



# Q2 2021

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# Highlights

Q2 EBITDA of USD 47 million with two liftings completed resulting in a strong cash position of USD 216 million

Successful completion of the DTM-7H production well on time and below budget

Currently drilling Hibiscus North exploration well

- Managing and closely monitoring the COVID-19 pandemic and its impact on operations
- Completed two liftings of 1.1 million bbls (net BWE) at a price of USD ~70 per barrel
- Average daily production of ~10,500 bbls/day gross
- Completion and tie-in of the two wells (DTM-6H and DTM-7H) with first oil expected in Q4 2021
- Hibiscus/Ruche project progressing according to plan

# Zero-harm objective for people and environment



Minimizing impact to environment



Working for local society



Sound governance

- COVID-19 still affecting general execution and in particular FPSO operation and modification work
- No LTIs recorded in Q2
- No incidents nor spills to the environment
- Security risk at Dussafu considered low, maintaining precautionary measures due to piracy activity to the north, in the Gulf of Guinea

70-80%

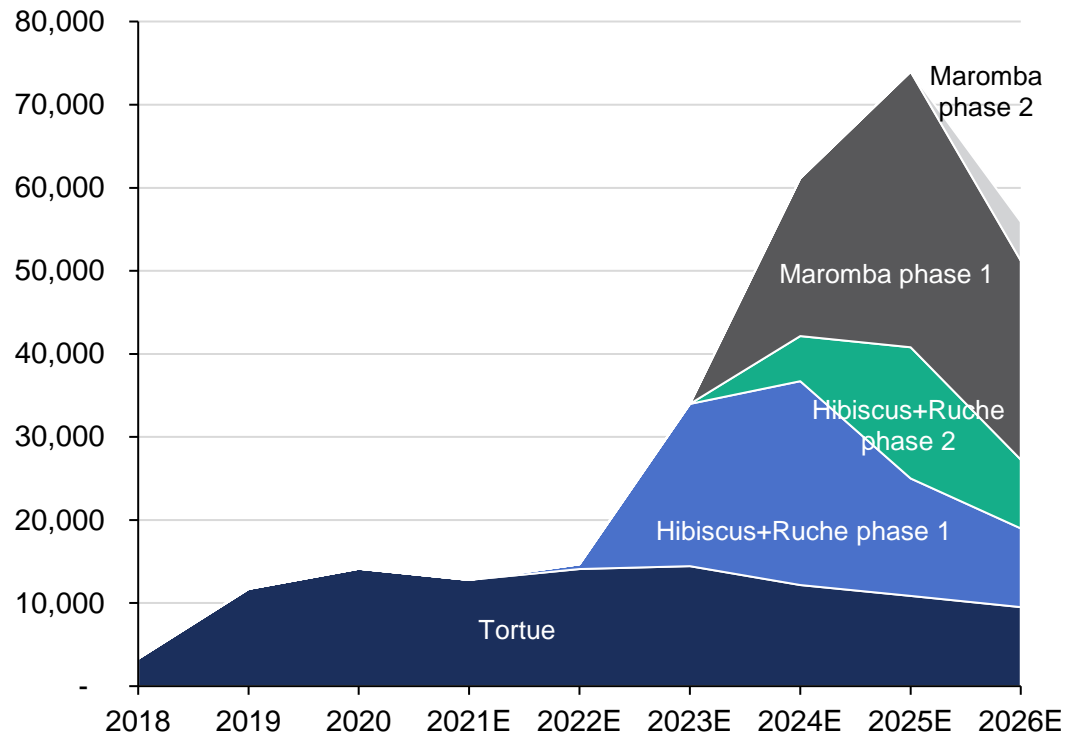
Estimated GHG emission-savings from redeployment of existing FPSO<sup>1</sup> vs. newbuild

1) FPSO BW Adolo case study based on Co2 emission tied to steel consumption and operations

