee, in its sole discretion, following the date of the acquisition of such Award or Shares;

(k) modify, extend, or renew an Award, subject to Article XI and Section 6.8(g) of this Plan; and

(l) determine how the Disability, death, retirement, authorized leave of absence or any other change or purported change in a Participant's status affects an Award and the extent to which, and the period during which, the Participant, the Participant's legal representative, conservator, guardian or beneficiary may exercise rights under the Award, if applicable.

3.2 Guidelines. Subject to Article XI of this Plan, the Committee shall have the authority to adopt, alter, and repeal such administrative rules, guidelines, and practices governing this Plan and perform all acts, including the delegation of its responsibilities (to the extent permitted by Applicable Law and applicable stock exchange rules), as it shall, from time to time, deem advisable; to construe and interpret the terms and provisions of this Plan and any Award issued under this Plan (and any agreements or sub-plans relating thereto); and to otherwise supervise the administration of this Plan. The Committee may correct any defect, supply any omission, or reconcile any inconsistency in this Plan or in any agreement relating thereto in the manner and to the extent it shall deem necessary to effectuate the purpose and intent of this Plan. The Committee may adopt special rules, sub-plans, guidelines, and provisions for persons who are residing in or employed in, or subject to, the taxes of any domestic or foreign jurisdictions to satisfy or accommodate applicable foreign laws or to qualify for preferred tax treatment of such domestic or foreign jurisdictions.

3.3 Decisions Final. Any decision, interpretation, or other action made or taken in good faith by or at the direction of the Company, the Board, or the Committee (or any of its members) arising out of or in connection with this Plan shall be within the absolute discretion of all and each of them, as the case may be, and shall be final, binding, and conclusive on the Company and all employees and Participants and their respective heirs, executors, administrators, successors, and assigns.

3.4 Designation of Consultants/Liability; Delegation of Authority.

(a) The Committee may employ such legal counsel, consultants, and agents as it may deem desirable for the administration of this Plan and may rely upon any opinion received from any such counsel or consultant and any computation received from any such consultant or agent. Expenses incurred by the Committee or the Board in the engagement of any such counsel, consultant, or agent shall be paid by the Company. The Committee, its members, and any person designated pursuant to this Section 3.4 shall not be liable for any action or determination made in good faith with respect to this Plan. To the maximum extent permitted by Applicable Law, no officer of the Company or member or former member of the Committee or of the Board shall be liable for any action or determination made in good faith with respect to this Plan or any Award granted under it.

(b) The Committee may delegate any or all of its powers and duties under this Plan to a subcommittee of directors or to any officer of the Company, including the power to perform administrative functions (including executing agreements or other documents on behalf of the Committee) and grant Awards; *provided*, that such delegation does not (i) violate Applicable Law, or (ii) result in the loss of an exemption under Rule 16b-3(d)(1) for Awards granted to Participants subject to Section 16 of the Exchange Act in respect of the Company. Upon any such delegation, all references in this Plan to the "Committee," shall be deemed to include any subcommittee or officer of the Company to whom such powers have been delegated by the Committee. Any such delegation shall not limit the right of such subcommittee members or such an officer to receive Awards; *provided*, *however*, that such subcommittee members and any such officer may not grant Awards to himself or herself, a member of the Board, or any executive officer of the Company or an Affiliate, or take any action with respect to any Award previously granted to himself or herself, a member of the Board, or any executive officer of the Company or an Affiliate. The Committee may also designate employees or professional advisors who are not executive officers of the Company or members of the Board to assist in administering this Plan, *provided*, *however*, that such individuals may not be delegated the authority to grant or modify any Awards that will, or may, be settled in Shares.

3.5 Indemnification. To the maximum extent permitted by Applicable Law and to the extent not covered by insurance directly insuring such person, each current and former officer or employee of the Company or any of its Affiliates and member or former member of the Committee or the Board shall be indemnified and held harmless by the Company against any cost or expense (including reasonable fees of counsel acceptable to the Committee) or liability (including any sum paid in settlement of a claim with the approval of the Committee), and advanced amounts necessary to pay the foregoing at the earliest time and to the fullest extent permitted, arising out of any act or omission to act in connection with the administration of this Plan, except to the extent arising out of such officer's, employee's, member's, or former member's own fraud or bad faith. Such indemnification shall be in addition to any right of indemnification that the current or former employee, officer or member may have under Applicable Law or under the by-laws of the Company or any of its Affiliates. Notwithstanding anything else herein, this indemnification will not apply to the actions or determinations made by an individual with regard to Awards granted to such individual under this Plan.

ARTICLE IV
SHARE LIMITATION

4.1 Shares. The aggregate number of Shares that may be issued pursuant to this Plan shall not exceed [_____] Shares (subject to any increase or decrease pursuant to this Article IV), which may be either authorized and unissued Shares or Shares held in or acquired for the treasury of the Company or both. The number of Shares that may be issued pursuant to this Plan shall be subject to an annual increase on January 1 of each calendar year beginning in 2025, and ending and including January 1, 2034, equal to the lesser of (a) 2.5% of the aggregate number of Shares outstanding on December 31 of the immediately preceding calendar year and (b) such smaller number of Shares as is determined by the Board. The aggregate number of Shares that may be issued or used with respect to any Incentive Stock Option shall not exceed [_____] Shares (subject to any increase or decrease pursuant to Section 4.1). Any Award under this Plan settled in cash shall not be counted against the foregoing maximum share limitations. Notwithstanding anything to the contrary contained herein, Shares subject to an Award under this Plan shall again be made available for issuance or delivery under this Plan if such Shares are (i) Shares delivered, withheld or surrendered in payment of the exercise or purchase price of an Award, (ii) Shares delivered, withheld, or surrendered to satisfy any tax withholding obligation or (iii) Shares subject to an Award that expires or is canceled, forfeited, or terminated without issuance of the full number of Shares to which the Award related.

4.2 Substitute Awards. In connection with an entity's merger or consolidation with the Company or the Company's acquisition of an entity's property or stock, the Committee may grant Awards in substitution for any options or other stock or stock-based awards granted before such merger or consolidation by such entity or its affiliate ("**Substitute Awards**"). Substitute Awards may be granted on such terms as the Committee deems appropriate, notwithstanding limitations on Awards in this Plan. Substitute Awards will not count against the Shares authorized for grant under this Plan (nor shall Shares subject to a Substitute Award be added to the Shares available for Awards under this Plan as provided under Section 4.1 above), except that Shares acquired by exercise of substitute Incentive Stock Options will count against the maximum number of Shares that may be issued pursuant to the exercise of Incentive Stock Options under this Plan, as set forth in Section 4.1 above. Additionally, in the event that a Person acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grants pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under this Plan and shall not reduce the Shares authorized for grant under this Plan (and Shares subject to such Awards shall not be added to the Shares available for Awards under this Plan as provided under Section 4.1 above); provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Eligible Employees or Non-Employee Directors prior to such acquisition or combination.

4.3 Adjustments.

(a) The existence of this Plan and the Awards granted hereunder shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize (i) any adjustment, recapitalization, reorganization, or other change in the Company's capital structure or its business, (ii) any merger or consolidation of the Company or any Affiliate, (iii) any issuance of bonds, debentures, or preferred or prior preference stock ahead of or affecting the Shares, (iv) the dissolution or liquidation of the Company or any Affiliate, (v) any sale or transfer of all or part of the assets or business of the Company or any Affiliate, or (vi) any other corporate act or proceeding.

(b) Subject to the provisions of Section 10.1:

(i) If the Company at any time subdivides (by any split, recapitalization or otherwise) the outstanding Shares into a greater number of Shares, or combines (by reverse split, combination, or otherwise) its outstanding Shares into a lesser number of Shares, then the respective exercise prices for outstanding Awards that provide for a Participant-elected exercise and the number of Shares covered by outstanding Awards shall be appropriately adjusted by the Committee to prevent dilution or enlargement of the rights granted to, or available for, Participants under this Plan; provided, that the Committee in its sole discretion shall determine whether an adjustment is appropriate.

(ii) Excepting transactions covered by Section 4.3(b)(i), if the Company effects any merger, consolidation, statutory exchange, spin-off, reorganization, sale or transfer of all or substantially all the Company's assets or business, or other corporate transaction or event in such a manner that the Company's outstanding Shares are converted into the right to receive (or the holders of Common Stock are entitled to receive in exchange therefor), either immediately or upon liquidation of the Company, securities or other property of the Company or other entity, then, subject to the provisions of Section 10.1, (A) the aggregate number or kind of securities that thereafter may be issued under this Plan, (B) the number or kind of securities or other property (including cash) to be issued pursuant to Awards granted under this Plan (including as a result of the assumption of this Plan and the obligations hereunder by a successor entity, as applicable), or (C) the exercise or purchase price thereof, shall be appropriately adjusted by the Committee to prevent dilution or enlargement of the rights granted to, or available for, Participants under this Plan.

(iii) If there shall occur any change in the capital structure of the Company other than those covered by Section 4.3(b)(i) or 4.3(b)(ii), any conversion, any adjustment, or any issuance of any class of securities convertible or exercisable into, or exercisable for, any class of equity securities of the Company, then the Committee shall adjust any Award and make such other adjustments to this Plan to prevent dilution or enlargement of the rights granted to, or available for, Participants under this Plan.

(iv) In the event of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other extraordinary transaction or change affecting the Shares or the Share price, including any securities offering or other similar transaction, for administrative convenience, the Committee may refuse to permit the exercise of any Award for up to 60 days before or after such transaction.

(v) The Committee may adjust the Performance Goals applicable to any Awards to reflect any unusual or non-recurring events and other extraordinary items, impact of charges for restructurings, discontinued operations, and the cumulative effects of accounting or tax changes, each as defined by generally accepted accounting principles or as identified in the Company's financial statements, notes to the financial statements, management's discussion and analysis, or other Company public filing.

(vi) Any such adjustment determined by the Committee pursuant to this Section 4.3(b) shall be final, binding, and conclusive on the Company and all Participants and their respective heirs, executors, administrators, successors, and permitted assigns. Any adjustment to, or assumption or substitution of, an Award under this Section 4.3(b) shall be intended to comply with the requirements of Section 409A of the Code and Treasury Regulation Section 1.424-1 (and any amendments thereto), to the extent applicable. Except as expressly provided in this Section 4.3 or in the applicable Award Agreement, a Participant shall have no additional rights under this Plan by reason of any transaction or event described in this Section 4.3.

4.4 Annual Limit on Non-Employee Director Compensation. In each calendar year during any part of which this Plan is in effect, a Non-Employee Director may not receive Awards for such individual's service on the Board that, taken together with any cash fees paid to such Non-Employee Director during such calendar year for such individual's service on the Board, have a value in excess of $750,000 (calculating the value of any such Awards based on the grant date fair value of such Awards for financial reporting purposes); *provided*, that (a) the Committee may make exceptions to this limit, except that the Non-Employee Director receiving such additional compensation may not participate in the decision to award such compensation or in other contemporaneous decisions involving compensation for Non-Employee Directors and (b) for any calendar year in which a Non-Employee Director (i) first commences service on the Board, (ii) serves on a special committee of the Board, or (iii) serves as lead director or non-executive chair of the Board, such limit shall be increased to $1,000,000; *provided, further*, that the limit set forth in this Section 4.4 shall be applied without regard to Awards or other compensation, if any, provided to a Non-Employee Director during any period in which such individual was an employee of the Company or any Affiliate or was otherwise providing services to the Company or to any Affiliate other than in the capacity as a Non-Employee Director.

