

# BW Offshore

Pareto Securities' 28<sup>th</sup> Energy Conference

15 September 2021

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**BW OFFSHORE**



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# BW Offshore at a glance

- Eight decades of maritime heritage and 40 years of offshore energy production experience
- Successful execution of 40 FPSO/FSO projects world-wide
- Substantial in-house energy engineering, operations and business development capabilities
- Active fleet of 9 FPSOs
- Significant cash flow visibility with a firm revenue backlog of USD 6.8 billion
- Entered the floating wind segment by investing and listing BW Ideol, becoming a 53% owner
- 35% owner of separately listed E&P and field development company, BW Energy
- Listed on the Oslo Stock Exchange since 2006 with a current market capitalisation of USD ~560 million



Unit  
 Office

## North America

- BW Pioneer | US | Murphy Oil
- Yuum K'ak'Naab | Mexico | Pemex

## Brazil

- FPSO Polvo | Demobilisation

## Europe

- BW Catcher | UK | Premier
- BW Athena | lay-up

## Africa

- Sendje Berge | Nigeria | Addax
- Abo FPSO | Nigeria | AGIP/ENI
- Espoir Ivoirien | Ivory Coast | CNR
- Petróleo Nautipa | Gabon | VAALCO
- BW Adolo | Gabon | BW Energy

## Asia & Oceania

- BW Joko Tole | Indonesia | KEI
- Umuroa | lay-up
- BW Opportunity | in yard
- BW Cidade de São Vicente | transit

# Executing our strategy

## Conventional FPSO fleet

- Solid operational cash flow
- Berge Helene in process of being recycled
- Maximising value for units approaching end of contract

## BW Energy

- Dussafu production and reserve increase for BW Adolo with tie-ins and first oil expected in Q4 2021
- Polvo pre-FEED concludes FPSO is suitable for the Maromba development
- Opportunity to capture oil price upside
- Future dividend potential

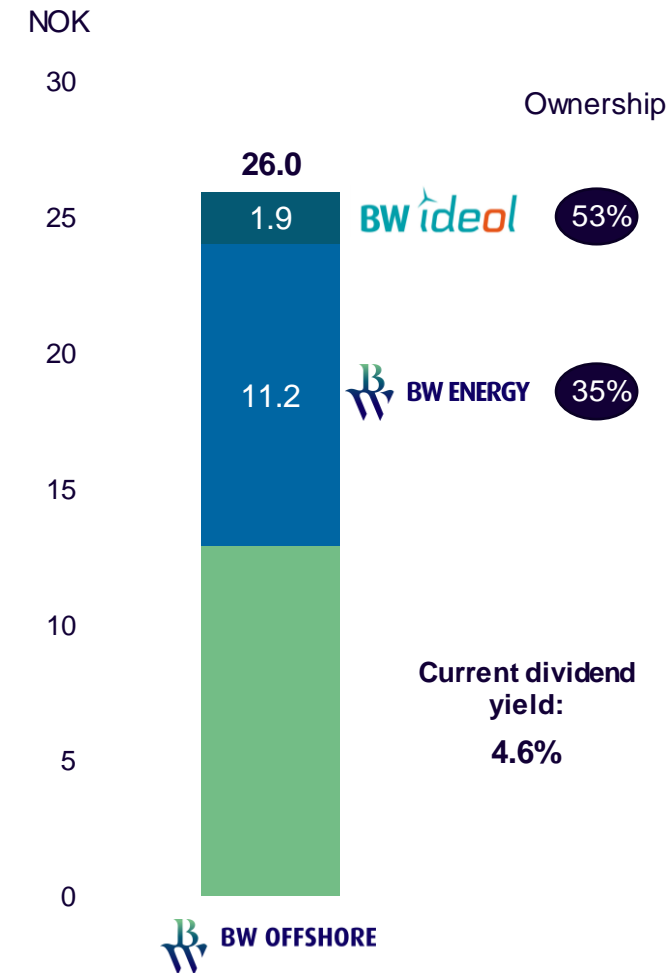
## Floating Energy Infrastructure - FPSO

- Attractive bank financing completed for the Barossa FPSO project
- Partnered with ICMK Offshore Investment (50/50 JV between ITOCHU and Meiji Shipping) and Macquarie Bank Limited for the equity financing
- Evaluating a select few additional infrastructure projects based on strong partnerships

