

# Third quarter 2023 Presentation



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# Highlights

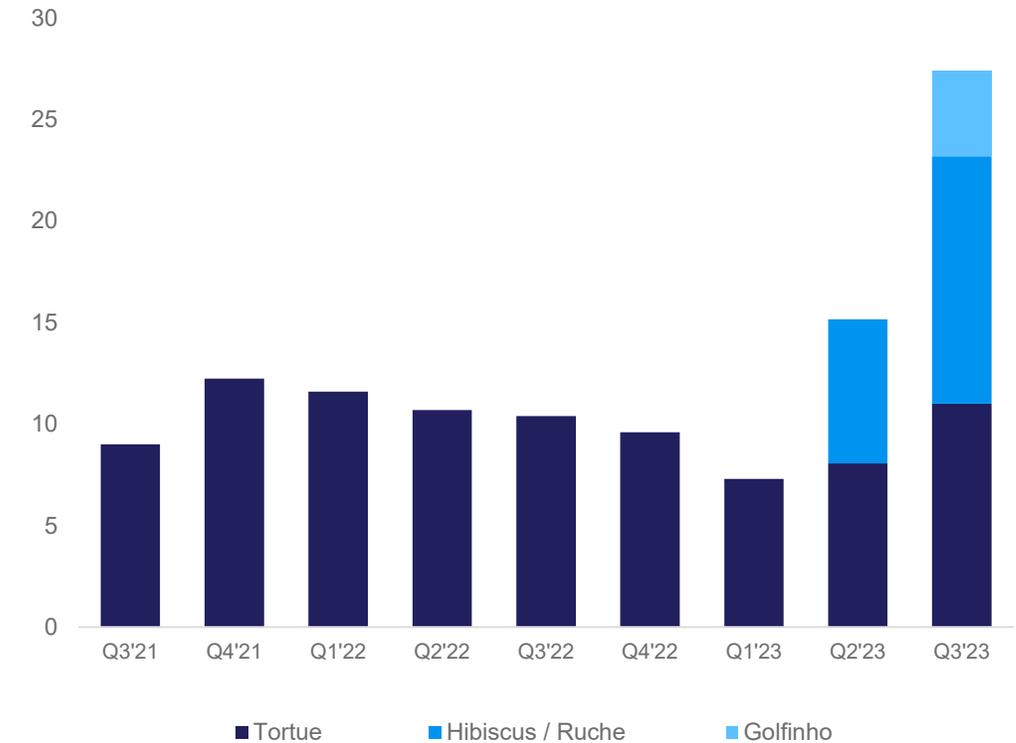
- **Q3 gross production from Gabon and Brazil of 27,400 barrels per day**
  - **Four producing Hibiscus wells at end of the quarter**
  - **Assumed 100% ownership and operatorship of Golfinho from late August**
  - **Substantial oil discovery in Hibiscus South**
- Q3 2023 EBITDA of USD 49.7 million with a net profit of USD 0.5 million
  - One lifting in the quarter to BW Energy of ~950,000 barrels with a lifting price of USD 79 per barrel
  - USD 80 million Golfinho prepayment facility completed and drawn
  - USD 198 million cash position

# Delivering strong production growth

- 80% increase in gross production from operated assets in Q3 vs. Q2
- Achieved combined production milestone of 50,000 barrels gross per day on 20 October, equivalent to ~40,000 barrels net to BW Energy
- Strong reservoir performance in Dussafu, but ESP challenges continue to impact individual well output