ARTICLE V
ELIGIBILITY

5.1 General Eligibility. All current and prospective Eligible Individuals are eligible to be granted Awards. Eligibility for the grant of Awards and actual participation in this Plan shall be determined by the Committee in its sole discretion. No Eligible Individual will automatically be granted any Award under this Plan.

5.2 Incentive Stock Options. Notwithstanding the foregoing, only Eligible Employees who are employees of the Company or its Subsidiaries are eligible to be granted Incentive Stock Options under this Plan. Eligibility for the grant of an Incentive Stock Option and actual participation in this Plan shall be determined by the Committee in its sole discretion.

5.3 General Requirement. The vesting and exercise of Awards granted to a prospective Eligible Individual are conditioned upon such individual actually becoming an Eligible Employee, Consultant, or Non-Employee Director, as applicable.

ARTICLE VI
STOCK OPTIONS; STOCK APPRECIATION RIGHTS

6.1 General. Stock Options or Stock Appreciation Rights may be granted alone or in addition to other Awards granted under this Plan Each Stock Option granted under this Plan shall be of one of two types: (a) an Incentive Stock Option or (b) a Non-Qualified Stock Option. Stock Options and Stock Appreciation Rights granted under this Plan shall be evidenced by an Award Agreement and subject to the terms, conditions and limitations in this Plan, including any limitations applicable to Incentive Stock Options.

6.2 Grants. The Committee shall have the authority to grant to any Eligible Individual one or more Incentive Stock Options, Non-Qualified Stock Options, and/or Stock Appreciation Rights; *provided*, *however*, that Incentive Stock Options may only be granted to an Eligible Employee who is an employee of the Company or its Subsidiaries. To the extent that any Stock Option does not qualify as an Incentive Stock Option (whether because of its provisions or the time or manner of its exercise or otherwise), such Stock Option or the portion thereof which does not so qualify shall constitute a separate Non-Qualified Stock Option.

6.3 Exercise Price. The exercise price per Share subject to a Stock Option or Stock Appreciation Right shall be determined by the Committee at the time of grant, *provided* that the per share exercise price of a Stock Option or Stock Appreciation Right shall not be less than 100% (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, 110%) of the Fair Market Value at the time of grant. Notwithstanding the foregoing, in the case of a Stock Option or Stock Appreciation Right that is a Substitute Award, the exercise price per Share for such Stock Option or Stock Appreciation Right may be less than the Fair Market Value on the date of grant; provided, that, such exercise price is determined in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code.

6.4 Term. The term of each Stock Option or Stock Appreciation Right shall be fixed by the Committee, *provided* that no Stock Option or Stock Appreciation Right shall be exercisable more than 10 years (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, five years) after the date on which the Stock Option or Stock Appreciation Right, as applicable, is granted.

6.5 Exercisability. Unless otherwise provided by the Committee in accordance with the provisions of this Section 6.5, Stock Options and Stock Appreciation Rights granted under this Plan shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee at the time of grant. The Committee may, but shall not be required to, provide for an acceleration of vesting and exercisability upon the occurrence of a specified event. Unless otherwise determined by the Committee, if the exercise of a Non-Qualified Stock Option or Stock Appreciation Right within the permitted time periods is prohibited because such exercise would violate the registration requirements under the Securities Act or any other Applicable Law or the rules of any securities exchange or interdealer quotation system, the Company's insider trading policy (including any blackout periods) or a "lock-up" agreement entered into in connection with the issuance of securities by the Company, then the expiration of such Non-Qualified Stock Option or Stock Appreciation Right shall be extended until the date that is 30 days after the end of the period during which the exercise of the Non-Qualified Stock Option or Stock Appreciation Right would be in violation of such registration requirement or other Applicable Law or rules, blackout period or lock-up agreement, as determined by the Committee; *provided, however*, that in no event shall any such extension result in any Non-Qualified Stock Option or Stock Appreciation Right remaining exercisable after the 10-year term of the applicable Non-Qualified Stock Option or Stock Appreciation Right.

6.6 Method of Exercise. Subject to any applicable waiting period or exercisability provisions under Section 6.5, to the extent vested, Stock Options and Stock Appreciation Rights may be exercised in whole or in part at any time during the term of the applicable Stock Option or Stock Appreciation Right, by giving written notice of exercise (which may be electronic) to the Company specifying the number of Stock Options or Stock Appreciation Rights, as applicable, being exercised. Such notice shall be accompanied by payment in full of the exercise price (which shall equal the product of such number of Shares to be purchased multiplied by the applicable exercise price). The exercise price for the Stock Options may be paid upon such terms and conditions as shall be established by the Committee and set forth in the applicable Award Agreement. Without limiting the foregoing, the Committee may establish payment terms for the exercise of Stock Options pursuant to which the Company may withhold a number of Shares that otherwise would be issued to the Participant in connection with the exercise of the Stock Option having a Fair Market Value on the date of exercise equal to the exercise price, or that permit the Participant to deliver cash or Shares with a Fair Market Value equal to the exercise price on the date of payment, or through a simultaneous sale through a broker of Shares acquired on exercise, all as permitted by Applicable Law. No Shares shall be issued until payment therefor, as provided herein, has been made or provided for. Upon the exercise of a Stock Appreciation Right a Participant shall be entitled to receive, for each right exercised, up to, but no more than, an amount in cash and/or Shares (as chosen by the Committee in its sole discretion) equal in value to the excess of the Fair Market Value of one Share on the date that the right is exercised over the Fair Market Value of one Share on the date that the right was awarded to the Participant.

6.7 Non-Transferability. No Stock Option or Stock Appreciation Right shall be transferable by the Participant other than by will or by the laws of descent and distribution, and all Stock Options and Stock Appreciation Rights shall be exercisable, during the Participant's lifetime, only by the Participant. Notwithstanding the foregoing, the Committee may determine, in its sole discretion, at the time of grant or thereafter that a Non-Qualified Stock Option that is otherwise not transferable pursuant to this Section 6.7 is transferable to a Family Member of the Participant in whole or in part and in such circumstances, and under such conditions, as specified by the Committee. A Non-Qualified Stock Option that is transferred to a Family Member pursuant to the preceding sentence (a) may not be subsequently transferred other than by will or by the laws of descent and distribution and (b) remains subject to the terms of this Plan and the applicable Award Agreement. Any Shares acquired upon the exercise of a Non-Qualified Stock Option by a permissible transferee of a Non-Qualified Stock Option or a permissible transferee pursuant to a transfer after the exercise of the Non-Qualified Stock Option shall be subject to the terms of this Plan and the applicable Award Agreement.

6.8 Termination. Unless otherwise determined by the Committee at grant or, if no rights of the Participant are reduced, thereafter, subject to the provisions of the applicable Award Agreement and this Plan, upon a Participant's Termination of Service for any reason, Stock Appreciation Rights may remain exercisable following a Participant's Termination of Service as follows:

(a) Termination by Death or Disability. Unless otherwise provided in the applicable Award Agreement, or otherwise determined by the Committee at the time of grant or, if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service is by reason of death or Disability, all Stock Options and Stock Appreciation Rights that are held by such Participant that are vested and exercisable at the time of the Participant's Termination of Service may be exercised by the Participant (or in the case of the Participant's death, by the legal representative of the Participant's estate) at any time within a period of one year from the date of such Termination of Service, but in no event beyond the expiration of the stated term of such Stock Options and Stock Appreciation Rights; *provided, however*, that, in the event of a Participant's Termination of Service by reason of Disability, if the Participant dies within such exercise period, all unexercised Stock Options and Stock Appreciation Rights held by such Participant shall thereafter be exercisable, to the extent to which they were exercisable at the time of death, for a period of one year from the date of such death, but in no event beyond the expiration of the stated term of such Stock Options and/or Stock Appreciation Rights.

(b) Involuntary Termination Without Cause. Unless otherwise provided in the applicable Award Agreement or otherwise determined by the Committee at the time of grant or, if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service is by involuntary termination by the Company without Cause, all Stock Options and Stock Appreciation Rights that are held by such Participant that are vested and exercisable at the time of the Participant's Termination of Service may be exercised by the Participant at any time within a period of 90 days from the date of such Termination of Service, but in no event beyond the expiration of the stated term of such Stock Options or Stock Appreciation Rights.

(c) Voluntary Resignation. Unless otherwise provided in the applicable Award Agreement or otherwise determined by the Committee at the time of grant or, if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service is voluntary (other than a voluntary termination described in Section 6.8(d) hereof), all Stock Options and Stock Appreciation Rights that are held by such Participant that are vested and exercisable at the time of the Participant's Termination of Service may be exercised by the Participant at any time within a period of 30 days from the date of such Termination of Service, but in no event beyond the expiration of the stated term of such Stock Options or Stock Appreciation Rights.

(d) Termination for Cause. Unless otherwise provided in the applicable Award Agreement or determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service (i) is for Cause or (ii) is a voluntary Termination of Service (as provided in Section 6.8(c)) after the occurrence of an event that would be grounds for a Termination of Service for Cause, all Stock Options and Stock Appreciation Rights, whether vested or not vested, that are held by such Participant shall thereupon immediately terminate and expire as of the date of such Termination of Service.

(e) Unvested Stock Options and Stock Appreciation Rights. Unless otherwise provided in the applicable Award Agreement or determined by the Committee at the time of grant or, if no rights of the Participant are reduced, thereafter, Stock Options and Stock Appreciation Rights that are not vested as of the date of a Participant's Termination of Service for any reason shall terminate and expire as of the date of such Termination of Service.

(f) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined as of the time of grant) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by an Eligible Employee during any calendar year under this Plan and/or any other stock option plan of the Company or any Subsidiary exceeds $100,000, such Options shall be treated as Non-Qualified Stock Options. In addition, if an Eligible Employee does not remain employed by the Company or any Subsidiary at all times from the time an Incentive Stock Option is granted until three months prior to the date of exercise thereof (or such other period as required by Applicable Law), such Stock Option shall be treated as a Non-Qualified Stock Option. Should any provision of this Plan not be necessary in order for the Stock Options to qualify as Incentive Stock Options, or should any additional provisions be required, the Committee may amend this Plan accordingly, without the necessity of obtaining the approval of the stockholders of the Company.

(g) Modification, Extension and Renewal of Stock Options. The Committee may (i) modify, extend, or renew outstanding Stock Options granted under this Plan (provided that the rights of a Participant are not reduced without such Participant's consent and *provided*, *further* that such action does not subject the Stock Options to Section 409A of the Code without the consent of the Participant), and (ii) accept the surrender of outstanding Stock Options (to the extent not theretofore exercised) and authorize the granting of new Stock Options in substitution therefor (to the extent not theretofore exercised).

6.9 Automatic Exercise. The Committee may include a provision in an Award Agreement providing for the automatic exercise of a Non-Qualified Stock Option or Stock Appreciation Right on a cashless basis on the last day of the term of such Option or Stock Appreciation Right if the Participant has failed to exercise the Non-Qualified Stock Option or Stock Appreciation Right as of such date, with respect to which the Fair Market Value of the Shares underlying the Non-Qualified Stock Option or Stock Appreciation Right exceeds the exercise price of such Non-Qualified Stock Option or Stock Appreciation Right on the date of expiration of such Option or Stock Appreciation Right, subject to Section 13.5.