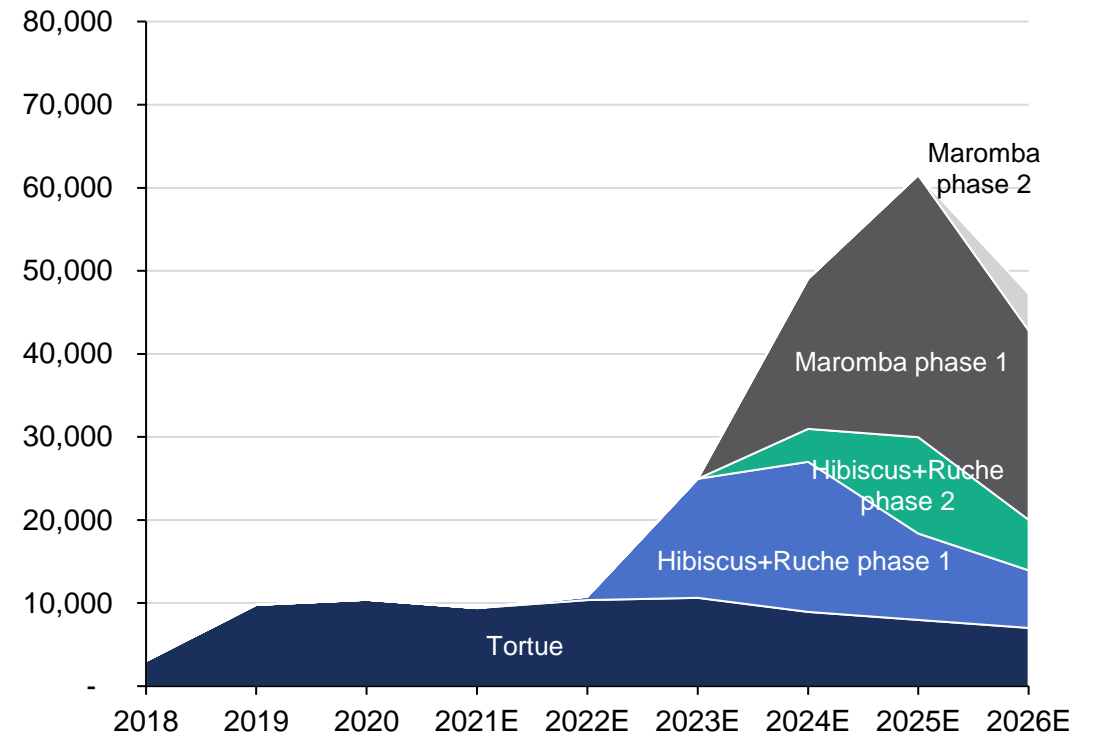
# Production outlook



## Gross production estimate bbls/day<sup>1</sup>



## Net production estimate bbls/day<sup>1</sup>





**Dussafu**

# Stable operations at Dussafu

- The COVID-19 pandemic continues to restrict execution of work on the FPSO beyond day-to-day operations
- Q2 gross production 0.95 million bbls, equal to ~10,500 bbls/day
- Production impacted by planned maintenance shutdown
- Q2 OPEX at USD ~31 per barrel includes additional COVID costs and reflects this quarter's scheduled lower production
- Revised full year OPEX expectation to USD ~26 per barrel