## Floating Energy Infrastructure - Wind

- Invested and attained a 53% controlling stake in BW Ideol
- Established a joint “Renewable Power Services” task force with BW Ideol
- Bids submitted for ScotWind tender through planned Joint Venture with Invenergy
- Limited capital requirement in the development phase

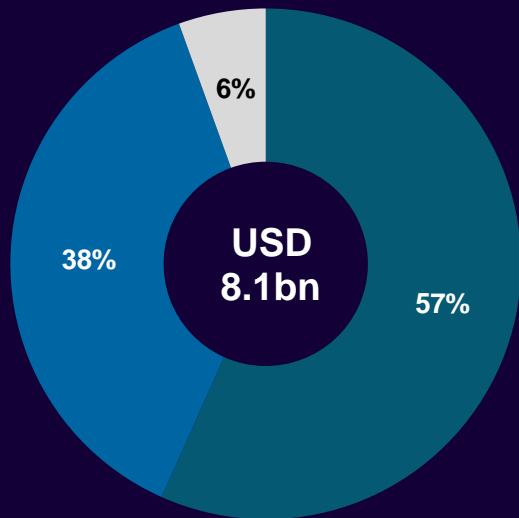
## Current share price<sup>1</sup>



1) Share prices as of 10 September 2021

# Building a solid backlog for the future

Revenue backlog end Q2 2021 of which USD 6.8 billion (84%) is firm<sup>1</sup>



- Barossa project
- BW Adolo, BW Catcher and BW Pioneer
- Other units

1) Option backlog includes options deemed likely to be exercised. Barossa backlog only includes USD 4.6bn (gross) firm period.

## BW Catcher



Targeting investment grade rating  
 USD ~5.0 billion market cap  
 2021 estimated EBITDA of USD ~2.2 billion  
 The Catcher field is one of the company's main fields  
 BW Catcher commercial uptime of >100% for Q2

## BW Adolo



Debt free and USD 216 million in cash end Q2 2021  
 USD ~680 million market cap  
 1H 2021 EBITDA of USD 80 million  
 BW Adolo is the only producing unit for BWE

## BW Pioneer



Ba3 (Moody's) / BB (S&P) / BB+ (Fitch)  
 USD ~3.1 billion market cap  
 1H 2021 adj. EBITDA of USD 646 million  
 BW Pioneer extended for 5 years in March 2020

## Barossa FPSO



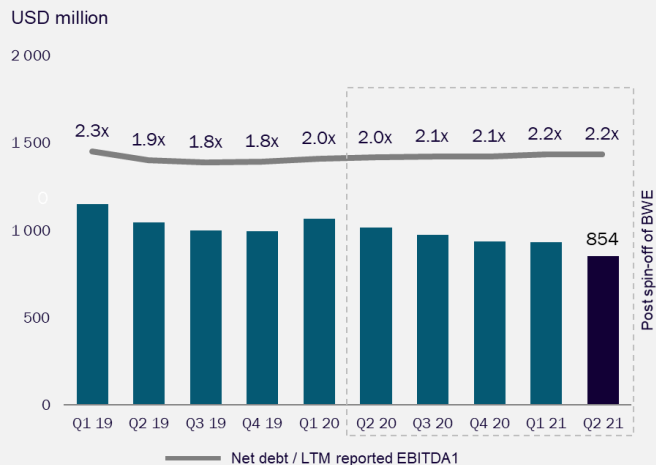
BBB- (S&P) / BBB (Fitch)  
 USD ~9.5 billion market cap  
 1H 2021 EBITDAX of USD 1.2 billion  
 15-year firm contract following first gas in 2025



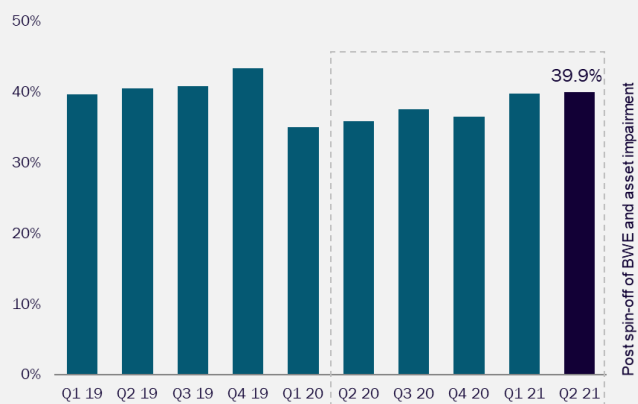
# Solid financials and backlog provide platform for growth