6.10 Dividends. No dividend or Dividend Equivalent Rights shall be granted with respect to Stock Options or Stock Appreciation Rights.

6.11 Other Terms and Conditions. As the Committee shall deem appropriate, Stock Options and Stock Appreciation Rights may be subject to additional terms and conditions or other provisions, which shall not be inconsistent with any of the terms of this Plan.

ARTICLE VII
RESTRICTED STOCK; RESTRICTED STOCK UNITS

7.1 Awards of Restricted Stock and Restricted Stock Units. Shares of Restricted Stock and Restricted Stock Units may be granted alone or in addition to other Awards granted under this Plan. The Committee shall determine the Eligible Individuals to whom, and the time or times at which, grants of Restricted Stock and/or Restricted Stock Units shall be made, the number of shares of Restricted Stock or Restricted Stock Units to be awarded, the price (if any) to be paid by the Participant (subject to Section 7.2), the time or times within which such Awards may be subject to forfeiture, the vesting schedule and rights to acceleration thereof, and all other terms and conditions of the Awards. The Committee shall determine and set forth in the Award Agreement the terms and conditions for each Award of Restricted Stock and Restricted Stock Units, subject to the conditions and limitations contained in this Plan, including any vesting or forfeiture conditions.

The Committee may condition the grant or vesting of Restricted Stock and Restricted Stock Units upon the attainment of specified Performance Goals or such other factor as the Committee may determine in its sole discretion.

7.2 Awards and Certificates. Restricted Stock and Restricted Stock Units granted under this Plan shall be evidenced by an Award Agreement and subject to the following terms and conditions and shall be in such form and contain such additional terms and conditions not inconsistent with the terms of this Plan, as the Committee shall deem desirable:

(a) Restricted Stock.

(i) Purchase Price. The purchase price of Restricted Stock shall be fixed by the Committee. The purchase price for shares of Restricted Stock may be zero to the extent permitted by Applicable Law, and, to the extent not so permitted, such purchase price may not be less than par value.

(ii) Legend. Each Participant receiving Restricted Stock shall be issued a stock certificate in respect of such shares of Restricted Stock, unless the Committee elects to use another system, such as book entries by the Company's transfer agent, as evidencing ownership of shares of Restricted Stock. Such certificate shall be registered in the name of such Participant, and shall, in addition to such legends required by Applicable Law, bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock.

(iii) Custody. If stock certificates are issued in respect of shares of Restricted Stock, the Committee may require that any stock certificates evidencing such shares be held in custody by the Company until the restrictions thereon shall have lapsed, and that, as a condition of any grant of Restricted Stock, the Participant shall have delivered a duly signed stock power or other instruments of assignment (including a power of attorney), each endorsed in blank with a guarantee of signature if deemed necessary or appropriate by the Company, which would permit transfer to the Company of all or a portion of the shares subject to the Award of Restricted Stock in the event that such Award is forfeited in whole or part.

(iv) Rights as a Stockholder. Except as provided in Section 7.3(a) and this Section 7.2(a) or as otherwise determined by the Committee in an Award Agreement, the Participant shall have, with respect to the shares of Restricted Stock, all of the rights of a holder of Shares, including, without limitation, the right to receive dividends, the right to vote such shares, and, subject to and conditioned upon the full vesting of shares of Restricted Stock, the right to tender such shares; *provided* that the Award Agreement shall specify on what terms and conditions the applicable Participant shall be entitled to dividends payable on the Shares.

(v) Lapse of Restrictions. If and when the Restriction Period (as defined below) expires without a prior forfeiture of the Restricted Stock, the certificates for such Shares shall be delivered to the Participant. All legends shall be removed from said certificates at the time of delivery to the Participant, except as otherwise required by Applicable Law or other limitations imposed by the Committee.

(b) Restricted Stock Units.

(i) Settlement. The Committee may provide that settlement of Restricted Stock Units will occur upon or as soon as reasonably practical after the Restricted Stock Units vest or will instead be deferred, on a mandatory basis or at the Participant's election, in a manner intended to comply with Section 409A of the Code.

(ii) Rights as a Stockholder. A Participant will have no rights of a stockholder with respect to Shares subject to any Restricted Stock Unit unless and until Shares are delivered in settlement of the Restricted Stock Units.

(iii) Dividend Equivalent Rights. If the Committee so provides, a grant of Restricted Stock Units may provide a Participant with the right to receive Dividend Equivalent Rights. Dividend Equivalent Rights may be paid currently or credited to an account for the Participant, settled in cash or Shares, and subject to the same restrictions on transferability and forfeitability as the Restricted Stock Units with respect to which the Dividend Equivalent Rights are granted and subject to other terms and conditions as set forth in the Award Agreement.

7.3 Restrictions and Conditions.

(a) Restriction Period.

(i) The Participant shall not be permitted to transfer shares of Restricted Stock awarded under this Plan or vest in Restricted Stock Units during the period or periods set by the Committee (the "**Restriction Period**") commencing on the date of such Award, as set forth in the applicable Award Agreement and such agreement shall set forth a vesting schedule and any event that would accelerate vesting of the Restricted Stock and/or Restricted Stock Units. Within these limits, based on service, attainment of Performance Goals pursuant to Section 7.3(a)(ii), and/or such other factors or criteria as the Committee may determine in its sole discretion, the Committee may condition the grant or provide for the lapse of such restrictions in installments in whole or in part, or may accelerate the vesting of all or any part of any Award of Restricted Stock or Restricted Stock Units and/or waive the deferral limitations for all or any part of any Award of Restricted Stock or Restricted Stock Units.

(ii) If the grant of shares of Restricted Stock or Restricted Stock Units or the lapse of restrictions or vesting schedule is based on the attainment of Performance Goals, the Committee shall establish the objective Performance Goals and the applicable vesting percentage applicable to each Participant or class of Participants in the applicable Award Agreement prior to the beginning of the applicable fiscal year or at such later date as otherwise determined by the Committee and while the outcome of the Performance Goals are substantially uncertain. Such Performance Goals may incorporate provisions for disregarding (or adjusting for) changes in accounting methods, corporate transactions (including, without limitation, dispositions and acquisitions), and other similar types of events or circumstances.

(b) Termination. Unless otherwise provided in the applicable Award Agreement or determined by the Committee at grant or, if no rights of the Participant are reduced, thereafter, upon a Participant's Termination of Service for any reason during the relevant Restriction Period, all Restricted Stock or Restricted Stock Units still subject to restriction will be forfeited in accordance with the terms and conditions established by the Committee at grant or thereafter.

ARTICLE VIII
PERFORMANCE AWARDS

8.1 The Committee may grant a Performance Award to a Participant payable upon the attainment of specific Performance Goals either alone or in addition to other Awards granted under this Plan. The Performance Goals to be achieved during the Performance Period and the length of the Performance Period shall be determined by the Committee upon the grant of each Performance Award. The conditions for grant or vesting and the other provisions of Performance Awards (including, without limitation, any applicable Performance Goals) need not be the same with respect to each Participant. Performance Awards may be paid in cash, Shares, other property, or any combination thereof, in the sole discretion of the Committee as set forth in the applicable Award Agreement.

ARTICLE IX
OTHER STOCK-BASED AND CASH AWARDS

9.1 Other Stock-Based Awards. The Committee is authorized to grant to Eligible Individuals Other Stock-Based Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to Shares, including but not limited to, Shares awarded purely as a bonus and not subject to restrictions or conditions, Shares in payment of the amounts due under an incentive or performance plan sponsored or maintained by the Company, stock equivalent units, and Awards valued by reference to the book value of Shares. Other Stock-Based Awards may be granted either alone or in addition to or in tandem with other Awards granted under this Plan.

Subject to the provisions of this Plan, the Committee shall have authority to determine the Eligible Individuals, to whom, and the time or times at which, such Other Stock-Based Awards shall be made, the number of Shares to be awarded pursuant to such Awards, and all other conditions of the Awards. The Committee may also provide for the grant of Shares under such Awards upon the completion of a specified Performance Period. The Committee may condition the grant or vesting of Other Stock-Based Awards upon the attainment of specified Performance Goals as the Committee may determine, in its sole discretion.

9.2 Terms and Conditions. Other Stock-Based Awards made pursuant to this Article IX shall be evidenced by an Award Agreement and subject to the following terms and conditions and shall be in such form and contain such additional terms and conditions not inconsistent with the terms of this Plan, as the Committee shall deem desirable:

(a) Non-Transferability. Subject to the applicable provisions of the Award Agreement and this Plan, Shares subject to Other Stock-Based Awards may not be transferred prior to the date on which the Shares are issued or, if later, the date on which any applicable restriction, performance, or deferral period lapses.

(b) Dividends. Unless otherwise determined by the Committee at the time of the grant of an Other Stock-Based Award, subject to the provisions of the Award Agreement and this Plan, the recipient of an Other Stock-Based Award shall not be entitled to receive, currently or on a deferred basis, dividends or Dividend Equivalent Rights in respect of the number of Shares covered by the Other Stock-Based Award.

(c) Vesting. Any Other Stock-Based Award and any Shares covered by any such Other Stock-Based Award shall vest or be forfeited to the extent so provided in the Award Agreement, as determined by the Committee, in its sole discretion.

(d) Price. Shares under this Article IX may be issued for no cash consideration. Shares purchased pursuant to a purchase right awarded pursuant to an Other Stock-Based Award shall be priced, as determined by the Committee in its sole discretion.

9.3 Cash Awards. The Committee may from time to time grant Cash Awards to Eligible Individuals in such amounts, on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by Applicable Law, as it shall determine in its sole discretion. Cash Awards may be granted subject to the satisfaction of vesting conditions or may be awarded purely as a bonus and not subject to restrictions or conditions, and if subject to vesting conditions, the Committee may accelerate the vesting of such Awards at any time in its sole discretion. The grant of a Cash Award shall not require a segregation of any of the Company's assets for satisfaction of the Company's payment obligation thereunder.

ARTICLE X
CHANGE IN CONTROL PROVISIONS

10.1 Benefits. In the event of a Change in Control of the Company, and except as otherwise provided by the Committee in an Award Agreement or any applicable employment agreement, offer letter, consulting agreement, change in control agreement, or similar agreement in effect between the Company or an Affiliate and the Participant, a Participant's unvested Awards shall not vest automatically and a Participant's Awards shall be treated in accordance with one or more of the following methods as determined by the Committee:

(a) Awards, whether or not then vested, shall be continued, be assumed, or have new rights substituted therefor, as determined by the Committee in a manner consistent with the requirements of Section 409A of the Code, and restrictions to which shares of Restricted Stock or any other Award granted prior to the Change in Control are subject shall not lapse upon a Change in Control and the Restricted Stock or other Award shall, where appropriate in the sole discretion of the Committee, receive the same distribution as other Shares on such terms as determined by the Committee; *provided* that the Committee may decide to award additional Restricted Stock or other Awards in lieu of any cash distribution. Notwithstanding anything to the contrary herein, for purposes of Incentive Stock Options, any assumed or substituted Stock Option shall comply with the requirements of Treasury Regulation Section 1.424-1 (and any amendment thereto).