## Gross production<sup>1</sup>

kbbbls/day



# Zero-harm objective for people and environment



**Minimising impact  
to environment**

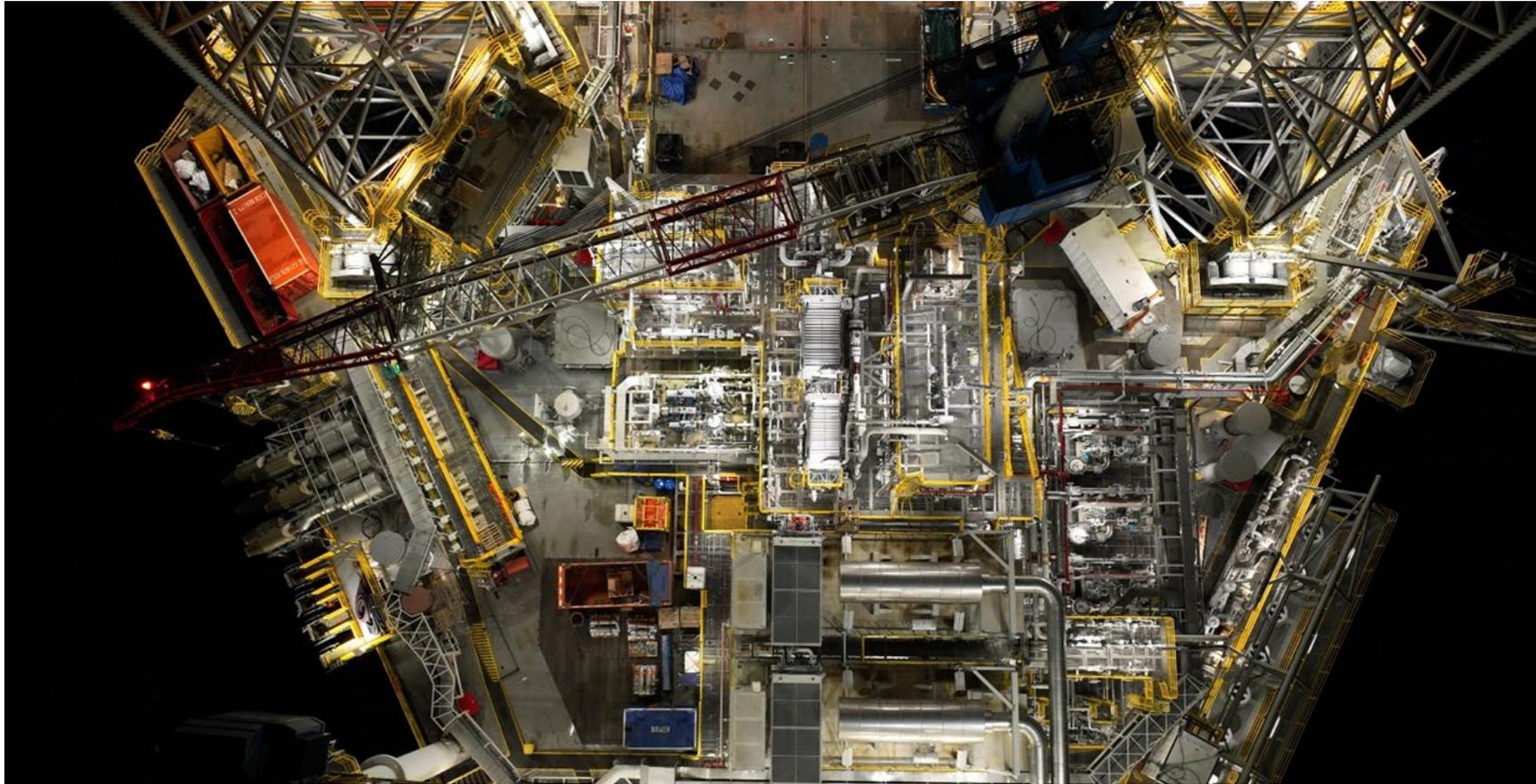


**Working for local society**



**Sound governance**

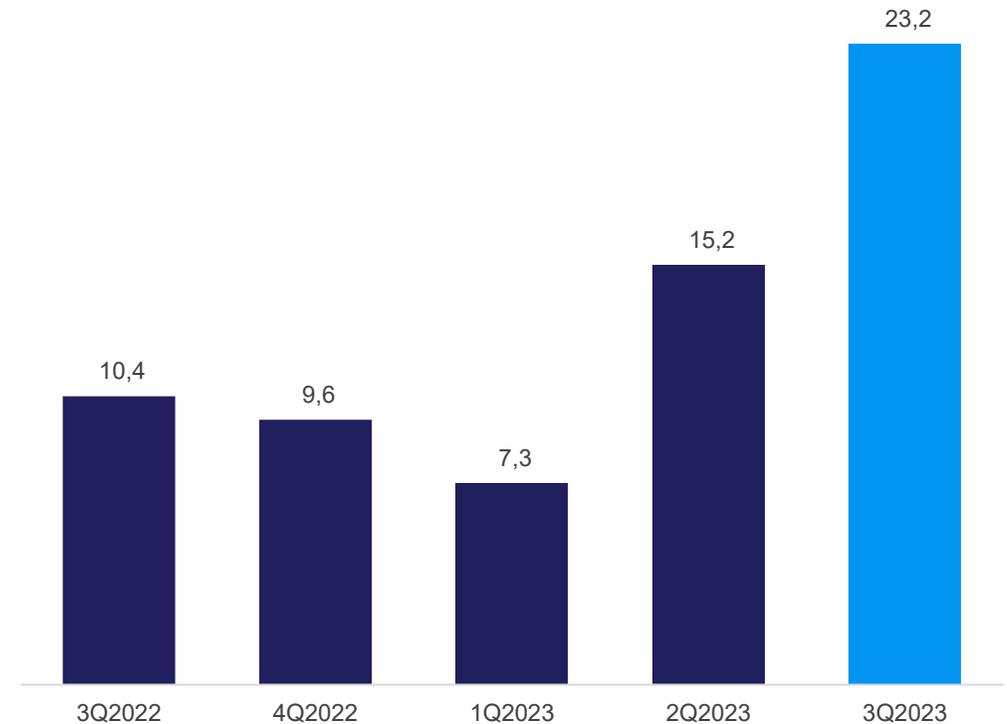
- Hibiscus / Ruche brought to first oil without recordable lost time incidents (LTI)
- One LTI recorded in Q3 with a TRIR<sup>1</sup> of 1.5
- No environmental incidents YTD 2023



# Production update

- Q3 gross production ~2.14 million barrels, equal to ~23,200 bbls/day
- Production from two new Hibiscus wells and start-up of gas lift compressor on FPSO *BW Adolo*
- OPEX declined to USD ~28 per barrel on increased production
- Ongoing process to troubleshoot ESP challenges
  - Retrievable ESPs having electrical issues
  - Working closely with supplier to identify and resolve situation