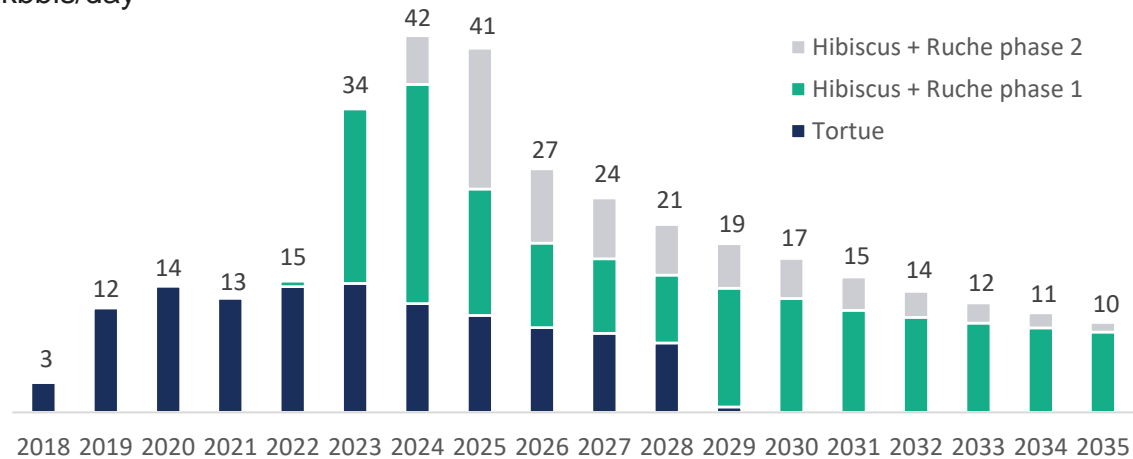


# Dussafu production forecast



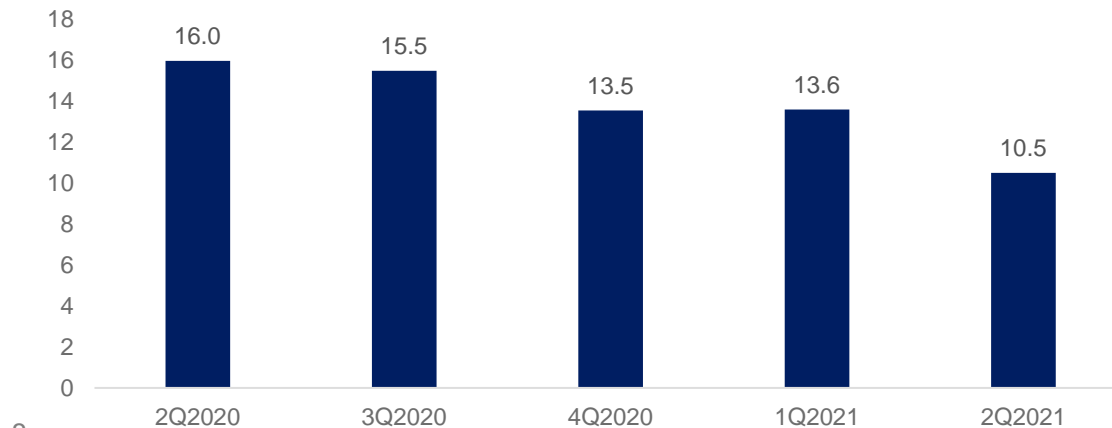
## Gross production profile

kbbls/day

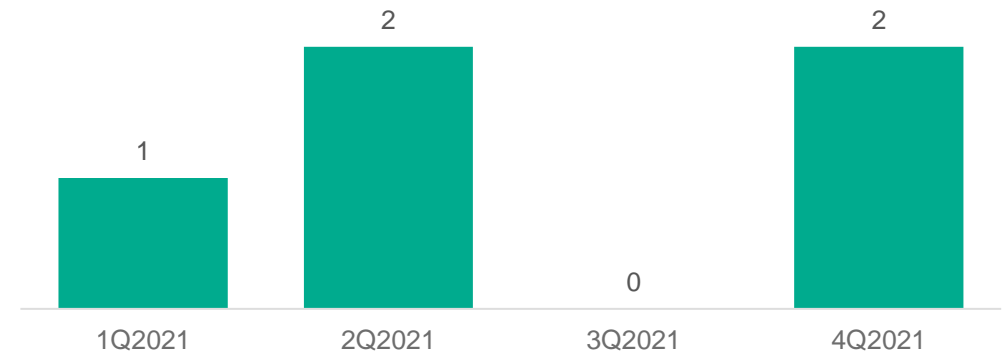


- Revised 2021 production estimate to ~4.7 million bbls gross
- Main impact from timing of subsea tie-in work affecting first oil from DTM-6H and DTM-7H
- Delays to implementation of the increased gas lift capacity

## Quarterly gross production (kbbls/day)



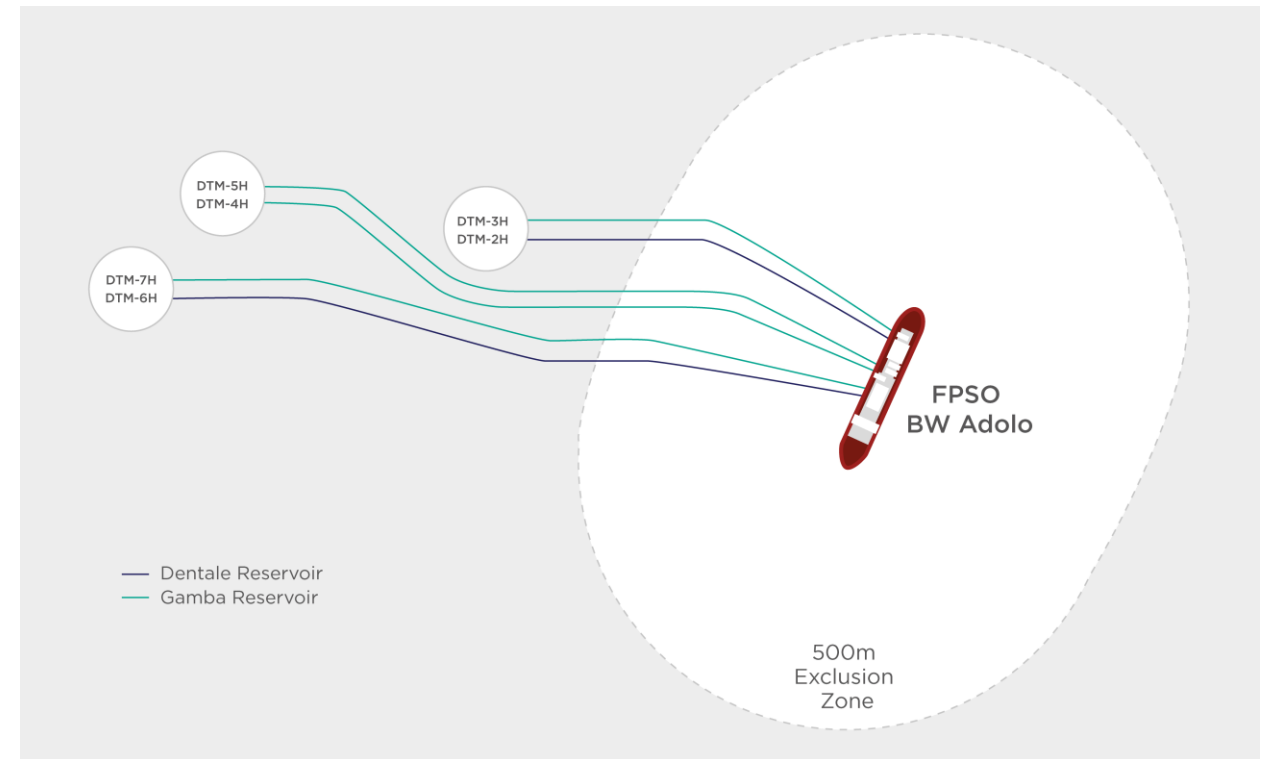
## Actual and planned quarterly lifting schedule to BW Energy:



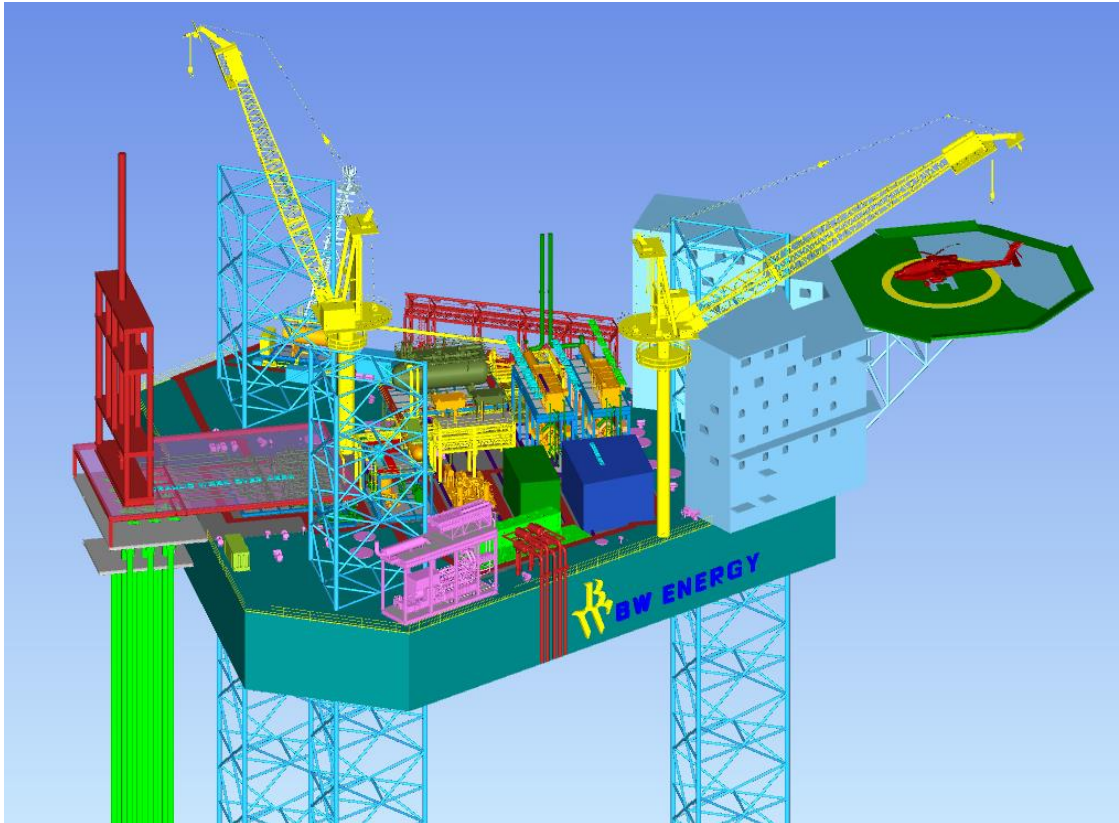


# Nearing completion of Tortue phase 2 development

- Drilling of DTM-7H completed in July on time and below budget
  - Encountered 467m gross pay in horizontal section, 372m net pay, analogous to DTM-4H
- Preparing for tie-in of wells DTM-6H and DTM-7H with first oil expected Q4 2021
  - Subsea installation vessel expected on site in September
  - All relevant equipment is procured and available
  - Adolo preparations completed to minimize production impact during tie-in
- Total Tortue phase 2 project CAPEX trending below budget