(b) The Committee, in its sole discretion, may provide for the purchase of any Awards by the Company for an amount of cash equal to the excess (if any) of the Change in Control Price of the Shares covered by such Awards, over the aggregate exercise price of such Awards; *provided, however*, that if the exercise price of an Option or Stock Appreciation Right exceeds the Change in Control Price, such Award may be cancelled for no consideration.

(c) The Committee may, in its sole discretion, terminate all outstanding and unexercised Stock Options, Stock Appreciation Rights, or any Other Stock-Based Award that provides for a Participant-elected exercise, effective as of the date of the Change in Control, by delivering notice of termination to each Participant at least 20 days prior to the date of consummation of the Change in Control, in which case during the period from the date on which such notice of termination is delivered to the consummation of the Change in Control, each such Participant shall have the right to exercise in full all of such Participant's Awards that are then outstanding (without regard to any limitations on exercisability otherwise contained in the Award Agreements), but any such exercise shall be contingent on the occurrence of the Change in Control, and, *provided* that, if the Change in Control does not take place within a specified period after giving such notice for any reason whatsoever, the notice and exercise pursuant thereto shall be null and void.

(d) Notwithstanding any other provision herein to the contrary, the Committee may, in its sole discretion, provide for accelerated vesting or lapse of restrictions, of an Award at any time.

ARTICLE XI
TERMINATION OR AMENDMENT OF PLAN

Notwithstanding any other provision of this Plan, the Board or the Committee may at any time, and from time to time, amend, in whole or in part, any or all of the provisions of this Plan (including any amendment deemed necessary to ensure that the Company may comply with any Applicable Law), or suspend or terminate it entirely, retroactively or otherwise; *provided, however*, that, unless otherwise required by Applicable Law or specifically provided herein, the rights of a Participant with respect to Awards granted prior to such amendment, suspension, or termination may not be materially impaired without the consent of such Participant and, *provided*, *further*, that without the approval of the holders of the Shares entitled to vote in accordance with Applicable Law, no amendment may be made that would (a) increase the aggregate number of Shares that may be issued under this Plan (except by operation of Section 4.1); or (b) change the classification of individuals eligible to receive Awards under this Plan. In addition, the Board or the Committee shall, without the approval of the holders of the Shares entitled to vote in accordance with Applicable Law, have the authority to (i) amend any outstanding Option or Stock Appreciation Right to reduce its exercise price per Share or (ii) cancel any Option or Stock Appreciation Right in exchange for cash or another Award. Notwithstanding anything herein to the contrary, the Board or the Committee may amend this Plan or any Award Agreement at any time without a Participant's consent to comply with Applicable Law, including Section 409A of the Code. The Committee may amend the terms of any Award theretofore granted, prospectively or retroactively, but, subject to Article IV or as otherwise specifically provided herein, no such amendment or other action by the Committee shall materially impair the rights of any Participant without the Participant's consent.

ARTICLE XII
UNFUNDED STATUS OF PLAN

This Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payment as to which a Participant has a fixed and vested interest but which is not yet made to a Participant by the Company, nothing contained herein shall give any such Participant any right that is greater than those of a general unsecured creditor of the Company.

ARTICLE XIII
GENERAL PROVISIONS

13.1 Lock-Up; Legend. The Committee may require each person receiving Shares pursuant to a Stock Option or other Award under this Plan to represent to and agree with the Company in writing that the Participant is acquiring the Shares without a view to distribution thereof. The Company may, in connection with registering the offering of any Company securities under the Securities Act, prohibit Participants from, directly or indirectly, selling or otherwise transferring any Shares or other Company securities during any period determined by the underwriter or the Company. In addition to any legend required by this Plan, the certificates for such Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer. All certificates for Shares delivered under this Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Common Stock is then listed or any national securities exchange system upon whose system the Common Stock is then quoted, and any Applicable Law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions. If the Shares are held in book-entry form, then the book-entry will indicate any restrictions on such Shares.

13.2 Other Plans. Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required, and such arrangements may be either generally applicable or applicable only in specific cases.

13.3 No Right to Employment/Directorship/Consultancy. Neither this Plan nor the grant of any Award hereunder shall give any Participant or other employee, Consultant or Non-Employee Director any right with respect to continuance of employment, consultancy or directorship by the Company or any Affiliate, nor shall there be a limitation in any way on the right of the Company or any Affiliate by which an employee is employed or a Consultant or Non-Employee Director is retained to terminate such employment, consultancy, or directorship at any time.

13.4 Withholding of Taxes. A Participant shall be required to pay to the Company or one of its Affiliates, as applicable, or make arrangements satisfactory to the Company regarding the payment of, any income tax, social insurance contribution or other applicable taxes that are required to be withheld in respect of an Award. The Committee may (but is not obligated to), in its sole discretion, permit or require a Participant to satisfy all or any portion of the applicable taxes that are required to be withheld with respect to an Award by (a) the delivery of Shares (which are not subject to any pledge or other security interest) that have been both held by the Participant and vested for at least six months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment under applicable accounting standards) having an aggregate Fair Market Value equal to such withholding liability (or portion thereof); (b) having the Company withhold from the Shares otherwise issuable or deliverable to, or that would otherwise be retained by, the Participant upon the grant, exercise, vesting, or settlement of the Award, as applicable, a number of Shares with an aggregate Fair Market Value equal to the amount of such withholding liability; or (c) by any other means specified in the applicable Award Agreement or otherwise determined by the Committee.

13.5 Fractional Shares. No fractional Shares shall be issued or delivered pursuant to this Plan. The Committee shall determine whether cash, additional Awards, or other securities or property shall be used or paid in lieu of fractional Shares or whether any fractional shares should be rounded, forfeited, or otherwise eliminated.

13.6 No Assignment of Benefits. No Award or other benefit payable under this Plan shall, except as otherwise specifically provided in this Plan or under Applicable Law or permitted by the Committee, be transferable in any manner, and any attempt to transfer any such benefit shall be void, and any such benefit shall not in any manner be liable for or subject to the debts, contracts, liabilities, engagements, or torts of any person who shall be entitled to such benefit, nor shall it be subject to attachment or legal process for or against such person.

13.7 Clawbacks. All awards, amounts, or benefits received or outstanding under this Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction, or other similar action in accordance with any Company clawback or similar policy or any Applicable Law related to such actions. A Participant's acceptance of an Award will constitute the Participant's acknowledgement of and consent to the Company's application, implementation, and enforcement of any applicable Company clawback or similar policy that may apply to the Participant, whether adopted before or after the Effective Date, and any Applicable Law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Participant's agreement that the Company may take any actions that may be necessary to effectuate any such policy or Applicable Law, without further consideration or action.

13.8 Listing and Other Conditions.

(a) Unless otherwise determined by the Committee, as long as the Common Stock is listed on a national securities exchange or system sponsored by a national securities association, the issuance of Shares pursuant to an Award shall be conditioned upon such Shares being listed on such exchange or system. The Company shall have no obligation to issue such Shares unless and until such Shares are so listed, and the right to exercise any Option or other Award with respect to such Shares shall be suspended until such listing has been effected.

(b) If at any time counsel to the Company advises the Company that any sale or delivery of Shares pursuant to an Award is or may in the circumstances be unlawful or result in the imposition of excise taxes on the Company under Applicable Law, the Company shall have no obligation to make such sale or delivery, or to make any application or to effect or to maintain any qualification or registration under the Securities Act or otherwise, with respect to Shares or Awards, and the right to exercise any Option or other Award shall be suspended until, based on the advice of said counsel, such sale or delivery shall be lawful or will not result in the imposition of excise taxes on the Company.

(c) Upon termination of any period of suspension under this Section 13.8, any Award affected by such suspension which shall not then have expired or terminated shall be reinstated as to all Shares available before such suspension and as to Shares which would otherwise have become available during the period of such suspension, but no such suspension shall extend the term of any Award.

(d) A Participant shall be required to supply the Company with certificates, representations, and information that the Company requests and otherwise cooperate with the Company in obtaining any listing, registration, qualification, exemption, consent, or approval that the Company deems necessary or appropriate.

13.9 Governing Law. This Plan and actions taken in connection herewith shall be governed and construed in accordance with the laws of the State of Delaware, without reference to principles of conflict of laws.

13.10 Construction. Wherever any words are used in this Plan in the masculine gender they shall be construed as though they were also used in the feminine gender in all cases where they would so apply, and wherever words are used herein in the singular form they shall be construed as though they were also used in the plural form in all cases where they would so apply.

13.11 Other Benefits. No Award granted or paid out under this Plan shall be deemed compensation for purposes of computing benefits under any retirement plan of the Company or its Affiliates or affect any benefit or compensation under any other plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation.

13.12 Costs. The Company shall bear all expenses associated with administering this Plan, including expenses of issuing Shares pursuant to Awards hereunder.

13.13 No Right to Same Benefits. The provisions of Awards need not be the same with respect to each Participant, and such Awards to individual Participants need not be the same in subsequent years.

13.14 Death/Disability. The Committee may in its discretion require the transferee of a Participant to supply it with written notice of the Participant's death or Disability and to supply it with a copy of the will (in the case of the Participant's death) or such other evidence as the Committee deems necessary to establish the validity of the transfer of an Award. The Committee may also require the agreement of the transferee to be bound by all of the terms and conditions of this Plan.

13.15 Section 16(b) of the Exchange Act. It is the intent of the Company that this Plan satisfy, and be interpreted in a manner that satisfies, the applicable requirements of Rule 16b-3 as promulgated under Section 16 of the Exchange Act so that Participants will be entitled to the benefit of Rule 16b-3, or any other rule promulgated under Section 16 of the Exchange Act, and will not be subject to short-swing liability under Section 16 of the Exchange Act. Accordingly, if the operation of any provision of this Plan would conflict with the intent expressed in this Section 13.15, such provision to the extent possible shall be interpreted and/or deemed amended so as to avoid such conflict.

13.16 Deferral of Awards. The Committee may establish one or more programs under this Plan to permit selected Participants the opportunity to elect to defer receipt of consideration upon exercise of an Award, satisfaction of performance criteria, or other event that absent the election would entitle the Participant to payment or receipt of Shares or other consideration under an Award. The Committee may establish the election procedures, the timing of such elections, the mechanisms for payments of, and accrual of interest or other earnings, if any, on amounts, Shares or other consideration so deferred, and such other terms, conditions, rules, and procedures that the Committee deems advisable for the administration of any such deferral program.

13.17 Section 409A of the Code. This Plan and Awards are intended to comply with or be exempt from the applicable requirements of Section 409A of the Code and shall be limited, construed, and interpreted in accordance with such intent. To the extent that any Award is subject to Section 409A of the Code, it shall be paid in a manner that will comply with Section 409A of the Code. Notwithstanding anything herein to the contrary, any provision in this Plan that is inconsistent with Section 409A of the Code shall be deemed to be amended to comply with or be exempt from Section 409A of the Code and, to the extent such provision cannot be amended to comply therewith or be exempt therefrom, such provision shall be null and void. The Company shall have no liability to a Participant, or any other party, if an Award that is intended to be exempt from, or compliant with, Section 409A of the Code is not so exempt or compliant or for any action taken by the Committee or the Company and, in the event that any amount or benefit under this Plan becomes subject to penalties under Section 409A of the Code, responsibility for payment of such penalties shall rest solely with the affected Participants and not with the Company. Notwithstanding any contrary provision in this Plan or Award Agreement, any payment(s) of "nonqualified deferred compensation" (within the meaning of Section 409A of the Code) that are otherwise required to be made under this Plan to a "specified employee" (as defined under Section 409A of the Code) as a result of such employee's separation from service (other than a payment that is not subject to Section 409A of the Code) shall be delayed for the first six months following such separation from service (or, if earlier, until the date of death of the specified employee) and shall instead be paid (in a manner set forth in the Award Agreement) upon expiration of such delay period.