## Solid financial position end Q2 2021

### Net debt and leverage ratio



### Equity ratio

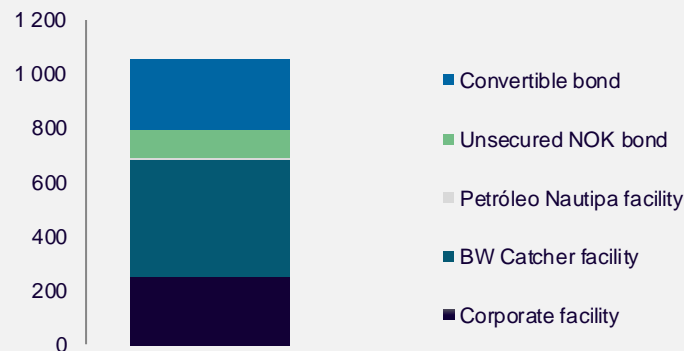


1) Leverage ratio based on continuing operations in Q1 19 – Q4 2020 which excludes EBITDA contribution from BW Energy during this period

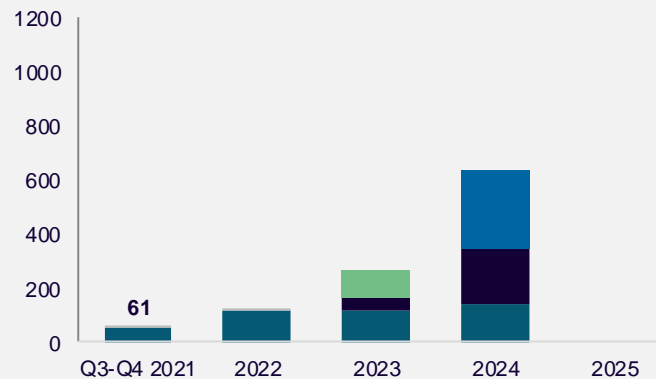
## Healthy liquidity and manageable instalments

### USD 280 million of consolidated liquidity end Q2 2021

### USD 1.0 billion gross debt end Q2 2020<sup>1</sup>



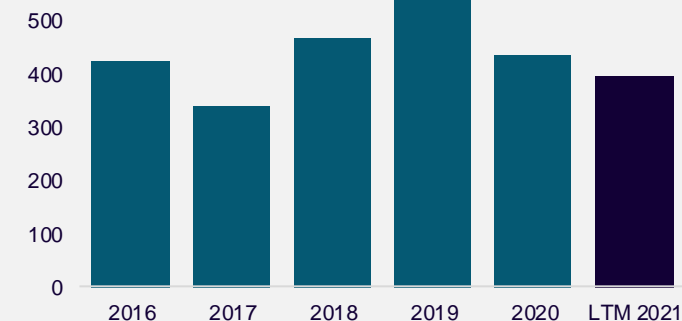
### Debt instalment schedule



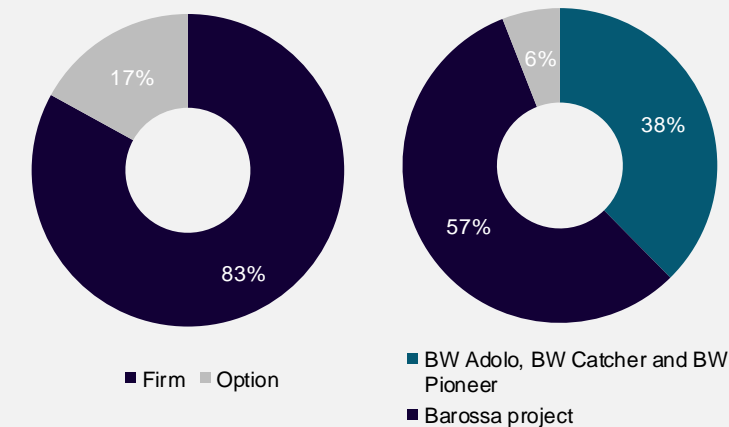
1) Debt overview excludes cross currency swap related to HY bond, preferred equity and equity component of convertible bond – total is USD 1.3 billion including these items