**Dussafu gross production**  
kbbbls/day



# Progressing Hibiscus / Ruche drilling program

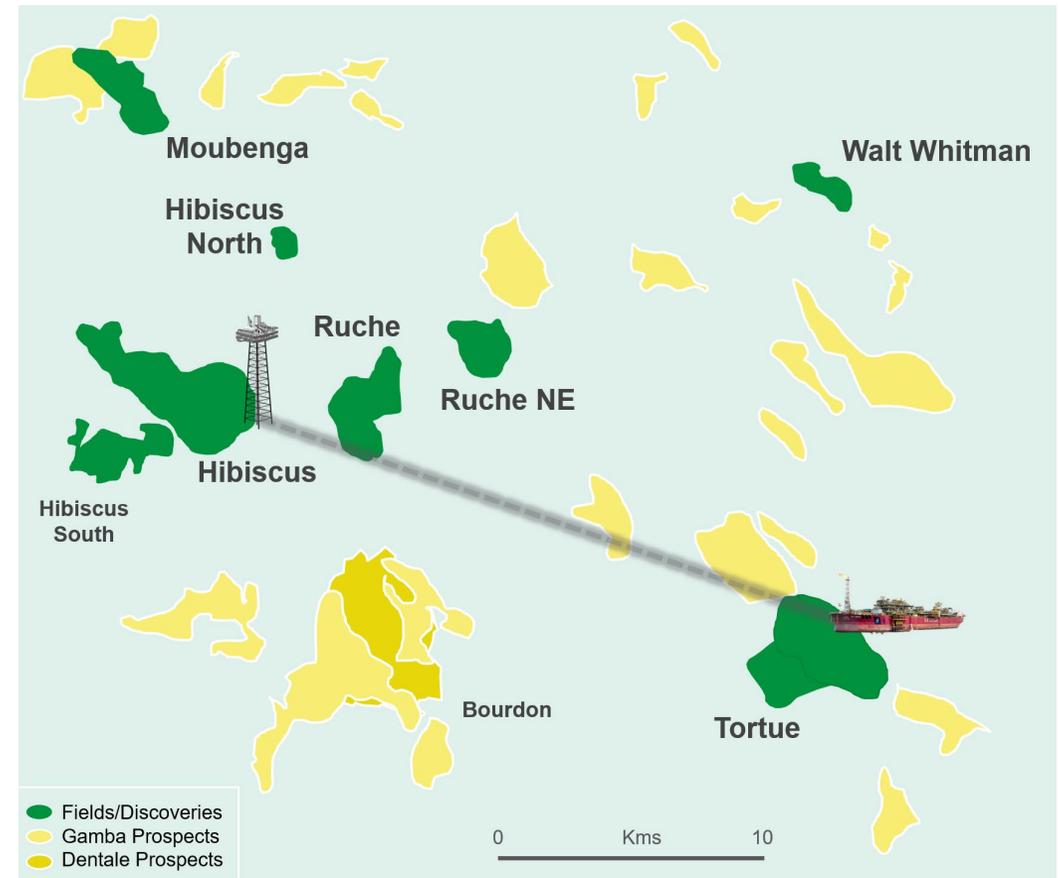
- Drilling results show larger Hibiscus resource and a slightly smaller Ruche resource than previously modelled with a net addition of ~10 million barrels<sup>1</sup> oil in place
- Firm drilling program of eight wells
  - Four Hibiscus production wells completed
  - Completion of the first Ruche well (DRM-3H) suspended pending delivery of alternative casing
  - Hibiscus South prospect (DHBSM-1) drilled
  - Plan to substitute second Ruche well with a fifth Hibiscus well (DHBM-7H)
  - Side-track and complete DHBSM-1 as a production well
  - Drill Bourdon (Prospect B) as the second appraisal prospect

***MaBoMo and Borr Norve on site in Gabon***



# Oil discovery in Hibiscus South

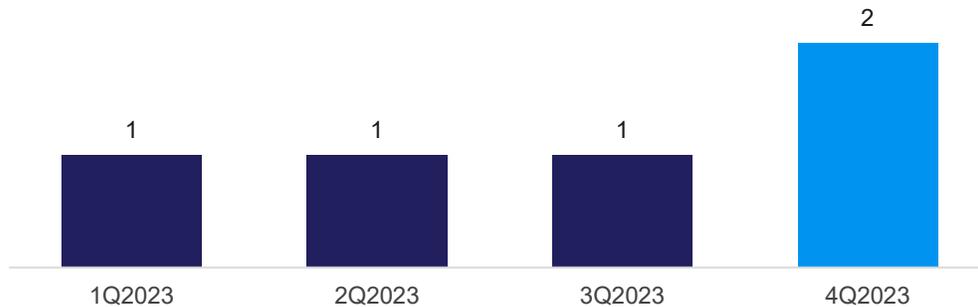
- DHBSM-1 well drilled from *BW MaBoMo* to a total depth of 6,002 meters
- Well data show ~20 meters of pay in a hydrocarbon column of 26.5 meters in the Gamba formation
- Preliminary evaluation indicates gross recoverable reserves of 6 to 7 million barrels, in line with pre-drill expectations
- To be completed as a production well in early 2024 as part of the current drilling program
- Low-cost and low-risk expansion to production and reserve base
- Confirmation of the significant potential of the Dussafu license