13.18 Data Privacy. As a condition of receipt of any Award, each Participant explicitly and unambiguously consents to the collection, use, and transfer, in electronic or other form, of personal data as described in this Section 13.18 by and among, as applicable, the Company and its Affiliates, for the exclusive purpose of implementing, administering, and managing this Plan and Awards and the Participant's participation in this Plan. In furtherance of such implementation, administration, and management, the Company and its Affiliates may hold certain personal information about a Participant, including, but not limited to, the Participant's name, home address, telephone number, date of birth, social security or insurance number or other identification number, salary, nationality, job title(s), information regarding any securities of the Company or any of its Affiliates, and details of all Awards (the "**Data**"). In addition to transferring the Data amongst themselves as necessary for the purpose of implementation, administration, and management of this Plan and Awards and the Participant's participation in this Plan, the Company and its Affiliates may each transfer the Data to any third parties assisting the Company in the implementation, administration, and management of this Plan and Awards and the Participant's participation in this Plan. Recipients of the Data may be located in the Participant's country or elsewhere, and the Participant's country and any given recipient's country may have different data privacy laws and protections. By accepting an Award, each Participant authorizes such recipients to receive, possess, use, retain, and transfer the Data, in electronic or other form, for the purposes of assisting the Company in the implementation, administration, and management of this Plan and Awards and the Participant's participation in this Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Company or the Participant may elect to deposit any shares of Common Stock. The Data related to a Participant will be held only as long as is necessary to implement, administer, and manage this Plan and Awards and the Participant's participation in this Plan. A Participant may, at any time, view the Data held by the Company with respect to such Participant, request additional information about the storage and processing of the Data with respect to such Participant, recommend any necessary corrections to the Data with respect to the Participant, or refuse or withdraw the consents herein in writing, in any case without cost, by contacting his or her local human resources representative. The Company may cancel the Participant's eligibility to participate in this Plan, and in the Committee's discretion, the Participant may forfeit any outstanding Awards if the Participant refuses or withdraws the consents described herein. For more information on the consequences of refusal to consent or withdrawal of consent, Participants may contact their local human resources representative.

13.19 Successor and Assigns. This Plan shall be binding on all successors and permitted assigns of a Participant, including, without limitation, the estate of such Participant and the executor, administrator, or trustee of such estate.

13.20 Severability of Provisions. If any provision of this Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed and enforced as if such provisions had not been included.

13.21 Headings and Captions. The headings and captions herein are provided for reference and convenience only, shall not be considered part of this Plan, and shall not be employed in the construction of this Plan.

ARTICLE XIV
EFFECTIVE DATE OF PLAN

This Plan shall become effective on [_____], which is the date of its adoption by the Board, subject to the approval of this Plan by the stockholders of the Company in accordance with the requirements of the laws of the State of Delaware.

ARTICLE XV
TERM OF PLAN

No Award shall be granted pursuant to this Plan on or after the 10th anniversary of the earlier of the date that this Plan is adopted or the date of stockholder approval, but Awards granted prior to such 10th anniversary may extend beyond that date.

* * * * *

FORM OF FOURTH AMENDED AND RESTATED
TRADE NAME AND TRADEMARK LICENSE AGREEMENT

This Fourth Amended and Restated Trade Name and Trademark License Agreement (this "Agreement") is dated as of [_], 2024 and is effective as of the pricing of the IPO (as defined herein) (the "Commencement Date"), and entered into by and between HFR, LLC, a Texas Limited Liability Company, ("Licensor") and Hornbeck Offshore Services, Inc. a Delaware corporation ("Licensee"). Licensee and Licensor are sometimes referred to herein individually as a "Party" and collectively as the "Parties." Todd Hornbeck ("TODD HORNBECK") also joins in this Agreement solely with respect to Section 5.5 of this Agreement.

This Agreement may be executed in two (2) or more counterparts on different dates but each shall be deemed an original, and all of which together shall constitute one and the same instrument. As used herein, the word "Affiliate" shall mean any entity, which controls, is controlled by, or is under common control with another entity. An entity is deemed to control another if it owns directly or indirectly at least fifty percent (50%) of (i) the shares entitled to vote at a general election of directors or other equivalent governing persons of such other entity, (ii) the voting interest in such other entity if such other entity does not have either shares or directors; or (iii) the entity's financial statements are required by applicable regulations or accounting standards to be consolidated with the other entity for financial reporting purposes and are so consolidated.

WHEREAS, pursuant to (i) that certain Trade Name and Trademark License Agreement effective as of June 4, 1997 between Larry D. Hornbeck, on the one hand, and TODD HORNBECK and TROY HORNBECK, on the other hand, (ii) that certain Trade Name and Trademark License Agreement effective as of June 4, 1997 between TODD HORNBECK and TROY HORNBECK, on the one hand, and Hornbeck Offshore Services, Inc., on the other hand, (iii) that certain Assignment of Trade Names and Trademarks effective as of June 5, 1998 between Larry D. Hornbeck, on the one hand, and TODD HORNBECK and TROY HORNBECK, on the other hand, (iv) that certain Addendum to Trade Name and Trademark License Agreement effective as of June 5, 1998, by and between TODD HORNBECK and TROY HORNBECK, on the one hand, and Hornbeck Offshore Services, Inc., on the other hand, (v) that certain Amended and Restated Trade Name and Trademark License Agreement effective as of May 6, 2007, by and between TODD HORNBECK and TROY HORNBECK, on the one hand, and Licensee, on the other hand, (vi) that certain Assignment of Trademarks effective as of July 17, 2012 between TODD HORNBECK and TROY HORNBECK, on the one hand, and Licensor, on the other hand, (vii) that certain Second Amended and Restated Trade Name and Trademark License Agreement effective as of September 28, 2012, by and between Licensor and Licensee, (vii) that certain Addendum to Assignment of Trademarks effective as of March 29, 2020 between TODD HORNBECK and TROY HORNBECK, on the one hand, and Licensor, on the other hand, (viii) that certain Acknowledgement and Agreement effective as of March 29, 2020 among Hornbeck Offshore Services, LLC, Licensee, and Licensor, and (ix) that certain Third Amended and Restated Trade Name and Trademark License Agreement, dated as of September 4, 2020, by and between Licensor and Hornbeck Offshore Operators, LLC (the "2020 License Agreement"), (the agreements described in the foregoing (i) through (ix), collectively, the "Prior Agreements"), Licensor or its predecessor in interest has acquired the right and license to use, and to sublicense to others to use, the following trade names and trademarks: (1) HORNBECK, (2) HORNBECK OFFSHORE, (3) HORNBECK OFFSHORE SERVICES, (4) HOS, (5) HOSS, (6) HOSMAX, (7) logos in the style of a horse's head, examples of which are attached as Exhibit "D", and variations thereof (collectively "Common Law Marks"), all as utilized by Licensor, or by its predecessors in interest, in the identification, promotion, advertising, marketing, and operating of its various offshore marine services;

WHEREAS, pursuant to that certain Assignment of Trade Names and Trademarks effective as of June 5, 1998 and between Larry D. Hornbeck, as Assignor, and TODD HORNBECK and TROY HORNBECK, as Assignees, acquired the assignment of the Common Law Marks, all as utilized by Licensor, or by its predecessors in interest, in the identification, promotion, advertising, marketing, and operating of its various offshore marine services;

WHEREAS, Licensor is the owner of the registered trademarks, service marks, domain names, icons and logos, and applications for any of the foregoing, that consist of, incorporate, use, are similar to, or are a variation, derivation or acronym of, the Hornbeck name, including (1) HORNBECK, (2) HORNBECK OFFSHORE, (3) HORNBECK OFFSHORE SERVICES, (4) HOS, (5) HOSS, (6) HOSMAX, and (7) logos in the style of a horse's head, examples of which are attached as Exhibit "D" (alone or with other word and/or design elements), including the trademarks identified in Exhibit "A" and goodwill associated therewith, in each case solely as used in connection with the Business on the date hereof, other than to the extent the same is used as of the date hereof solely for use as part of the Hornbeck family ranch (collectively, the "Registered Marks");

WHEREAS, Licensor or its predecessor in interest owns certain trade names, including those identified in Exhibit "B" and goodwill associated therewith (the "Trade Names");

WHEREAS, Licensor is desirous of protecting the goodwill associated with the Common Law Marks and Registered Marks, to prevent dilution of the Common Law Marks and Registered Marks, and to prevent customer confusion as to the source of goods and services associated with the Common Law Marks and Registered Marks;

WHEREAS, Licensee desires to use certain trademarks or service marks that incorporate the Common Law Marks and the Registered Marks, and may wish to adopt additional marks in the future which compromise or contain the words or symbols (1) HORNBECK, (2) HORNBECK OFFSHORE, (3) HORNBECK OFFSHORE SERVICES, (4) HOS, (5) HOSS, (6) HOSMAX, and (7) logos in the style of a horse's head, examples of which are attached as Exhibit "D" (alone or with other word and/or design elements), which are derived from the Common Law Marks and the Registered Marks (the "Additional Marks");

WHEREAS, Licensee desires to secure an exclusive right and license to use the Common Law Marks, Registered Marks, Additional Marks and Trade Names in connection with the identification of Licensee's business interests located within the territory defined in Exhibit "C" (the "Territory"); and

WHEREAS, Licensor is willing to grant Licensee a license under the terms and conditions set forth below.

NOW, THEREFORE, intending to be legally bound, for valuable consideration, including the License Fee (as defined below), the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Article 1
Grant of License

1.1 License of Trademarks. Licensor hereby grants to Licensee on the terms set forth herein an exclusive, irrevocable (subject to Licensor's termination rights set forth in Article 5 hereof), transferable (subject to Section 8.3) license to use, and to sublicense to others to use as limited herein, the Common Law Marks, Registered Marks, and Additional Marks (the "Licensed Marks") to identify, promote, advertise, market, sell, provide, operate, merchandise and otherwise commercialize any and all goods and services of Licensee in the business of providing the services of offshore supply vessels, or offshore service vessels (including, without limitation, crew boats, fast supply vessels, multi-purpose support vessels, flotels, services to Military Sealift Command, construction vessels, anchor handling towing supply vessels, tugs, double hulled tank barges and double hulled tankers or other complementary offshore marine vessels) or any other marine vessel business, including any logistics services related thereto or any ancillary, complementary or related line of business (collectively, the "Business"), anywhere in the Territory, subject to the terms and conditions of this Agreement. Licensee may use the Licensed Marks in combination with one or more of Licensee's trademarks or trade names. This license specifically includes the right of Licensee to use said Licensed Marks in its corporate names and the right to permit its Affiliates to use said Licensed Marks subject to compliance with the other provisions of this Agreement and the right to use Additional Marks for which applications for registration are made in the future.