## Backlog provides financial visibility

### USD 436 million reported 2020 EBITDA (FPSO)



### USD 8.1 billion total FPSO backlog end Q2 2021



# Barossa FPSO project execution



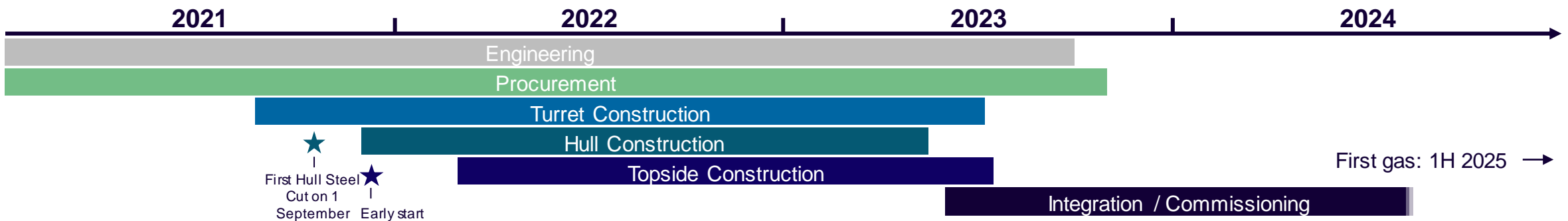
- Engineering progressed and major procurement packages in place as per plan
- FPSO Model Test completed, results are within the design envelope
- First steel cut and start with construction of turret system
- Completed first steel cut for the hull – 3 months ahead of schedule
- Topside fabrication contract placed

## Key contracts awarded / secured

- **Hull fabrication:** Samkang M&T
- **Turret system:** NOV APL
- **Topside fabrication:** Dyna-Mac
- **Hull engineering:** FG Industry
- **Topside engineering:** Toyo India
- **Integration yard:** Resource Reservation Letter signed with yard and contract T&C's in progress

## Major procurement packages

- **Combined Cycle Power Generation:** Siemens
- **E-house & ICSS:** ABB
- **Centrifugal Compressors:** MAN
- **CO2 removal package:** UOP
- **Offloading system:** Techflow Marine



# Barossa financing completed

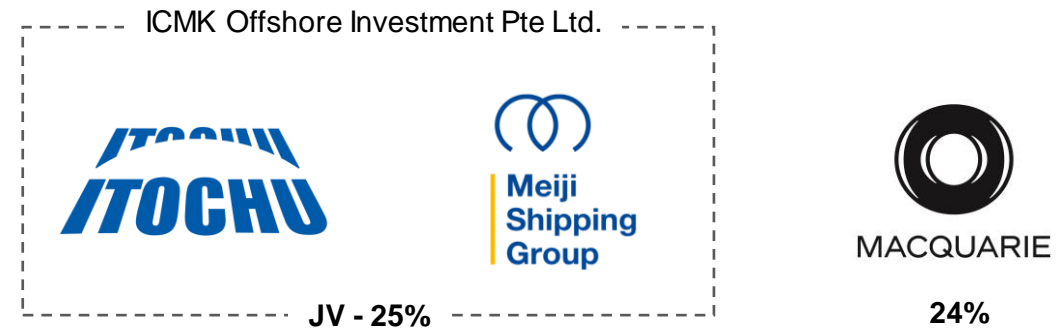
Equity joint venture partners committing USD 240 million

- BW Offshore, ICMK and Macquarie each hold 51%, 25% and 24% respectively of the shares in the equity joint venture
- Completion of the agreement is subject to certain customary regulatory approvals

