

# BW Offshore

Pareto Securities' 30<sup>th</sup> annual Energy Conference  
Marco Beenen, CEO

20 September 2023

**BW OFFSHORE**



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# Building on four decades of deepwater engineering experience

USD 6.8 billion FPSO backlog

52.8% ownership in BW Ideol

23.3% ownership in BW Energy



- Unit
- Office
- Floating wind project

## North America

- BW Pioneer | US | Murphy Oil

## Europe

- BW Catcher | UK | Harbour Energy
- Floatgen | France
- Buchan Offshore Wind | 1GW floating offshore wind | Elicio, BayWa.r.e. and BW Ideol partnership
- 30MW EolMed Project | under construction | France | Qair, TotalEnergies and BW Ideol

## Africa

- BW Adolo | Gabon | BW Energy
- Petróleo Nautipa | Demobilisation | Gabon | Vaalco Energy

## Middle East

- FPSO Polvo | lay-up<sup>1</sup>

## Asia & Oceania

- Barossa FPSO | under construction | Santos
- Hibiki | Japan

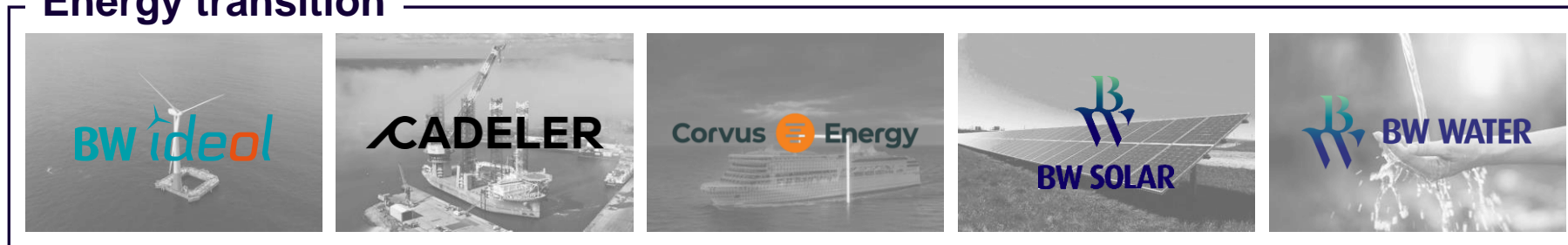
1) Sales agreement signed with BW Energy.

# Part of BW Group - the leading global maritime company

## Energy



## Energy transition



## Shipping





# Strategic priorities addressing energy security and transition



**Extracting maximum value from the conventional FPSO fleet**



**Growing the core floating production business through new offshore energy infrastructure projects**



**Building a substantial and growing position in offshore renewable energy infrastructure**



# Concluding fleet divestment programme

## Significant reduction of operational liabilities

- Complex operational set up
- Old units with limited redeployment potential
- Unbalanced monetary and operational risk/reward

## Limited impact on operational cash flow

- FPSOs with marginal cash contribution
- Coming off contracts or with short remaining durations
- Sales proceeds of USD 331 million realised to date<sup>1</sup>
- Improved cash flow visibility
- Leaner operations

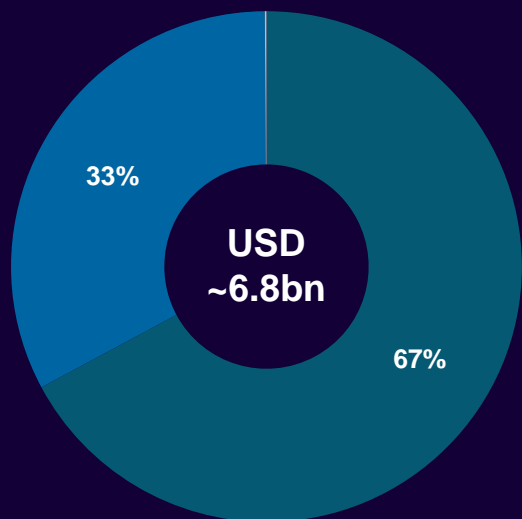
## Transition to 'Floating Energy Infrastructure' investments



1) Polvo sold with deferred payment

# Strong cash flow underpinned by the core FPSO fleet

Revenue backlog end Q2 2023 of which USD ~5.7 billion (84%) is firm<sup>1</sup>



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

Unit	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Barossa FPSO	Santos, Australia: 2025-2040 (2050)														
BW Adolo	BW Energy, Gabon: 2018-2028 (2038)*														
BW Catcher	Harbour Energy, UK: 2018-2025 (2043)														
BW Pioneer	Murphy Oil, US: 2012-2025 (2030)														