1.2 License of Trade Names. Licensor hereby grants to Licensee on the terms set forth herein an exclusive, irrevocable (subject to Licensor's termination rights set forth in Article 5 hereof), transferable (subject to Section 8.3) license to use, and to sublicense to others to use, the Trade Names to identify, promote, advertise, market, sell, provide, operate, merchandise and otherwise commercialize any and all goods and services of Licensee in the Business anywhere in the Territory, subject to the terms and conditions of this Agreement. Licensee may use the Trade Names in combination with one or more of Licensee's trademarks or trade names. This license specifically includes the right of Licensee to use said Trade Names in its corporate names and the right to permit its Affiliates to use said Trade Names subject to compliance with the other provisions of this Agreement.

1.3 License Fee. As consideration for the licenses provided above, Licensee shall pay to Licensor a one-time payment of $10 million (Ten Million Dollars) (the "License Fee"), by wire transfer of immediately available funds in accordance with the written wire instructions provided by Licensor to Licensee, which shall be payable at the pricing of the initial public offering of Licensee (the "IPO") and simultaneously with the execution and delivery of the underwriting agreement by Licensee in connection with the IPO (the "Pricing Date"). This Agreement amends and restates the 2020 License Agreement. The 2020 License Agreement shall continue in full force and effect in accordance with its terms until the Commencement Date and shall terminate upon the Commencement Date. On the Pricing Date, in addition to the License Fee, to the extent not previously paid by Licensee to Licensor under the 2020 License Agreement, Licensee shall pay to Licensor an amount equal to (a) $250,000, representing the amount of the Base Fee (as defined in the 2020 License Agreement) payable on the last day of the third quarter for 2024, plus (b) the pro-rated Performance Fee (as defined in the 2020 License Agreement) due and payable to Licensor pursuant to the terms of the 2020 License Agreement.

Article 2
Quality Control

2.1 Quality Standards.

(a) Licensee acknowledges the importance of maintaining the standards of quality and service so as not to diminish the value of the Licensed Marks and Trade Names. Accordingly, Licensee agrees that the quality of all goods and services associated with or bearing the Licensed Marks or offered under the Trade Names will conform with the reasonable quality standards, as set out by Licensor from time to time that are intended to and have the result of preserving Licensor's goodwill in the Licensed Marks and Trade Names. Licensee acknowledges that maintenance of the quality of the goods and services provided under the Licensed Marks and Trade Names enhances the business of Licensee as well as the business of Licensor.

(b) Unless written consent of Licensor is first obtained (which consent may be withheld in Licensor's sole discretion), Licensee shall not use the Licensed Marks or Trade Names in combination with any other name, marks, likeness, images, or the like in a manner that is offensive or that could tarnish the name or reputation of Licensor or its Affiliates, in each case, as reasonably determined by Licensor.

2.2 Quality Control. Licensor shall exercise control over the quality of the goods and services provided by Licensee under the Licensed Marks or Trade Names. Licensor shall have the right to exercise quality control as to such goods and services under reasonable circumstances and in a reasonable manner.

2.3 Cooperation. Licensee shall cooperate with Licensor's control of the nature and quality of the goods and services provided under the Licensed Marks and Trade Names, and will permit reasonable inspection of Licensee's use of the Licensed Marks and Trade Names in connection with the goods and services provided thereunder.

2.4 Applicable Laws. Licensee shall comply with all applicable laws and regulations and shall obtain and maintain all necessary or appropriate government approvals pertaining to the operations of Licensee's business and to Licensee's goods and services.

Article 3
Protection of the Licensed Marks and Trade Names

3.1 Notice. Licensee agrees to notify Licensor promptly of any unauthorized use, infringement or dilution of the Licensed Marks or the Trade Names by others, as soon as practically possible after the unauthorized use of the Licensed Marks or the Trade Names comes to Licensee's attention, and to report all details in Licensee's possession concerning the kind and character of the unauthorized use, infringement or dilution. For so long as TODD HORNBECK is Chairman, President or CEO of Licensee, Licensor shall be deemed to have been notified of such unauthorized use upon the first knowledge thereof as a result of sharing such information in meetings in which TODD HORNBECK and other of Licensee's Executive Officers participate.

3.2 Enforcement Proceedings.

(a) During the Term of this Agreement, Licensee shall, at its sole cost, take all reasonable and necessary action, including without limit, the initiation of legal proceedings, in order to protect the Licensed Marks and Trade Names from unauthorized use, infringement or dilution by third parties in the offshore marine transportation services industry and other businesses related thereto. Licensor shall convey to Licensee any power of attorney or other power or cooperation required by Licensee in order to take action required hereby. If Licensee breaches its obligation under this clause, Licensor may, in its sole discretion, take actions it deems to be reasonably necessary in order to protect the Licensed Marks and Trade Names and Licensee shall reimburse to Licensor all costs incurred thereby.

(b) All damages, awards, and settlement proceeds which result from an action brought by Licensee pursuant to Section 3.2(a) shall belong entirely to Licensee. In the event that Licensee breaches its obligations under Section 3.2(a) and as a result thereof Licensor brings a legal action against a third party, then all damages, awards and settlement proceeds resulting from the action brought by Licensor shall belong entirely to Licensor.

3.3 Maintenance of the Licensed Marks. During the Term of this Agreement Licensee shall, at its sole cost and expense, maintain the effectiveness of all state or federal trademark registrations affecting the Licensed Marks and Trade Names at the Commencement Date such that upon the Termination Date, any such federal or state trademark registrations shall be deemed to be in full force and effect and duly registered in the name of Licensor. Licensee shall, at the request of Licensor and at Licensee's expense, execute and deliver such further documents and legal instruments, and do all other things reasonably necessary to secure any registration of the Licensed Marks and Trade Names in the name of Licensor and/or to enforce Licensor's rights and interest in and to the Licensed Marks and Trade Names and the associated goodwill, including without limitation executing and delivering any and all powers of attorney, applications, declarations and affidavits. Licensor shall, at Licensee's sole cost and expense, execute and deliver to Licensee all documents and legal instruments and do all other things reasonably necessary as reasonably requested by Licensee to secure and/or maintain any registration of the Licensed Marks and Trade Names in the name of Licensor and/or to enforce Licensor's rights and interest in and to the Licensed Marks and Trade Names and associated goodwill, including without limitation executing and delivering any and all powers of attorney, applications, declarations and affidavits consistent with the purpose and intent of this Agreement.

Article 4
Representations And Warranties

4.1 Warranty of Title; Right to Grant Licenses. Licensor represents and warrants that (a) Licensor owns or possesses a valid and assignable right or license to use in the Business conducted by Licensee on the Commencement Date, all of the Licensed Marks and Trade Names and (b) Licensor has the right to grant the licenses granted under Article 1. Licensor acknowledges and agrees that it will not at any time do or cause to be done, directly or indirectly, any act or thing impairing or tending to impair any part of its right, title, and interest in or to the Licensed Marks and Trade Names (including allowing any sale, lease, license, sublicense, modification, termination, abandonment, lapse, transfer or disposal of, or creation of a security interest or other lien on, the Licensed Marks and Trade Names) or otherwise impair its right to grant the licenses granted under Article 1.

4.2 Other Intellectual Property. Licensor represents and warrants that, following the Commencement Date and until the Termination Date, Licensor will not hold, directly or indirectly, any right, title or interest in or to, or any right to use, any and all intellectual property rights in any jurisdiction throughout the world, whether registered, granted, issued, applied for, unissued or unregistered, including any patents, trademarks, service marks, trade names, trade dress and other source identifiers, domain names, copyrights, design rights, inventions, original works of authorship, trade secrets, confidential information, know-how, software, licenses and any and all other intellectual property or proprietary rights and interests, necessary for the operation of the Business, in each case except for Licensor's rights to the Licensed Marks and Trade Names licensed to Licensee pursuant to Article 1.

Article 5
Term and Termination

5.1 Term. Unless terminated sooner as provided herein, the term of this Agreement and the license granted hereby shall commence on the Commencement Date and shall continue in force and effect until the ten (10) year anniversary of the Commencement Date (the "IP Term"). Licensee shall have the right, but not the obligation, to extend this Agreement for additional 10-year periods (each, an "Extension Term") by delivery of written notice (an "Extension Notice") to Licensor on or prior to the date that is two (2) years prior to the expiration of the IP Term (or any applicable Extension Term) (the "Extension Deadline"), and by paying to Licensor an amount equal to $10 million (Ten Million Dollars), as adjusted for inflation for the ten-year period following the Commencement Date (or the commencement of any applicable Extension Term) based on the Consumer Price Index as published by the United States Bureau of Labor Statistics (the "CPI" and such fee, as adjusted, the "Extension Fee"), by wire transfer of immediately available funds, in each case prior to the expiration of the IP Term or the then-current Extension Term, *provided* that TODD HORNBECK is the Chief Executive Officer or Chairman of Licensee at the time such Extension Term is to become effective or as otherwise agreed between the Parties *provided further* that the Parties are not otherwise in a Winddown Period. If TODD HORNBECK is not the Chief Executive Officer or Chairman of Licensee upon the expiration of the IP Term or the then-current Extension Term, Licensee shall not have the right to extend this Agreement and any Extension Notice delivered prior thereto shall be null and void. For avoidance of doubt, to the extent applicable each successive Extension Fee following the expiration of the IP Term and any Extension Term shall in each case be adjusted for inflation for the applicable period based on the CPI. "Term" as used herein means the IP Term, the Extension Term, and any Winddown Period.

5.2 Termination for Default. Upon Licensee's material breach of this Agreement and failure to take all available measures to cure such material breach within sixty (60) days after Licensee's receipt of written notice of such material breach from Licensor, Licensor may terminate this Agreement upon giving written notice to Licensee.

5.3 Termination without Cause by Licensee. Licensee may terminate this Agreement, with or without cause, upon giving written notice to Licensor.

5.4 Termination by Departure. Licensor may terminate this Agreement upon giving written notice to Licensee:

(a) If TODD HORNBECK is terminated by Licensee from his role as Chairman, Chief Executive Officer or President of Licensee, or is otherwise relieved of all material authority as Chairman, Chief Executive Officer or President of Licensee for any reason (except for the events set forth in Section 5.4(b)) (a "Termination Without Cause"); or

(b) If TODD HORNBECK is terminated by the Licensee from his role as Chairman, Chief Executive Officer and President of Licensee, or is otherwise relieved of all material authority as Chairman, Chief Executive Officer and President of Licensee due to being terminated for Cause (as defined in that certain employment agreement, dated as of even date herewith, by and between TODD HORNBECK and Licensee (the "Employment Agreement") (or any subsequent employment agreement between TODD HORNBECK and Licensee then in effect), as Chairman, President or CEO of Licensee (a "Termination For Cause"); or

(c) If TODD HORNBECK resigns his role as Chairman, Chief Executive Officer, and President of Licensor (other than a resignation from any of the foregoing following a Termination Without Cause) (a "Voluntary Termination").