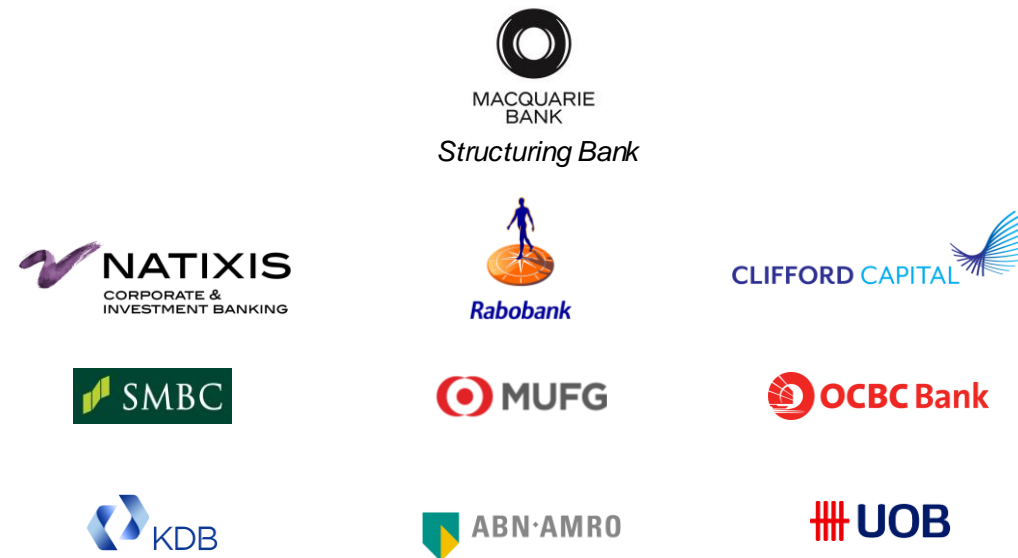
Bank debt financing of USD 1.15 billion

- Non-recourse once FPSO has been completed and pre-completion guarantee has been released
- 3-month Libor plus a 2.50% and 2.25% margin during the construction and operational phase, respectively
- 14 years loan term