# Production outlook

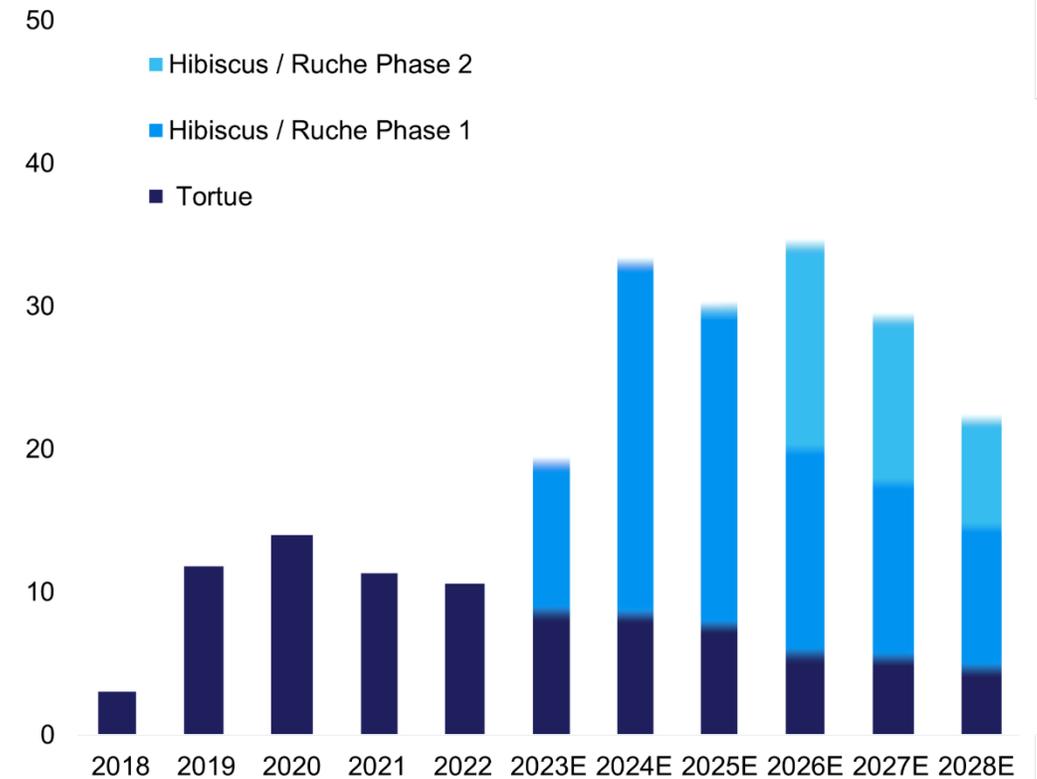
- Two Q4 liftings to BW Energy planned
  - ~950,000 barrels in October at USD 79 per barrel
  - ~650,000 barrels end November/early December
- 2023 production expectation at ~6.7 million barrels with an annualised average OPEX of USD ~30 per barrel
- 2024 production expectation 10 – 12 million barrels