5.5 Effect of Termination. If this Agreement is terminated in accordance with this Article 5, or if Licensee does not deliver an Extension Notice by the Extension Deadline as contemplated by Section 5.1, Licensee shall have a period of time to winddown its use of the Licensed Marks and Trade Names as set forth below (the "Winddown Period"):

(a) during the IP Term:

(i) in the case of a Termination Without Cause in accordance with Section 5.4(a), (A) if such Termination Without Cause occurs within the first year of the IP Term, then the Winddown Period shall begin on the first (1st) anniversary of the IPO and shall conclude on the third (3rd) anniversary of the IPO, or (B) if such Termination Without Cause occurs later than the first (1st) anniversary of the IP Term, then the Winddown Period shall be the two (2) years following the date that notice of termination is validly given by a Party to the other Party;

(ii) in the case of a Termination For Cause in accordance with Section 5.4(b), (A) if within the first three (3) years of the IP Term, then the Winddown Period shall commence on the 3rd anniversary of the IP Term, and shall conclude until the fifth (5th) anniversary of the IPO, or (B) if later than the third (3rd) anniversary of the IP Term, then the Winddown Period shall be the two (2) years following the date that notice of termination is validly given by a Party to the other Party;

(iii) in the case of a Voluntary Termination in accordance with Section 5.4(c), (A) if within the first three (3) years of the IP Term, then the Winddown Period shall commence on the 3rd anniversary of the IP Term and shall conclude until the fifth (5th) anniversary of the IPO, or (B) if later than the third (3rd) anniversary of the IP Term, then the Winddown Period shall be the two (2) years following the date that notice of termination is validly given by a Party to the other Party;

(b) during an Extension Term:

(i) in the case of a Termination Without Cause in accordance with Section 5.4(a), (A) if within the first year of the Extension Term, then the Winddown Period shall be three (3) years from beginning of the Extension Term if such Termination Without Cause occurs during the first year of the Extension Term, or (B) if later than the first (1st) year of the Extension Term, then the Winddown Period shall be the two (2) years following the date that notice of termination is validly given by a Party to the other Party;

(ii) in the case of a Termination For Cause in accordance with Section 5.4(b) or a Voluntary Termination in accordance with Section 5.4(c), (A) if within the first three (3) years of the Extension Term, then the Winddown Period shall commence on the 3rd anniversary of the Extension Term and shall last until the fifth (5th) anniversary of the Extension Term, or (B) if later than the third (3rd) year of the Extension Term, then the Winddown Period shall be the two (2) years following the date that notice of termination is validly given by a Party to the other Party;

(c) in the event of any a termination pursuant to Section 5.2 or Section 5.3, then the Winddown Period shall begin upon such termination and continue for two (2) years after the date of such termination; and

(d) in the event that Licensee does not deliver an Extension Notice, then the Winddown Period shall begin upon the Extension Deadline and continue for two (2) years after the date of such Extension Deadline until the expiration of the IP Term or the applicable Extension Term.

Within thirty (30) days of the commencement of a Winddown Period, Licensee shall make a public statement of its new name that does not use or incorporate any of the Licensed Marks or Trade Names and begin immediately implementing the change in name, and shall use commercially reasonable efforts to wind-down the use of the Licensed Marks and Trade Names. Licensee shall not commence any new use of the Licensed Marks or Trade Names during the Winddown Period, regardless of whether such use would have been permitted during the IP Term, other than incidental new uses of the Licensed Marks and Trade Names in furtherance of implementing the change in name and winding down the use of the Licensed Marks and Trade Names in a manner that does not tarnish, disparage or harm the goodwill and reputation of the Licensed Marks or Trade Names or any part thereof. Following the expiration of a Winddown Period, Licensee shall cease all uses of the Licensed Marks and Trade Names, and Licensee shall not have any right or license under this Agreement to use the Licensed Marks or Trade Names in any manner. For the avoidance of doubt, during the Winddown Period the license granted by Licensor to Licensee shall be exclusive in the field for use in the Business within the Territory, it being understood that Licensor and TODD HORNBECK shall continue to retain all rights to use the Licensed Marks and Trade Names outside of the field and the Business. Except as set forth in the preceding sentence, during the Winddown Period the license granted to Licensee pursuant to this Agreement shall continue subject to the other terms under this Agreement. Notwithstanding the foregoing all other obligations of TODD HORNBECK with respect to the restrictive covenants set forth in the Employment Agreement (or any subsequent employment agreement between TODD HORNBECK and Licensee then in effect) shall remain in full force and effect. Except as set forth below, no additional fee or other amount shall be payable by Licensee for the use of the Licensed Marks or Trade Names during the Winddown Period. Following the expiration of the Term, (i) this Agreement shall terminate; (ii) all right, title and interest in and to the Licensed Marks, and Trade Names will revert to and shall be shall be vested in Licensor in good standing such that Licensor shall be able to freely use, register and assign the Licensed Marks and Trade Names in all respects worldwide,; and (iii) except as otherwise expressly provided in this Agreement, Licensee will have no right or license to use any of the Licensed Marks and Trade Names in any manner, except as may be set forth in any new license agreement that may be entered into between the Licensor and Licensee. For the avoidance of doubt, Licensor shall have no obligation to enter into any such license agreement with Licensee or any other third party or negotiate with Licensee or any other third party with respect thereto following the expiration of the Term, Extension Term, or Winddown Period, as applicable. In the event that any Winddown Period triggered by a Termination Without Cause or termination pursuant to Section 5.2 or Section 5.3 extends beyond the expiration of the IP Term or any Extension Term, as applicable, then Company shall pay to Licensor, by wire transfer of immediately available funds, an amount equal to the Liquidated Damages Fee (defined below; *provided that* the Annual Fee and Performance Fee for any portion of a successive fiscal year shall not be doubled), *pro-rated* for the number of days that the Winddown Period extends beyond the expiration of the IP Term or any Extension Term. For the avoidance of doubt, in the event that any Winddown Period triggered by a Termination for Cause or Voluntary Termination extends beyond the expiration of the IP Term or any Extension Term, Licensee shall not be required pay additional amounts to Licensor for such additional time.

Article 6
Ownership

6.1 Licensee acknowledges that, as between the Parties, Licensor owns the Licensed Marks, and the goodwill associated therewith. Licensee agrees that it will do nothing inconsistent with such ownership of Licensor, except as may be permitted by this Agreement. Licensee agrees that nothing in this Agreement shall give Licensee any right, title, or interests in the Licensed Marks other than the right to use the Licensed Marks pursuant to the terms and conditions of this Agreement. Licensee agrees that it will not contest the ownership rights of Licensor in the Licensed Marks. Licensee agrees that any use by Licensee of the Licensed Marks and all goodwill arising from the use, shall be solely for, and inure to the benefit of, Licensor.

6.2 Licensee further acknowledges that, as between the Parties, Licensor owns the Trade Names, and the goodwill associated therewith. Licensee agrees that it will do nothing inconsistent with such ownership of Licensor. Licensee agrees that nothing in this Agreement shall give Licensee any right, title, or interests in the Trade Names other than the right to use the Trade Names pursuant to the terms and conditions of this Agreement. Licensee agrees that it will not contest the ownership rights of Licensor in the Trade Names. Licensee agrees that any use by Licensee of the Trade Names and all goodwill arising from the use, shall be solely for, and inure to the benefit of Licensor.

Article 7
Sublicense

7.1 Sublicense. Licensee may sublicense to any of its Affiliates the rights conveyed in this Agreement; provided, that Licensee shall provide written notice to Licensor promptly following any such sublicense. Licensee may sublicense the rights conveyed in this Agreement to a non-Affiliate only with the prior written consent of Licensor, which consent may be withheld or granted in the sole discretion of Licensor. Any sublicense conveyed by Licensee without the required prior written consent of Licensor shall be null and void.

Article 8
Liquidated Damages

8.1 Liquidated Damages for Licensor. Following the expiration of the Term (including any Extension Term, or the conclusion of the Winddown Period, as applicable), in the event that Licensee (a) knowingly and intentionally continues to use any of the Licensed Marks or Trade Names in a manner that would constitute trademark infringement under applicable law, (b) is material to Licensor's rights to the Licensed Marks, or Trade Names and (c) is not cured within sixty (60) days following notice from Licensee to the extent such breach is capable of being cured, then, as liquidated damages for the infringement of the Licensee's rights and not as a penalty, Licensee shall pay an Annual Fee and Performance Fee (each as defined on Schedule 8.1) (in the aggregate, the "Liquidated Damages Fee") to Licensor for each fiscal year in which such use occurs. Following the expiration of the Term, including any Extension Term (and any applicable Winddown Period), Licensee shall be permitted to use the Licensed Marks and Trade Names solely to refer factually to the historical name of Licensee, in government filings, for internal purposes on books and records, and for other uses that constitute nominative fair use under applicable law; provided that Licensee shall not use the Licensed Marks or Trade Names for any public-facing purpose (other than for historical reference to Licensee's prior name) or in any manner that tarnishes, disparages or harms the goodwill and reputation of the Licensed Marks or Trade Names or any part thereof. For the avoidance of doubt, following the expiration of the Term (or any Extension Term, as applicable) or the conclusion of the Winddown Period, as applicable, Licensee shall not be obligated to pay the Liquidated Damages Fee for any de minimis use of any Licensed Marks or Trade Names (e.g., where a trademark included in the Licensed Marks is mistakenly registered by Licensee due to clerical error). Upon discovery of any such de minimis use of any Licensed Marks or Trade Names, Licensee shall attempt to cure any such de minimis use. Licensee shall not knowingly and intentionally make an economic decision to suffer the Liquidated Damages Fee rather than curing a default of the Agreement following the Winddown Period. The parties acknowledge and agree that the harm caused by a breach by Licensee contemplated by this Section 8.1 would be impossible or very difficult to accurately estimate, and that the Liquidated Damages Fee is a reasonable estimate of the anticipated or actual harm that might arise from such a breach. The payment of the Liquidated Damages Fee (or any portion thereof) shall not relieve Licensee of any of its obligations and agreements set forth in this Agreement, including its obligation to cease all uses of the Licensed Marks, or Trade Names after the Term, and Licensee shall remain fully liable for any breach of such obligations and agreements. Licensee shall pay all attorneys' fees and costs incurred by Licensor to obtain enforcement of the obligation to cease use of the Licensed Marks or Trade Names through injunctive relief and/or collection of the Liquidated Damages Fee.

8.2 Liquidated Damages for Licensee. In the event that (a) Licensor materially breaches this agreement, and the breach remains uncured for 60 days following notice from Licensee, or (b) Licensor tarnishes, disparages, or otherwise harms the goodwill of any Licensed Marks or Trade Names, then, as liquidated damages for such act and not as a penalty, Licensor shall pay the Company $10 million (Ten Million Dollars). Licensor shall not knowingly and intentionally make an economic decision to suffer the $10 million (Ten Million Dollars) liquidated damages fee rather than curing a default of the Agreement following the Winddown Period. The parties acknowledge and agree that the harm caused by a breach by Licensor contemplated by this Section 8.2 would be impossible or very difficult to accurately estimate, and that the amount set forth in this Section 8.2 is a reasonable estimate of the anticipated or actual harm that might arise from such a breach.

