

SBM Offshore First Quarter 2024 Trading Update

May 8, 2024

Highlights

- Year-to-date Directional¹ revenue of US\$871 million, in line with expectation
- Full year 2024 Directional revenue and Directional EBITDA guidance maintained
- Cash dividend of US\$150 million (equivalent to EUR0.7651 per ordinary share) approved
- Share repurchase program of EUR65 million on track 20.7% completed²
- FPSO *Sepetiba* producing and on hire; FPSO *Prosperity* at full production capacity
- FPSO *Jaguar* contract award confirmed in April 2024, growing the backlog
- MoU with Technip Energies to create Floating Offshore Wind JV, EkWiL

Øivind Tangen, CEO of SBM Offshore, commented:

“We have delivered good results this quarter in line with expectations and we maintain our full year guidance.

We are pleased to have been awarded contracts in April for the construction and installation of ExxonMobil Guyana’s FPSO *Jaguar* as part of the Whiptail development. This significant award is the fifth FPSO project for SBM Offshore in Guyana. It will be our first based on a sale and operate model, adding an accelerated cashflow profile for the project to our backlog. Following transfer of ownership to the client at the end of the construction period, we expect to operate the FPSO under our 10-year Operations and Maintenance Enabling Agreement.

FPSO *Jaguar* will utilize our seventh Fast4Ward[®] MPF hull. We anticipate that our eighth hull, currently under construction, and the optionality that we have for a series of further hulls in a tight supply chain environment will position us favorably for tendering in a market with a positive outlook for cost and carbon efficient FPSOs.

On the operational front, FPSO *Prosperity* has been producing at capacity since January 2024 and FPSO *Sepetiba* achieved flare out in April 2024. Together, these FPSOs have a joint production capacity of more than 400,000 barrels of oil per day. The delivery of these vessels is testament to SBM Offshore’s capability in delivering large and complex FPSO projects.

We continue to seek to apply our expertise in floating solutions across a number of alternative energy markets. Through our Memorandum of Understanding (“MoU”) with Technip Energies to create a joint venture pure-play Floating Offshore Wind company, EkWiL, we are enhancing the sustainability of our ambitions to capture the potential of this emerging market.”

Financial Overview³

in US\$ million	YTD Directional		
	1Q 2024	1Q 2023	% Change
Directional Revenue	871	742	17%
Directional Lease & Operate revenue	554	453	22%
Directional Turnkey revenue	316	290	9%
in US\$ billion	Mar-31-24	Dec-31-23	% Change
Directional net debt	6.8	6.7	3%

Directional revenue stood at US\$871 million, a 17% increase compared with US\$742 million for the same period in 2023. This 17% increase is mainly attributable to the Lease and Operate segment.

Directional Turnkey revenue increased by 9% to US\$316 million compared with the same period in 2023. The increase was mainly driven by the FEED contract for FPSO *Jaguar* and support to the fleet through brownfield activities, partly offset by the fact that a comparatively lower amount of revenue was booked in the construction portfolio as the projects approach completion.

The year-to-date Directional Lease and Operate revenue increased to US\$554 million, a 22% increase compared with 1Q 2023. This increase was mainly the result of (i) FPSO *Prosperity* and FPSO *Sepetiba* joining the fleet upon successful delivery in respectively 4Q 2023 and 1Q 2024, and (ii) an increase in reimbursable scope on the fleet. This was partially offset by the fact that we have moved to an operating contract for FPSO *Liza Unity* following the purchase by the client in 4Q 2023.

Directional net debt increased by US\$187 million to US\$6,842 million for the period ending 1Q 2024. The increase was driven by drawings under the project finance facilities, which reflects the continued investment in the construction program of 3 FPSOs⁴. The Company uses interest rate swaps to hedge interest rate risk. The hedge ratio of the floating-rate debt and the associated interest rate swaps is above 90%.

Project Review and Fleet Operational Update

FPSO *Almirante Tamandaré* – The topside modules lifting campaign has been completed. Integration and commissioning activities are progressing in line with plan. The FPSO delivery continues to be on track for 2024 and the client is expecting first oil from the field in early 2025.

FPSO *Alexandre de Gusmão* – The topside modules lifting campaign is reaching completion. Integration and commissioning activities are progressing in line with the plan. First oil is expected in 2025.

FPSO *ONE GUYANA* – The topside fabrication and module lifting campaign are progressing in line with plan. Integration and commissioning activities have started. The project has achieved 20 million work hours without an LTI⁵ at the end of 1Q 2024. First oil is expected in 2025.

FPSO *Jaguar* – The construction of the Fast4Ward[®] MPF hull is progressing as per plan. The FPSO engineering and procurement activities are well under way. First oil is expected in 2027.

Fast4Ward[®] MPF hulls – The total number of MPF hulls ordered to date under the Company's Fast4Ward[®] program stands at eight, with 3 Fast4Ward[®] based vessels now in operation, 4 hulls allocated to projects in construction and one reserved as part of tendering activities.