## Quarterly lifting schedule to BW Energy



## Dussafu gross production profile

kbbls/day

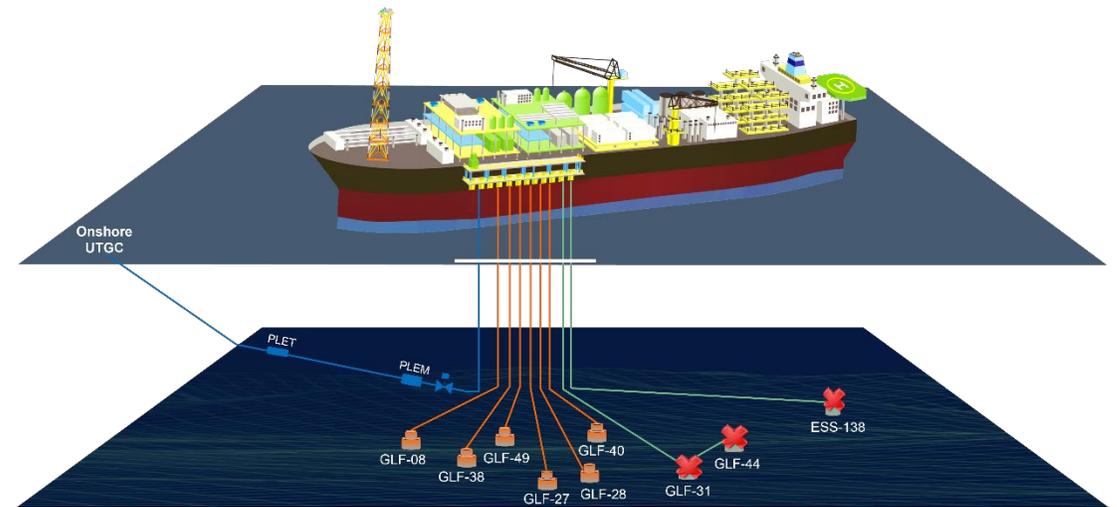


# Golfinho



# Owner and operator of producing assets in Brazil from late August

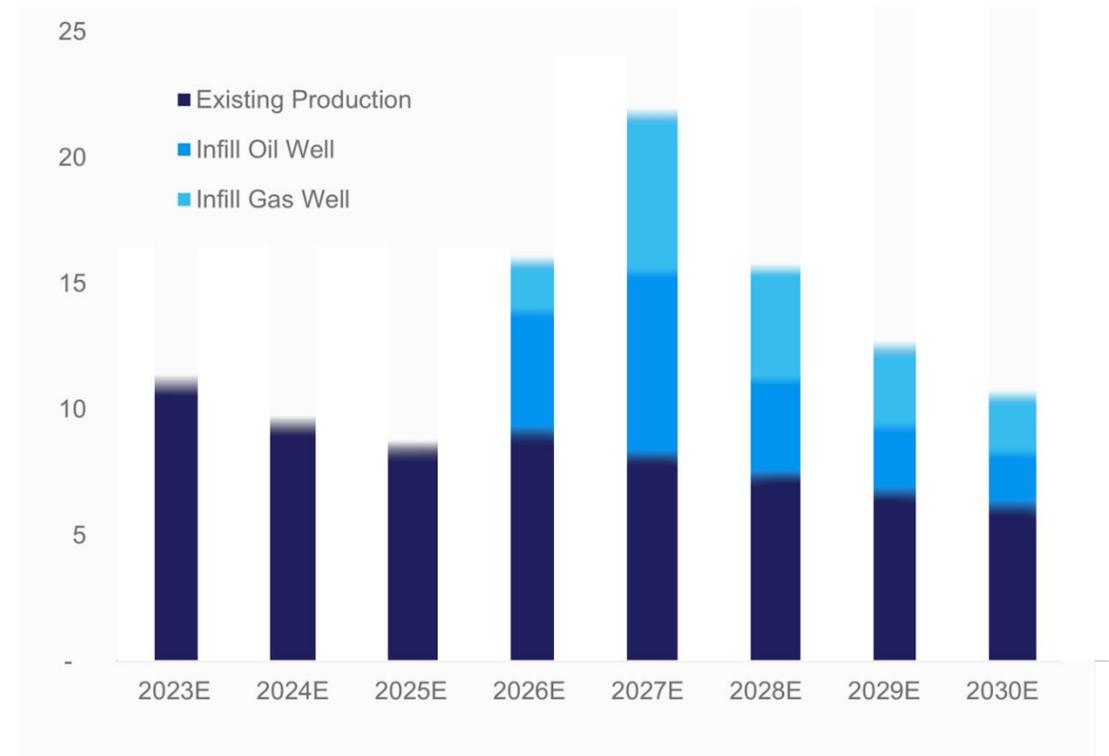
- 100% operated working interest and operatorship of Golfinho and Camarupim clusters, 76.5%<sup>1</sup> in Brigadeiro (BM-ES-23) and gas pipeline to shore
- Take-over of FPSO *Cidade de Vitória* from Saipem awaiting ANP approval
- Field production stabilised above initial expectations after extended shut-down
- Proven low-risk in-field development opportunities with short lead time and substantial long-term upside
  - 44 million boe<sup>2</sup> of recoverable resources
  - 0.7 Tcf<sup>2</sup> of recoverable gas accumulations
- Two defined infill well projects (GLF-51 oil well and GLF-50 gas well) expected to significantly increase production from late 2026



# Production update

- Q3 production 381,700 barrels bbls from 28 August to 30 September
- Equal to ~11,200 bbls/day vs. initial expectations of ~9,000 bbls/day
- Production cost (excluding royalties) averaged USD 48 per barrel
- No liftings in Q3 and two liftings planned in Q4
  - First lifting of 521,500 barrels executed early November
  - Second lifting planned in December