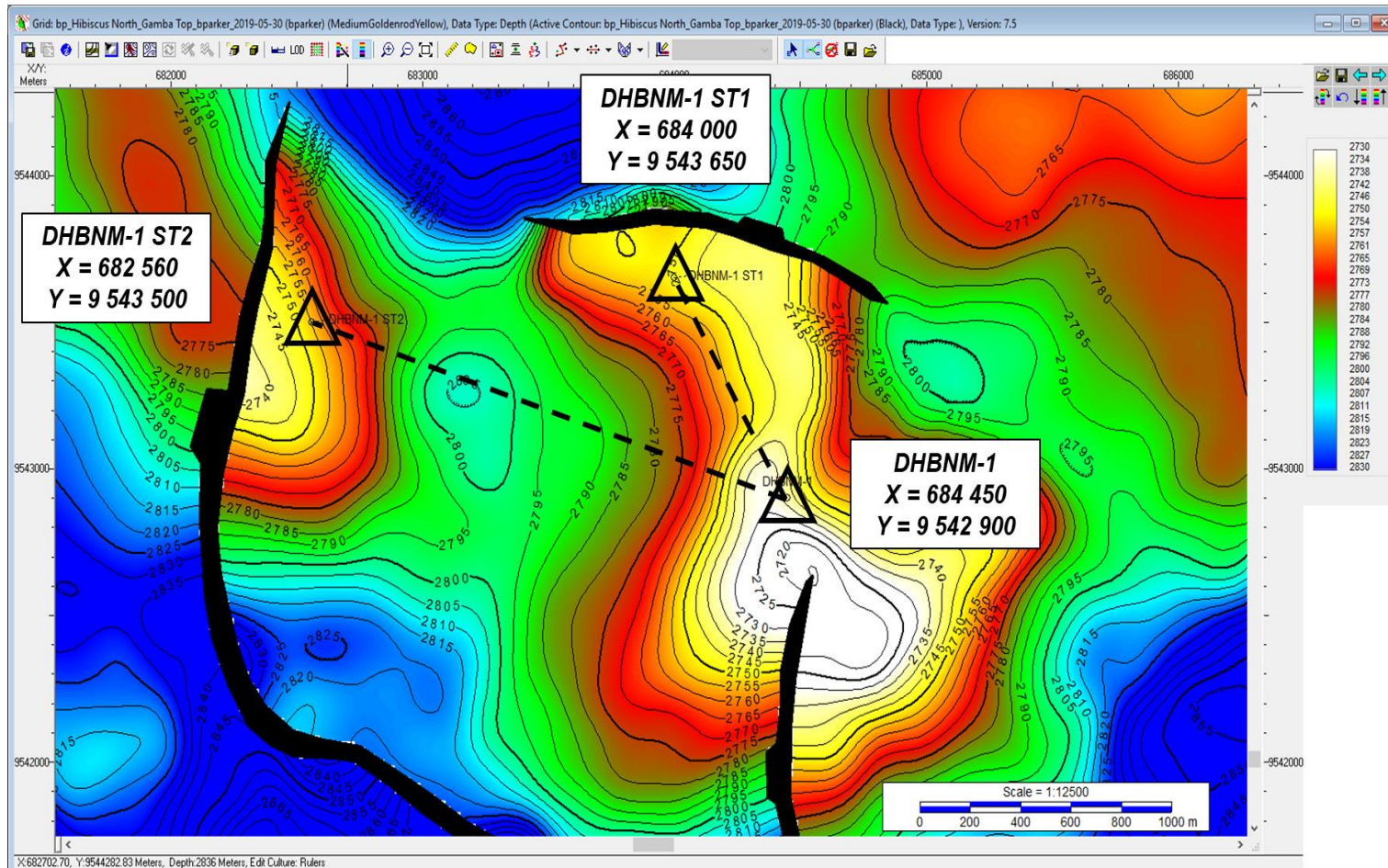


# Hibiscus / Ruche project on track



- Jack-up currently at Dubai Drydock World
- Removal of derrick, drill-floor and associated equipment completed
- All major sub-contracts awarded and progressing as planned
- Project on track for first oil in Q4 2022, ahead of original schedule
- Jack-up repurposing reduces investments, time to first oil and environmental footprint of the development

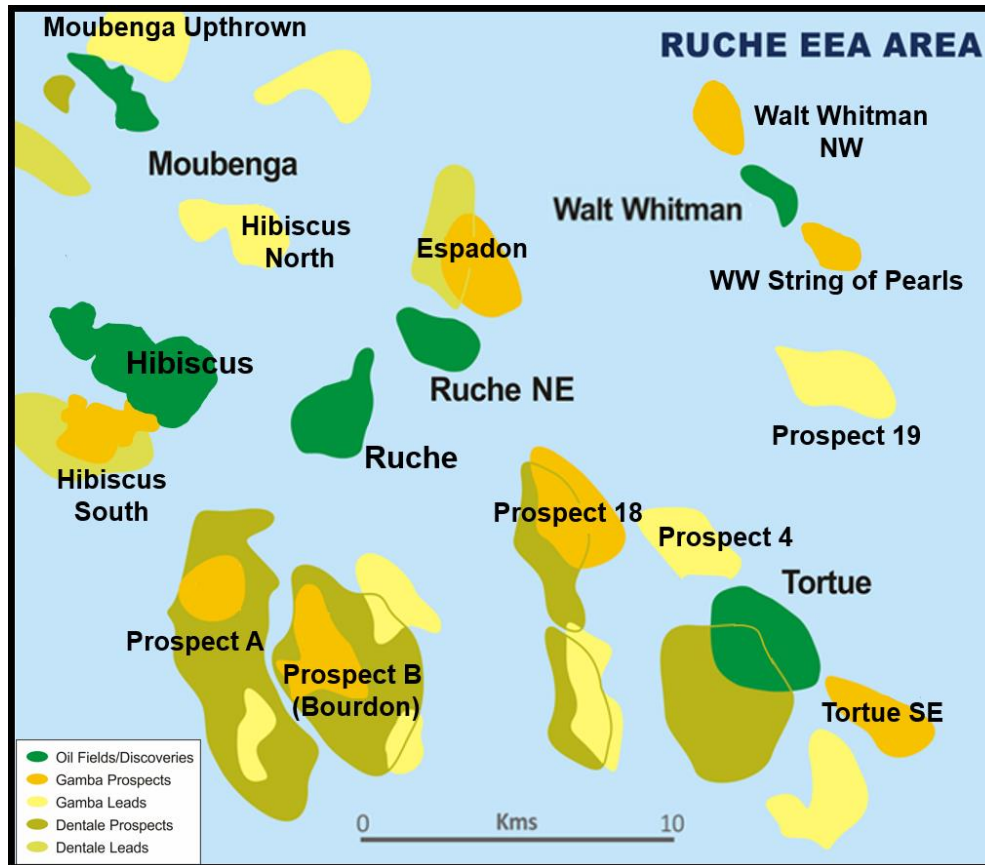
# Status Hibiscus North exploration well