Fleet Uptime – Year-to-date, the fleet's uptime was 97.6%, in line with historical performance.

Safety and Sustainability

Safety – The Company’s Total Recordable Injury Frequency Rate (TRIFR) year-to-date was 0.07, in line with the full year 2024 target of below 0.12⁶.

Responsible recycling – On April 1, 2024, the FPSO *Capixaba* successfully departed from the Jubarte field in Brazil, and began the transit journey towards the responsible recycling yard in Denmark.

Alternative Energies

EkWiL – SBM Offshore and Technip Energies have announced the signing of a MoU for the creation of a joint venture entity, EkWiL. The new company will be a Floating Offshore Wind pure player, capable of proposing a wide range of solutions to clients. The joint venture is expected to be launched in the second half of 2024. EkWiL will combine the people expertise, engineering and delivery capabilities, and complementary technologies of Technip Energies and SBM Offshore, creating integrated floating solutions and leading delivery offerings for the Floating Offshore Wind market. This unique positioning will enhance execution certainty and cost competitiveness for these innovative projects.

Cash Return

On April 12, 2024 shareholders of the Company voted in favor of the proposed US\$150 million cash dividend component of our aggregate US\$220 million cash return. This results in a dividend distribution of EUR0.7651 per ordinary share. The dividend payment is scheduled for May 10, 2024 to all shareholders of record as at April 17, 2024.

The EUR65 million share buyback component of our aggregate cash return is progressing and was 20.7% complete on April 30, 2024.

Guidance

The Company’s 2024 Directional revenue guidance is maintained at around US\$3.5 billion of which around US\$2.2 billion is expected from the Lease and Operate segment and around US\$1.3 billion from the Turnkey segment.

2024 Directional EBITDA guidance is maintained around US\$1.2 billion for the Company.

Conference Call

SBM Offshore has scheduled a conference call, which will be followed by a Q&A session, to discuss the First Quarter 2024 Trading Update.

The event is scheduled for Wednesday May 8, 2024, at 10.00 AM (CEST) and will be hosted by Øivind Tangen (CEO) and Douglas Wood (CFO).

Interested parties are invited to register prior to the call using the link: [First Quarter 2024 Trading Update](#)

Please note that the conference call can only be accessed with a personal identification code, which is sent to you by email after completion of the registration.



Press Release

Corporate Profile

SBM Offshore designs, builds, installs and operates offshore floating facilities for the offshore energy industry. As a leading technology provider, we put our marine expertise at the service of a responsible energy transition by reducing emissions from fossil fuel production, while developing cleaner solutions for alternative energy sources.

More than 7,400 SBMers worldwide are committed to sharing their experience to deliver safe, sustainable and affordable energy from the oceans for generations to come.

For further information, please visit our website at www.sbmoffshore.com.

Financial Calendar	Date	Year
Half Year 2024 Earnings	August 8	2024
Third Quarter 2024 Trading Update	November 14	2024
Full Year 2024 Earnings	February 20	2025
Annual General Meeting	April 9	2025
First Quarter 2025 Trading Update	May 15	2025

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Market Abuse Regulation

This press release may contain inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

Disclaimer

Some of the statements contained in this release that are not historical facts are statements of future expectations and other forward-looking statements based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those in such statements. These statements may be identified by words such as 'expect', 'should', 'could', 'shall' and similar expressions. Such forward-looking statements are subject to various risks and uncertainties. The principal risks which could affect the future operations of SBM Offshore N.V. are described in the 'Impact, Risk and Opportunity Management' section of the 2023 Annual Report.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results and performance of the Company's business may vary materially and adversely from the forward-looking statements described in this release. SBM Offshore does not intend and does not assume any obligation to update any industry information or forward-looking statements set forth in this release to reflect new information, subsequent events or otherwise.

Nothing in this release shall be deemed an offer to sell, or a solicitation of an offer to buy, any securities. The companies in which SBM Offshore N.V. directly and indirectly owns investments are separate legal entities. In this release "SBM Offshore" and "SBM" are sometimes used for convenience where references are made to SBM Offshore N.V. and its subsidiaries in general. These expressions are also used where no useful purpose is served by identifying the particular company or companies.

"SBM Offshore[®]", the SBM logomark, "Fast4Ward[®]", "emissionZERO[®]" and "Float4Wind[®]" are proprietary marks owned by SBM Offshore.

¹ Directional reporting, presented in the Financial Statements under section Operating Segments and Directional Reporting, represents a pro-forma accounting policy, which treats all lease contracts as operating leases and consolidates all co-owned investees related to lease contracts on a proportional basis based on percentage of ownership. This explanatory note relates to all Directional reporting in this document.

² Based on cumulative repurchase amount of EUR13.4 million on April 30, 2024.

³ Numbers may not add up due to rounding.

⁴ Excluding FPSO *Jaguar*, which was awarded on April 12, 2024.

⁵ Lost Time Incident.

⁶ Measured per 200,000 work hours.