## Golfinho gross production<sup>1</sup> kboe/day

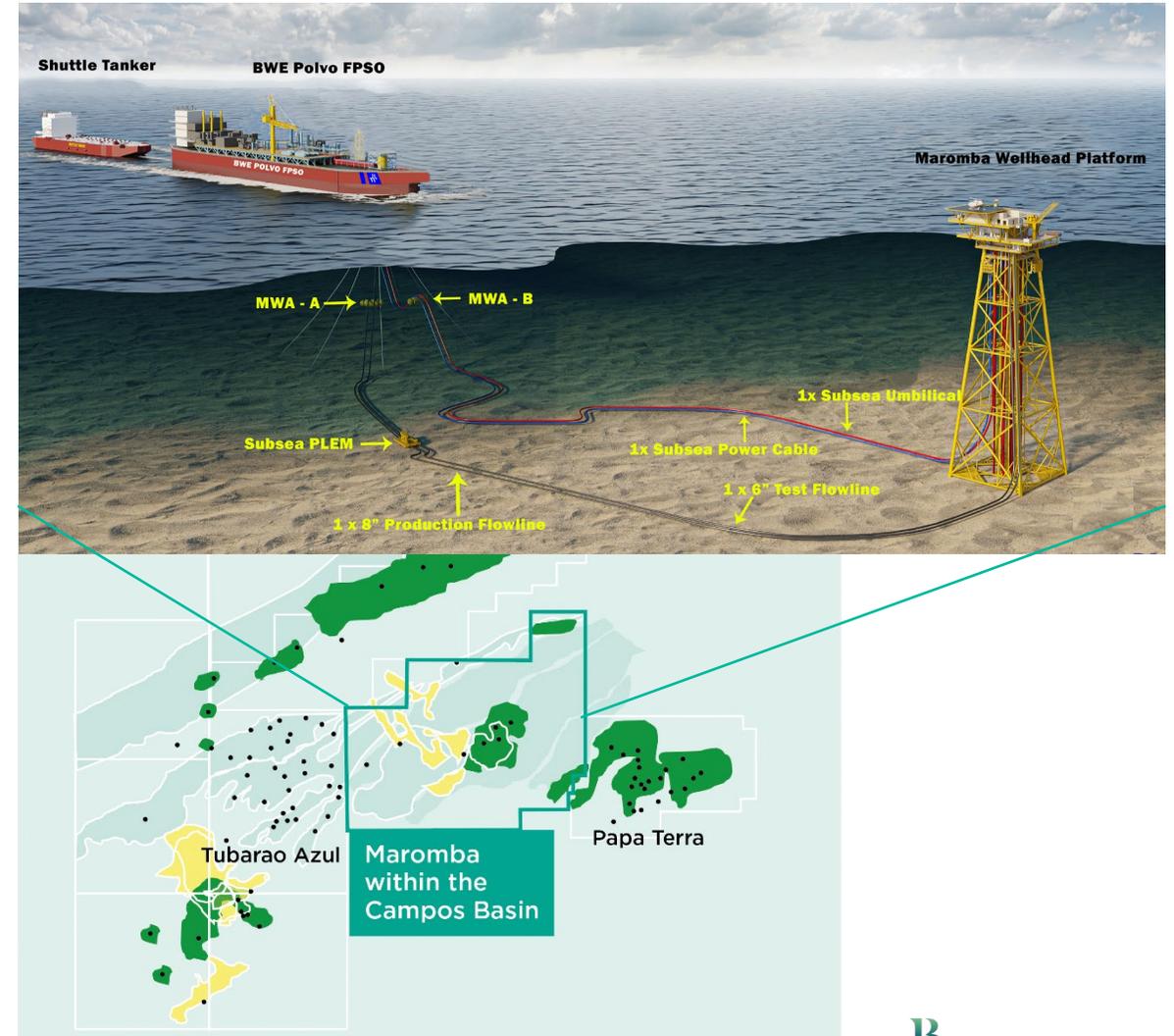


# Maromba



# Optimising development plan to unlock material proven reserves

- Progressing development concept with reduced investments
  - Dry tree development with five initial production wells
  - Revised plan expected completed in Q2 2024
- Final investment decision remains subject to conclusion of project financing
- Expected peak annual oil production maintained at 30-40,000 bbls / day
- Paid first instalment on FPSO *Polvo*

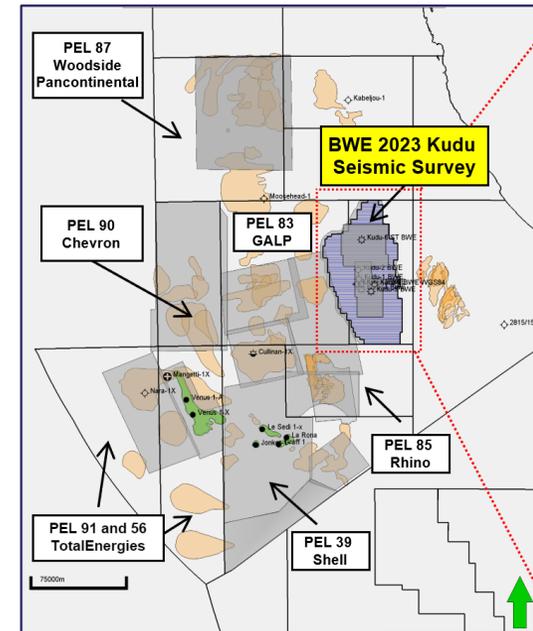




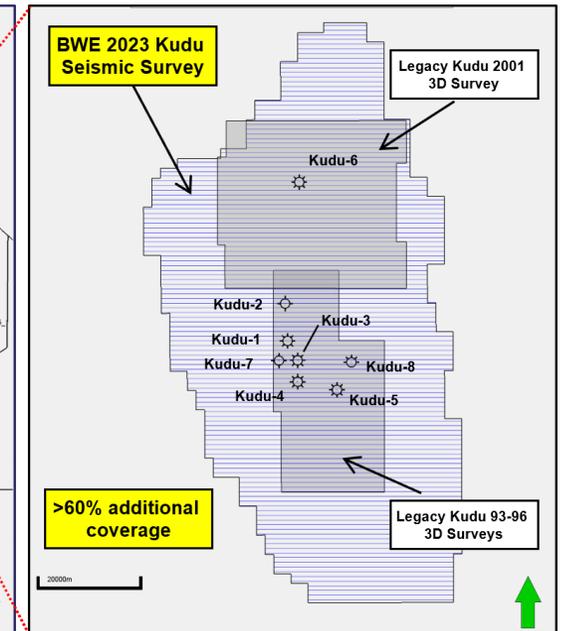
# Identifying additional Kudu prospects based on new 3D seismic

- Interpretation of initial fast-track data has enhanced the depositional model and de-risked potential targets
- Decision made to order long-lead items for an exploration program
- Continuing the validation study for the planned Kudu gas-to-power project
  - Transformational project for Namibia's power situation with wide local stakeholder support, including political and regulatory bodies

Key Orange Basin 3D Surveys and Wells



Kudu 3D Surveys and Wells



# Q3 Financials



# Income statement

USD million	Q3 2023	Q2 2023	Change
Operating revenue	97.1	87.6	9.5
Gain/Loss from oil derivatives	(9.1)	3.4	(12.5)
Operating expenses	(38.2)	(51.6)	13.4
<b>EBITDA</b>	<b>49.7</b>	<b>39.3</b>	<b>10.4</b>
Depreciation	(16.4)	(12.9)	(3.5)
Depreciation - ROU	(6.2)	(3.9)	(2.3)
Amortisation	(1.0)	(1.0)	(0.0)
<b>Other expenses</b>	<b>(23.7)</b>	<b>(17.9)</b>	<b>(5.8)</b>
<b>Operating profit/(loss)</b>	<b>26.1</b>	<b>21.4</b>	<b>4.6</b>
Interest income	2.5	2.0	0.5
Interest expense	(5.1)	(2.7)	(2.4)
Lease liability interest expense	(4.7)	(3.8)	(0.9)
Gain/(loss) on financial instruments	1.1	(0.5)	1.6
Other financial items	(2.4)	(0.7)	(1.7)
<b>Net financial income/(expense)</b>	<b>(8.6)</b>	<b>(5.6)</b>	<b>(2.9)</b>
<b>Profit/(loss) before tax</b>	<b>17.5</b>	<b>15.8</b>	<b>1.7</b>
Income tax expense	(17.0)	(10.5)	(6.4)
<b>Net profit/(loss) for the period</b>	<b>0.5</b>	<b>5.3</b>	<b>(4.8)</b>