## External Equity Partners – 49%



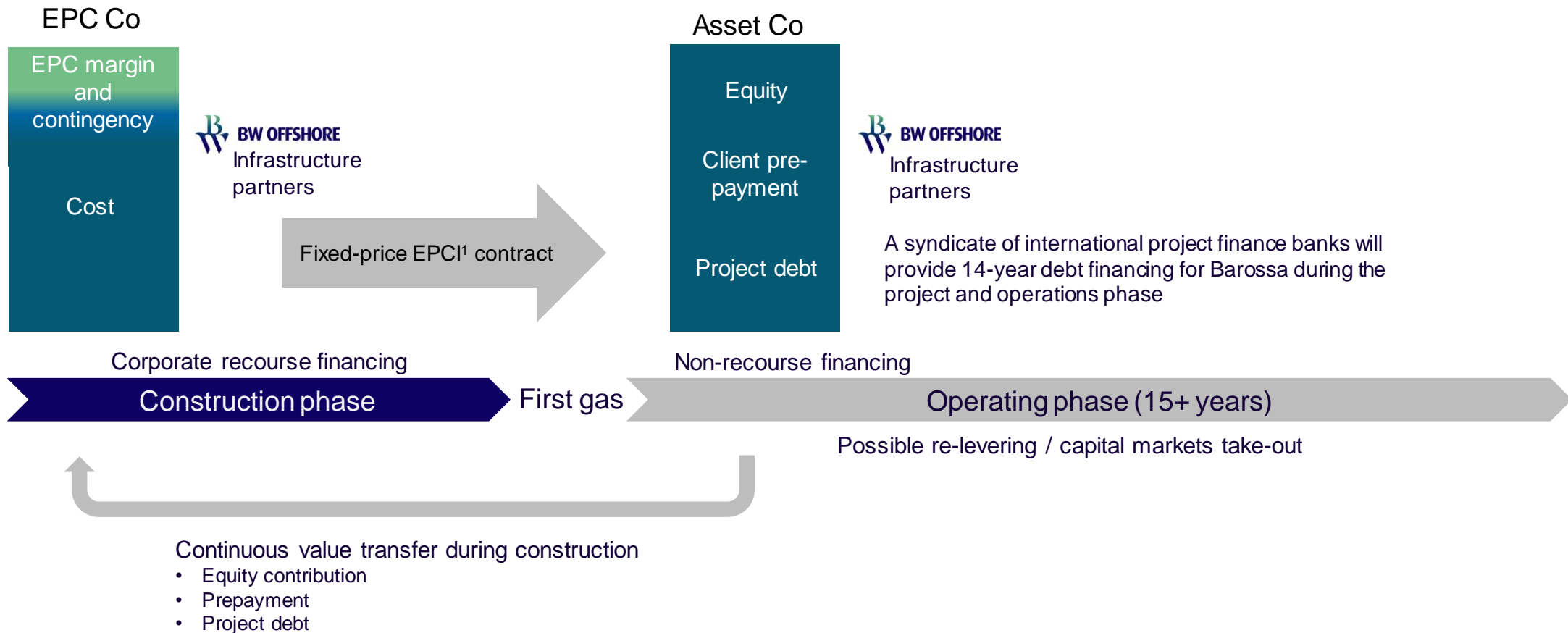
## Bank Financing Group



Mandated Lead Arrangers and Lenders



# Robust project finance model



1) EPCI: Engineering, Procurement, Construction and Installation



## Ideally positioned in the floating wind market

- EolMed engineering contract and license agreement
- Partnership agreement with leading utility for the Brittany tender in France
- Collaboration with Hitachi ABB Power Grids on developing industry-first scalable floating substations for offshore wind
- Joint Development Agreement with ENEOS Corporation for a commercial scale floating offshore wind farm in Japan
- Bids submitted for ScotWind tender with joint venture partners
- Initial design and engineering services agreement signed with an undisclosed leading party in Taiwan
- Signed Heads of Terms of partnership agreement for a floating wind project in Italy

**Proven floating  
wind technology  
with a strong  
competitive edge**

**Strong pipeline of  
projects in  
partnerships with  
leading local  
utilities**

**Early mover  
position in the  
most attractive  
markets for  
floating wind**

**Extensive track-  
record of  
complex  
industrial  
offshore projects**

# Summary and outlook

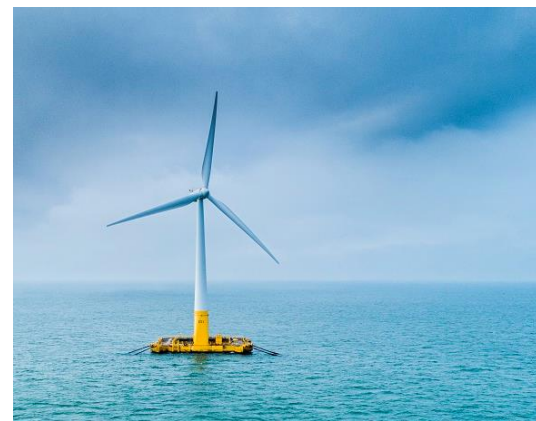
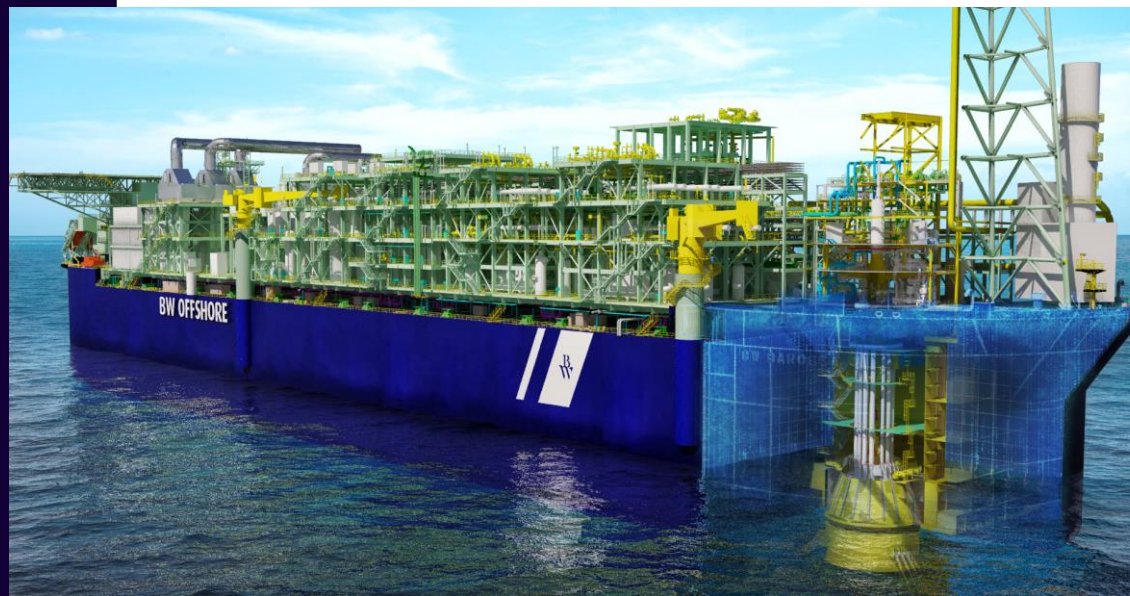
Fully focused on the Barossa project

Maximising value for units approaching end of contract

Evaluating FPSO prospects and energy transition opportunities

Several value triggers in BW Energy

Developing floating wind project pipeline





# Q&A

**We engineer offshore  
production solutions to  
progress the future of energy.**