- The well was spudded late July and drilling operations are ongoing
- Geological analog to the Ruche Field
  - Gamba: primary target
  - Dentale: secondary target
- Aims to test the interpretation of both legacy and reprocessed seismic
- Well cost estimate USD ~18 million
  - Appraisal sidetracks ~ USD 9 million each
- Estimated potential reserves of 10 to 40 million barrels of oil

# Exploration program

## Large inventory of exploration prospects and leads



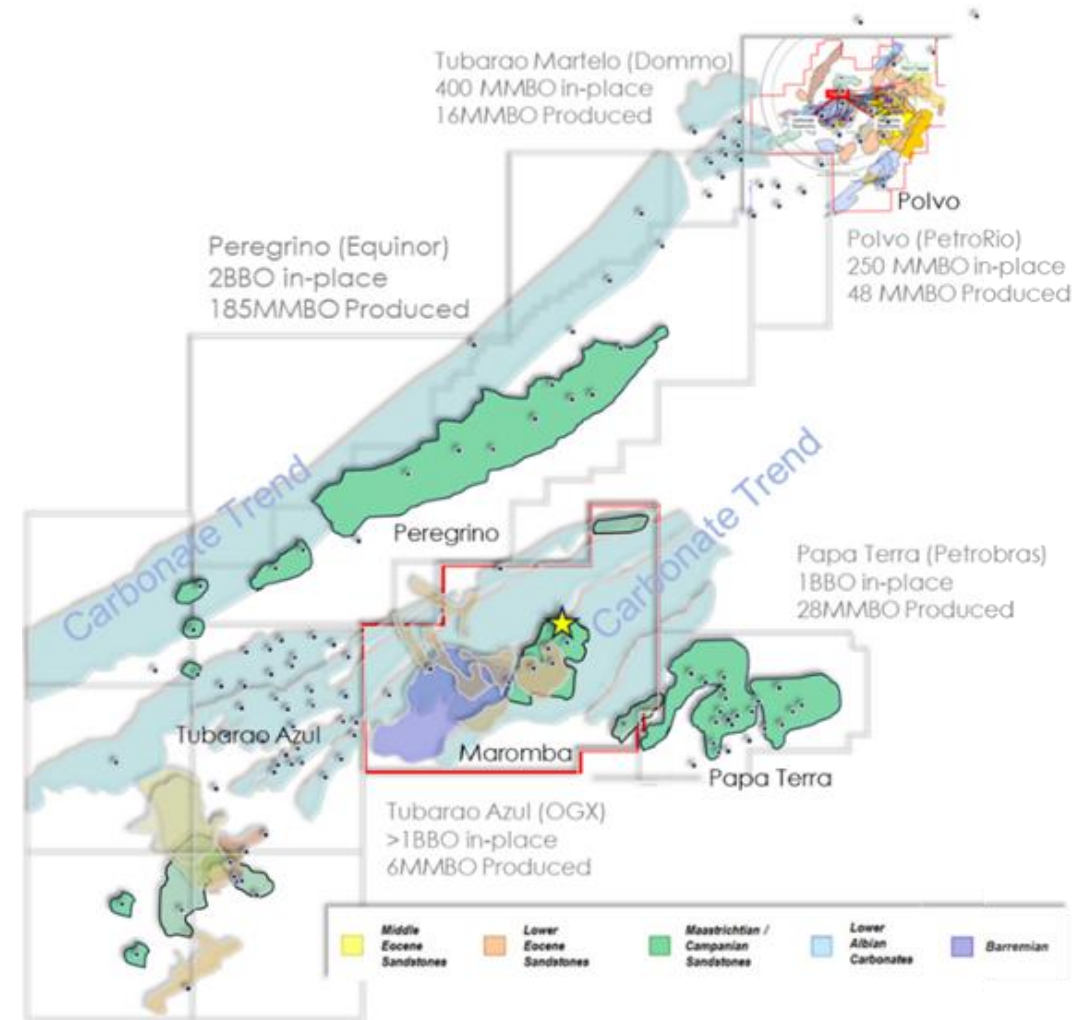
- Planning two exploration wells per year for the coming four years
- Next exploration well is Hibiscus North
  - Hibiscus South planned to be drilled from Hibiscus Alpha later
- Work ongoing to high grade the next eight targets for 2022 and onwards
- Significant long-term development potential