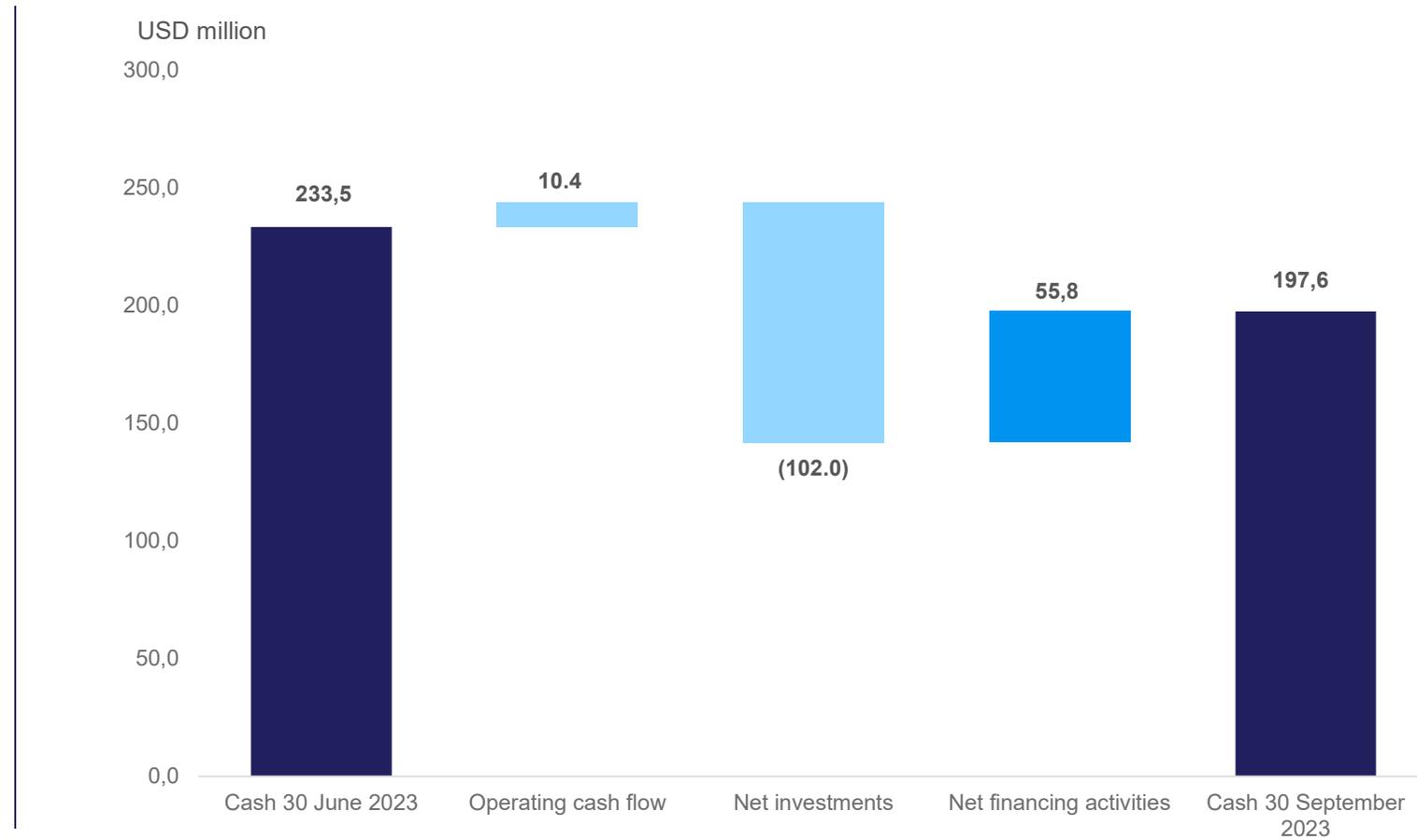
- EBITDA increased due to lower Golfinho transition costs and Dussafu OPEX per barrel
- Increase due to the addition of Golfinho
- Fully drawn Dussafu RBL and Golfinho prepayment facility
- Increase in state profit oil due to higher production