Article 9
Miscellaneous

9.1 Notices. Any notices required or permitted to be given under this Agreement shall be deemed sufficiently given if hand delivered with receipt acknowledged, mailed by certified or registered mail postage prepaid, return receipt requested, or by electronic mail with confirmation of transmission, and addressed as follows:

To Licensor:
HFR, LLC
103 Northpark Blvd., Suite 300
Covington, LA 70433
Telephone: (985) 727-2000
Fax: (985) 727-2006
Attention: Todd Hornbeck

With a copy (which shall not constitute notice) to:

Herrick, Feinstein LLP
2 Park Avenue
New York, NY 10016
Attention: Irwin A. Kishner, Esq.
Email: ikishner@herrick.com

To Licensee:
Hornbeck Offshore Services, Inc.
103 Northpark Blvd., Suite 300
Covington, LA 70433
Telephone: (985) 727-2000
Attention: Samuel A. Giberga, General Counsel
Email:

Either Party may change its address for notification purposes by giving the other Party written notice of the new address change and the date upon which it will become effective.

9.2 Severability. If any of the provisions of this Agreement are determined to be invalid or unenforceable under present or future laws effective during the term of this Agreement, such invalidity or unenforceability will not invalidate or render unenforceable the remainder of the Agreement, but rather the entire Agreement will be construed as if not containing the particular invalid or unenforceable provision or

provisions, and the rights and obligations of the Parties shall be construed and enforced accordingly. The parties hereby acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed in such a manner that it will, to the maximum extent practical, be deemed valid and enforceable.

9.3 Assignments. Licensor shall have the right, in its sole discretion, to assign its rights under this Agreement to any principal, member, trust, trustee or administrator of Licensor or to the executor or administrator of TODD HORNBECK's estate and TROY HORNBECK's estate or the beneficiaries thereof following the death of TODD HORNBECK and TROY HORNBECK. Licensee may assign this Agreement (a) to any Affiliate or (b) in connection with a sale of all or substantially all of the assets of the Business (whether by sale of assets, operation of law, stock sale, merger, reorganization or change of control); provided, that Licensee (i) delivers notice to Licensor of such assignment reasonably promptly thereafter and (ii) shall be responsible for any failure of such assignee to perform its obligations under this Agreement. Except as provided under this Section 8.3, Licensee may not assign this Agreement to a non-Affiliate without the prior written consent of Licensor, which consent may be withheld or granted in the sole discretion of Licensor. Any assignment conveyed by Licensee without the required prior written consent of Licensor shall be null and void. Any assignee must assume all obligations of the assigning party in connection with this Agreement and shall have executed and agreed to be bound by the terms of this Agreement in substantially the same form as is set forth herein. Any assignments not made in accordance with this Agreement shall be void.

9.4 Section Headings, Number and Gender. The Section headings are for convenience of reference only and shall not constitute a part hereof. Whenever the context requires, references in this Agreement to the singular number shall include the plural, and the plural number shall include the singular, and words denoting gender shall include the masculine, feminine and neuter.

9.5 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware without giving effect to the principles of conflicts of law thereof or of any other jurisdiction. The federal and state courts in Delaware shall have exclusive jurisdiction over disputes with respect to this Agreement.

9.6 Further Assurances. At and from time to time after the Commencement Date, at the request of Licensee, but without further consideration, Licensor shall execute and deliver such other instruments of conveyance, license, assignment, transfer and delivery and take such other action as Licensee may reasonably request in order to more effectively consummate the transactions contemplated by this Agreement.

9.7 Warranty of No Brokers. Each Party represents and warrants to the other Party that it has not incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other like payment in connection with this Agreement or the transactions contemplated hereby, for which the other Party will have any liability, and each Party agrees to indemnify and hold the other Party harmless against and in respect to any such obligation or liability based in any way on any agreement, arrangement, or understanding claimed to have been made by such Party with any third party.

9.8 Non-Waiver. The delay or omission of any Party to exercise rights or powers under this Agreement shall not impair any such right or power and shall not be construed to be a waiver of any event of default or acquiescence therein. No waiver of any default shall be construed, taken or held to be a waiver of any other default or waiver, acquiescence in, or consent to any further or succeeding default of the same nature.

9.9 Successors and Assigns. This Agreement and all of the terms and provisions hereof shall be binding upon and shall inure to the benefit of each of the Parties and their respective successors and permitted assigns.

9.10 Merger and Amendments. This Agreement contains the entire understanding and agreement of the Parties and supersedes any prior understandings and written or oral agreements between them respecting this subject matter, including the Prior Agreements.

9.11 Amendment. This Agreement may be amended only by the written consent of the Parties.

9.12 No Partnership. No individual, partnership, joint venture, corporation, trust or other unincorporated entity or organization, not a Party to this Agreement, shall be deemed to be a third-party beneficiary hereunder or entitled to any rights hereunder.

9.13 Specific Performance. Each Party acknowledges that a breach or threatened breach by such Party of any of its obligations under this Agreement may give rise to irreparable harm to the other Party, for which monetary damages may not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by such Party of any such obligations, the other Party shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach, be entitled to seek equitable relief, including a permanent or temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond or other security). The existence of this right will not preclude any Party from pursuing any other rights and remedies at law or in equity that such Party may have.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Commencement Date.

LICENSOR:

HFR, LLC

By: _____
Todd M. Hornbeck
Member

LICENSEE:

Hornbeck Offshore Services, Inc.

By: _____
Samuel A. Giberga
Executive Vice President and General Counsel

The undersigned has executed this Agreement as of the Effective Date for the sole purpose of agreeing to Section 5.5 of this Agreement.

By: _____
Todd M. Hornbeck

EXHIBIT "A"
Trademark Registrations

LICENSOR'S TRADEMARKS AND SERVICE MARKS

COUNTRY	MARK	REGISTRATION NO.	REGISTRATION DATE
U.S.	HORNBECK OFFSHORE	2757850	09/02/2003
U.S.	HORNBECK OFFSHORE SERVICES	2754828	08/26/2003
U.S.	HOS	2622910	09/24/2002
U.S.	Horse Head Design Logo	2575178	06/04/2002
U.S.	HOS & Design	2622908	09/24/2002
U.S.	H O S Design Logo	2754829	08/26/2003
U.S.	HOSMAX	4527849	05/13/2014
U.S.	HOSMAX & Design (color)	4527850	05/13/2014
U.S.	HOSMAX & Design (black & white)	4527851	05/13/2014
Trinidad & Tobago	HORNBECK	34290	08/05/2004
Trinidad & Tobago	HORNBECK OFFSHORE	34289	07/20/2005
Trinidad & Tobago	HORNBECK OFFSHORE SERVICES	34291	06/30/2005
Trinidad & Tobago	HOS &Device	34287	03/31/2005
Trinidad & Tobago	H O S HORNBECK OFFSHORE SERVICES & Design	34288	08/11/2005
Trinidad & Tobago	H O S HORNBECK OFFSHORE & Design	34292	03/14/2006
Mexico	HORNBECK OFFSHORE SERVICES	1098272	10/01/2008
Mexico	H O S & Design (circle)	1105451	10/01/2008

COUNTRY	MARK	REGISTRATION NO.	REGISTRATION DATE
Mexico	HORNBECK OFFSHORE	1107003	10/01/2008
Mexico	HO S & Design (no circle)	1105453	10/01/2008
Mexico	Horse Head Design	1105450	10/01/2008
Mexico	HOS &Design	1103641	10/01/2008
Mexico	HOS Logo	1105452	10/01/2008

EXHIBIT "A" - (continued)

LICENSOR'S TRADEMARKS AND SERVICE MARKS, continued:

1. Hornbeck
2. Hornbeck Offshore
3. Hornbeck Offshore Services
4. HOS
5. HOSS
6. HOS and Design
7. Horsehead Logo - (Plain)
8. Hornbeck Offshore Services, Inc. and Design
9. Horsehead Logo Enclosed by Circle
10. HOS Hornbeck Offshore and Design
11. Horsehead Logo-Enclosed by Bold Circle

EXHIBIT "B"
LICENSOR'S TRADE NAMES

1. Hornbeck
2. Hornbeck Offshore
3. Hornbeck Offshore Services
4. HOS
5. HOSS

EXHIBIT "C"
TERRITORY

The Territory shall be worldwide.

EXHIBIT "D"
HORSE HEAD LOGO


HOS

SCHEDULE 8.1
LIQUIDATED DAMAGES

(a) The Annual Fee and Performance Fee for each successive fiscal year that use any of the Licensed Marks or Trade Names by Licensee continues shall be 2x the Annual Fee and Performance Fee, respectively, for the prior fiscal year.

(b) To the extent payable, (i) the first "Annual Fee" shall be $2 million, payable quarterly in accordance with the payment schedule set forth in the 2020 License Agreement (the "Annual Fee") and (ii) the "Performance Fee" shall be based on audited EBITDA of the Company beginning with the fiscal year in which the applicable payment event occurred, and shall be an amount equal to 0.5% of EBITDA in excess of $100 million (One Hundred Million Dollars) if audited EBITDA is over $100 million (One Hundred Million Dollars) for the applicable fiscal year, payable on March 15 of the subsequent year. For illustrative purposes, (1) if audited EBITDA for any such fiscal year is $150 million (One Hundred Fifty Million Dollars), then Licensor shall receive a payment of $250,000 (Two Hundred Fifty Thousand Dollars) (i.e., 0.5% (one half percent) of $50 million (Fifty Million Dollars), representing 0.5% (one half percent) of the amount of EBITDA over $100 million (One Hundred Million Dollars)); and (2) if audited EBITDA is $75 million (Seventy Five Million Dollars) then no Performance Fee is payable. For avoidance of doubt, the Annual Fee (to the extent payable) shall be payable regardless of audited EBITDA for the applicable fiscal year.

(c) Any Annual Fee or Performance Fee (or portion there) which is not paid when due shall bear interest equal to 5% per annum, calculated based on the number of days such payment is delinquent.

Exhibit 15.1

September 20, 2024

Stockholders and Board of Directors

Hornbeck Offshore Services, Inc.

We are aware of the inclusion in Amendment No. 2 to the Registration Statement (Form S-1 No. 333-275939) of Hornbeck Offshore Services, Inc. for the registration of its common stock of our report dated August 14, 2024 relating to the unaudited consolidated interim financial statements of Hornbeck Offshore Services, Inc. as of June 30, 2024 and for the three-month and six-month periods ended June 30, 2024 and 2023, that are included in its Form S-1.

/s/ Ernst & Young LLP

New Orleans, Louisiana

Subsidiaries of Hornbeck Offshore Services, Inc.

Subsidiary Name	State or Country of Incorporation
Hornbeck Offshore Services, LLC	Delaware
Hornbeck Offshore Operators, LLC	Delaware
Hornbeck Offshore Services de Mexico, S. de R.L. de C.V.	Mexico
HOS de Mexico II, S. de R.L. de C.V.	Mexico
Hornbeck Offshore Navegação Ltda	Brazil

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated March 14, 2024 in Amendment No. 2 to the Registration Statement (Form S-1 No. 333-275939) and related Prospectus of Hornbeck Offshore Services, Inc. for the registration of shares of its common stock.

/s/ Ernst & Young LLP

New Orleans, Louisiana

September 20, 2024

Exhibit 99.1

Consent to be Named as a Director

In connection with the filing by Hornbeck Offshore Services, Inc. of the Registration Statement on Form S-1 with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), I hereby consent, pursuant to Rule 438 of the Securities Act, to being named in the Registration Statement and any and all amendments and supplements thereto as a member of the board of directors of Hornbeck Offshore Services, Inc. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments thereto.

Dated: September 20, 2024

By: /s/ John Richardson
Name: Admiral John Richardson, (USN Ret)