# Maromba

# Progressing Maromba to FID

- Positive indications from authorities related to marginal field status and potentially reduced royalty rate
- Polvo pre-feed concludes FPSO is suitable for the Maromba development
- Environmental Impact Assessment (EIA) for IBAMA submission ongoing
- Continuing to optimize field CAPEX, OPEX and time to first oil
- On track to FID for phase 1 in Q1 2022 with a break-even below USD 40 per bbl oil price while achieving 15% IRR (incl. remaining acquisition costs)





# Q2 Financials

# Income Statement



USD million	Q2 2021	Q1 2021	Change
Operating revenue	89.8	54.1	35.7
Operating expenses	(42.8)	(20.9)	(22.0)
<b>EBITDA</b>	<b>46.9</b>	<b>33.2</b>	<b>13.7</b>
Depreciation	(11.7)	(7.1)	(4.6)
Depreciation - ROU	(6.9)	(8.5)	1.7
Amortisation	(0.2)	(0.2)	-
Impairment	-	-	-
<b>Other expenses</b>	<b>(18.8)</b>	<b>(15.8)</b>	<b>(2.9)</b>
<b>Operating profit/(loss)</b>	<b>28.2</b>	<b>17.4</b>	<b>10.8</b>
Interest income	0.2	0.2	-
Interest expense	-	-	-
Lease liability interest expense	(3.2)	(3.2)	-
Other financial items	(0.8)	3.3	(4.1)
<b>Net financial income/(expense)</b>	<b>(3.7)</b>	<b>0.3</b>	<b>(4.1)</b>
<b>Profit/(loss) before tax</b>	<b>24.4</b>	<b>17.7</b>	<b>6.7</b>
Income tax expense	(9.0)	(9.7)	0.8
<b>Net profit/(loss) for the period</b>	<b>15.5</b>	<b>8.0</b>	<b>7.5</b>

- EBITDA increase of USD 13.7 million due to additional 492 thousand barrels of liftings
- Increased depreciation due to higher Q2 sales
- Decrease reflecting lower Q2 production
- USD 1.4 million loss on mark-to-market (MTM) interest rate swaps vs. USD 3.2 million gain in Q1