# Balance sheet

ASSETS	Q3 2023	Q2 2023	Change
Property and other equipment	1.9	0.9	1.0
Right-of-use assets	133.4	200.8	(67.4)
E&P tangible assets	815.0	636.4	178.6
Intangible assets	283.0	253.2	29.8
Other non-current assets	37.0	0.7	36.3
<b>Total non-current assets</b>	<b>1,270.3</b>	<b>1,092.1</b>	<b>178.3</b>
Inventories	40.8	8.2	32.6
Trade receivables and other current assets	73.4	36.0	37.4
Cash and cash equivalents	197.7	233.5	(35.8)
<b>Total current assets</b>	<b>311.9</b>	<b>277.6</b>	<b>34.2</b>
<b>TOTAL ASSETS</b>	<b>1,582.2</b>	<b>1,369.7</b>	<b>212.5</b>
EQUITY AND LIABILITIES	Q3 2023	Q2 2023	Change
Shareholders' equity	617.1	616.2	0.9
<b>Total equity</b>	<b>617.1</b>	<b>616.2</b>	<b>0.9</b>
Interest-bearing debt	292.3	292.0	0.3
Deferred tax liabilities	11.0	10.4	0.5
Asset retirement obligations	179.4	25.1	154.4
Other long-term liabilities	46.3	33.6	12.7
Long-term lease liabilities	94.4	178.6	(84.3)
Derivatives - Long-term	2.0		2.0
<b>Total non-current liabilities</b>	<b>625.3</b>	<b>539.7</b>	<b>85.6</b>
Trade and other payables	170.1	144.4	25.7
Short-term lease liabilities	83.0	68.4	14.6
Tax liabilities	0.5	1.0	(0.5)
Derivatives - Short-term	6.2		6.2
Interest-bearing current debt	79.9		79.9
<b>Total current liabilities</b>	<b>339.8</b>	<b>213.8</b>	<b>126.0</b>
<b>Total liabilities</b>	<b>965.1</b>	<b>753.5</b>	<b>211.6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,582.2</b>	<b>1,369.7</b>	<b>212.5</b>

- Lease term and discount rate adjustment
- Golfinho acquisition and Dussafu investments
- Petrobras reimbursement for asset retirement obligation (ARO)
- FPSO prepayment to Saipem
- Equity ratio of 39% (45%)
- ARO increased due to Golfinho acquisition
- Increase in additional accruals for Golfinho operations
- Prepayment facility
- Net interest-bearing debt (NIBD) of USD 181 million

# Cash flow overview Q3 2023



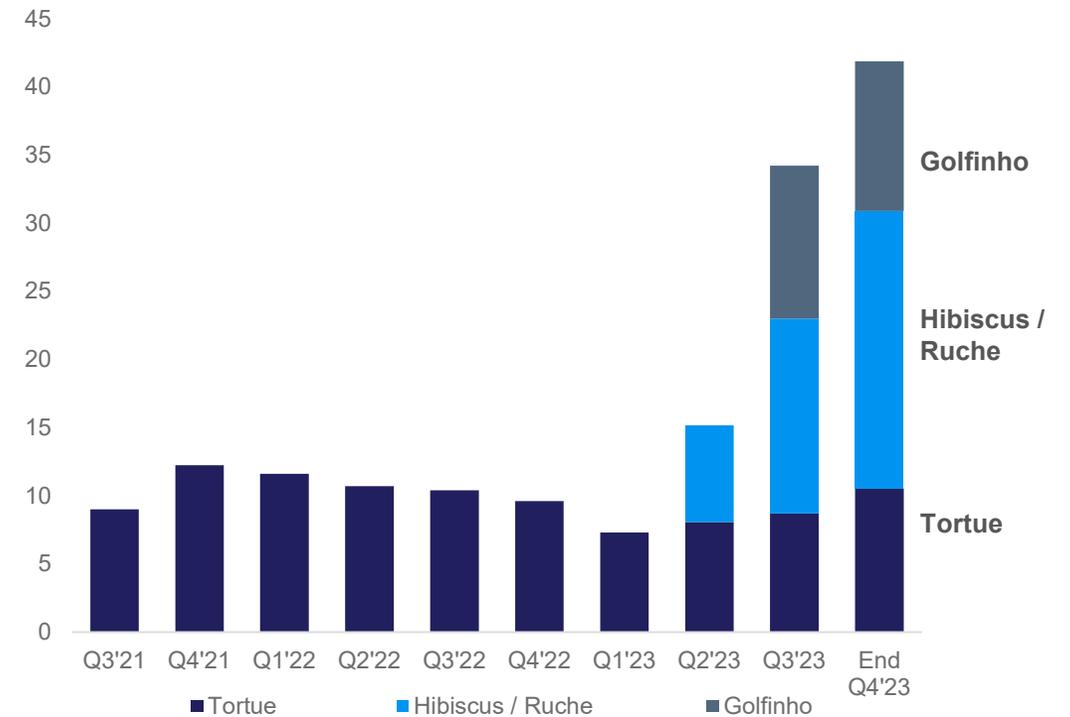
# Summary



# Increased diversification and step-change in production

<b>Production &amp; exploration</b>	<ul style="list-style-type: none"> <li>• Asses / replace ESPs and stabilise Dussafu output</li> <li>• Drill Bourdon appraisal well</li> <li>• Complete 3D seismic evaluation to assess Kudu potential and prepare for exploration well</li> </ul>
<b>Development</b>	<ul style="list-style-type: none"> <li>• Complete Hibiscus / Ruche drilling campaign</li> <li>• Bring Hibiscus South into production</li> <li>• Prepare Golfinho infill well campaign</li> <li>• Finalise Maromba development plan and financing</li> <li>• Progress Kudu gas-to-power project</li> </ul>
<b>Corporate</b>	<ul style="list-style-type: none"> <li>• Ensure operational cash flow, supported by RBL and prepayment facility, to fund investments</li> <li>• Intention to pay dividend of up to 50% of net profit with Dussafu and Maromba in full operation</li> </ul>

**Gross production<sup>1</sup>**  
kbbbls / day



1) Reported average production through Q3 2023, Golfinho production per day averaged over the full quarter, management estimates for end of Q4 2023 production level



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