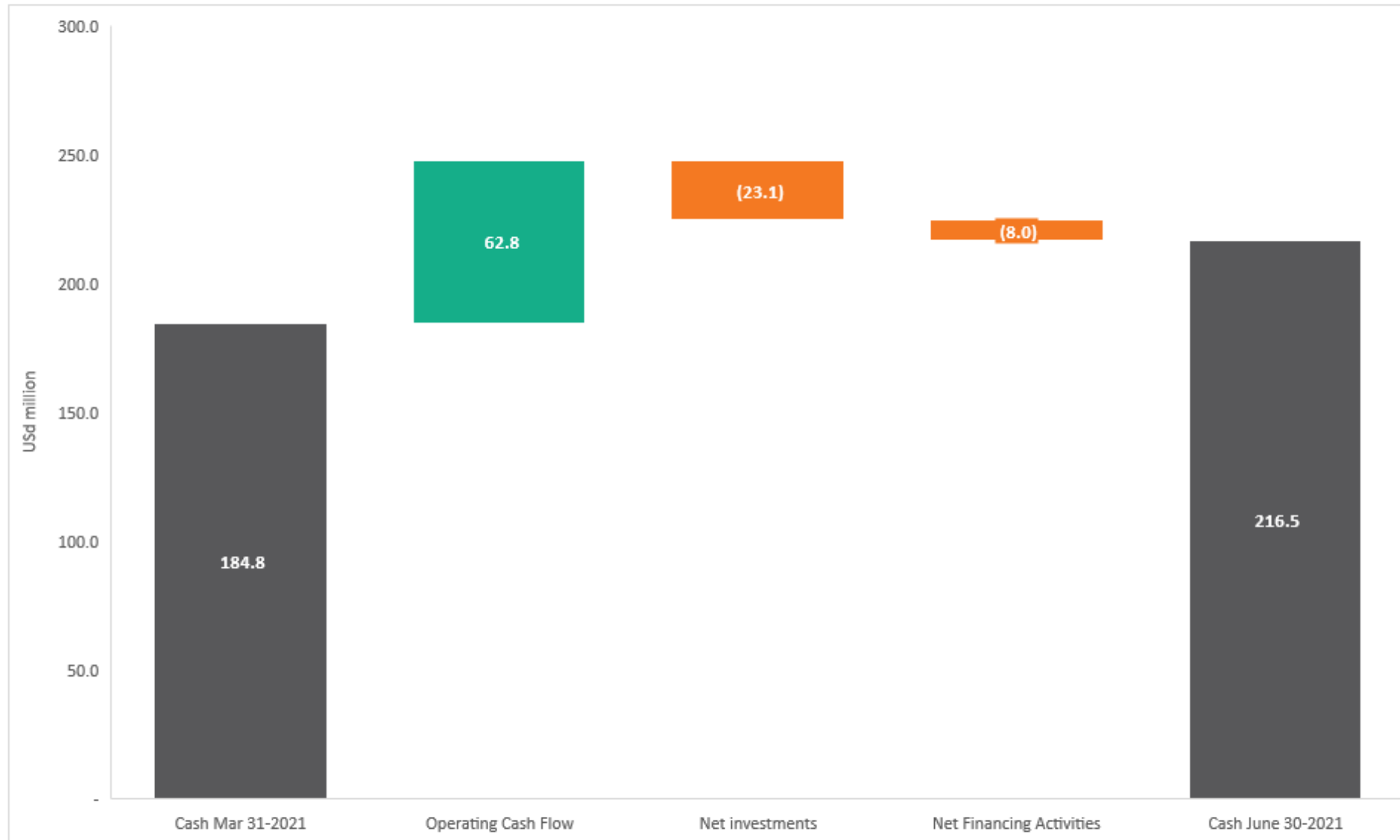
# Balance Sheet



ASSETS	Q2 2021	Q1 2021	Change
Property and other equipment	0.4	0.4	(0.0)
Right-of-use assets	211.1	218.0	(6.9)
E&P tangible assets	246.1	238.4	7.7
Intangible assets	134.4	115.2	19.2
Other non-current assets	3.8	5.2	(1.4)
<b>Total non-current assets</b>	<b>595.8</b>	<b>577.2</b>	<b>18.6</b>
Inventories	13.6	14.0	(0.5)
Trade receivables and other current assets	64.1	59.4	4.7
Cash and cash equivalents	216.5	184.8	31.7
<b>Total current assets</b>	<b>294.2</b>	<b>258.3</b>	<b>35.9</b>
<b>TOTAL ASSETS</b>	<b>890.0</b>	<b>835.5</b>	<b>54.6</b>
EQUITY AND LIABILITIES	Q2 2021	Q1 2021	Change
Shareholders' equity	540.3	524.8	15.5
<b>Total equity</b>	<b>540.3</b>	<b>524.8</b>	<b>15.5</b>
Deferred tax liabilities	5.9	5.4	0.5
Asset retirement obligations	14.7	13.2	1.5
Long-term lease liabilities	223.1	228.1	(5.0)
Derivatives	-	-	0.0
<b>Total non-current liabilities</b>	<b>243.7</b>	<b>246.7</b>	<b>(3.0)</b>
Trade and other payables	86.2	44.4	41.8
Short-term lease liabilities	19.5	19.3	0.2
Tax liabilities	0.3	0.2	0.1
<b>Total current liabilities</b>	<b>106.0</b>	<b>64.0</b>	<b>42.1</b>
<b>Total liabilities</b>	<b>349.8</b>	<b>310.6</b>	<b>39.1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>890.0</b>	<b>835.5</b>	<b>54.6</b>

- Increase in Tangible and Intangible assets mainly due to the DTM-7H and Hibiscus Extension wells
- Increase in receivables from JV partners
- Increase in decommissioning provision due to the addition of DTM-7H
- Increase mainly related to ongoing drilling campaign and the over-lift position

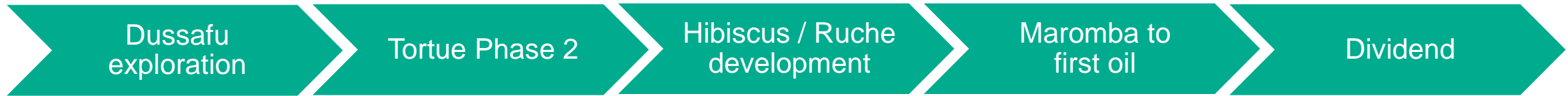
# Cash Flow Q2 2021





# Outlook

# Key value catalysts



- Hibiscus North results in Q3 2021
- Up to 8 additional exploration wells planned from 2022 until 2026

- Tortue Phase 2 in Q4 2021: ~8,000 bbls/day peak gross production
- Hibiscus / Ruche development with targeted first oil in Q4 2022
- Hibiscus / Ruche is expected to lift Dussafu production to FPSO nameplate capacity (~40,000 bbls/day)

- Approved Field Development plan
- Target FID Q1 2022
- First oil expected in 2024

- Intention to pay dividends once fully operational at Dussafu and Maromba
- Significant operational cash flow to fund new projects and dividends
- Dividend pay-out ratio up to 50% of net profits



# Q&A



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