■ Lease & Operate - fixed period  
■ Lease & Operate - option period  
■ Construction / EPC

Santos



**Barossa FPSO**

- Construction progressing to schedule

BW ENERGY



**BW Adolo**

- Q2 oil production of ~15,200 bbls/day
- Increased production from two additional wells

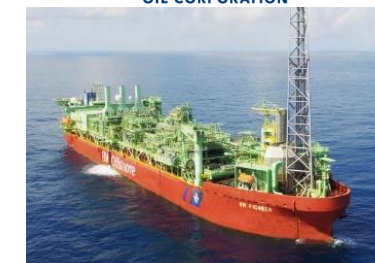
Harbour Energy



**BW Catcher**

- Q2 oil production of ~31,200 bbls/day
- Q2 commercial uptime of >100%

MURPHY OIL CORPORATION



**BW Pioneer**

- Stable production

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

\* Contract duration reflects BW Offshore estimated field life (2028) and current license (2038).

# BW Opal progressing according to schedule

**92%**  
complete

## Hull construction<sup>1</sup>



**75%**  
complete

## Topsides construction<sup>1</sup>

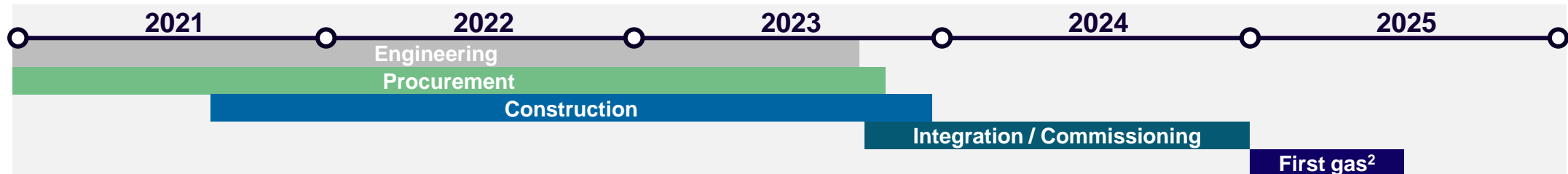


**88%**  
complete

## Turret and Mooring System construction<sup>1</sup>



- Hull launched with start of towage to Singapore planned for early October with integration to commence upon arrival
- Cost inflation impacting construction, commissioning and installation phases, expected to consume EPCI<sup>3</sup> project buffers
- Long-term project lease and operate economics currently remain intact
- On track for first gas in 1H 2025



1) As of end July.  
 2) Expected during the first half of 2025.  
 3) Engineering, Procurement, Construction and Installation.

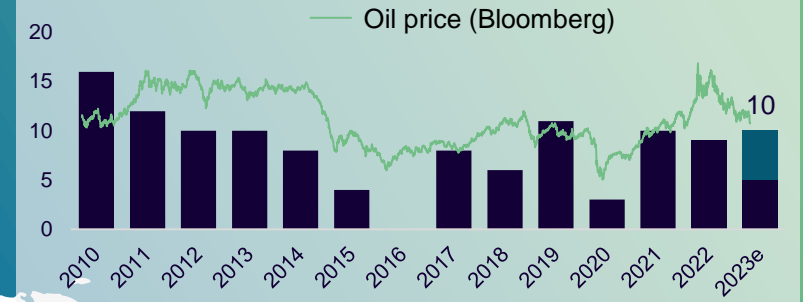


# Selectively progressing new projects in active FPSO market

Likely FPSO awards 2023-2030<sup>1</sup>



# of FPSO awards (2010-2023e)



## Market backdrop

- Continued high Brent price supports demand for new FPSOs, extensions and redeployments
- Lenders and equity investors are increasingly selective on which projects to support
- Increased complexity and higher costs necessitate financial structures with significant prepayments
- Trend towards EPCI plus O&M models

## Selection criteria for new projects

- Firm contract periods meeting return requirements with no residual value risk
- Infrastructure-like projects with substantial lease prepayments from client during construction
- Solid NOCs or investment-grade counterparties
- Working and co-investing with partners

1) Approximate locations. Source: Energy Maritime Associates Pte Ltd., Rystad.

# Capturing energy transition opportunities



## Strategic priorities

- Deploy new technology to minimise the carbon intensity in own FPSO business
- Employ project, operational and financial experience to offshore application of new technologies

## Floating wind through BW Ideol

- EPCI and technology provider
- Growing co-development portfolio of 1 GW of projects under development and 3.7 GW of substantiated pipeline

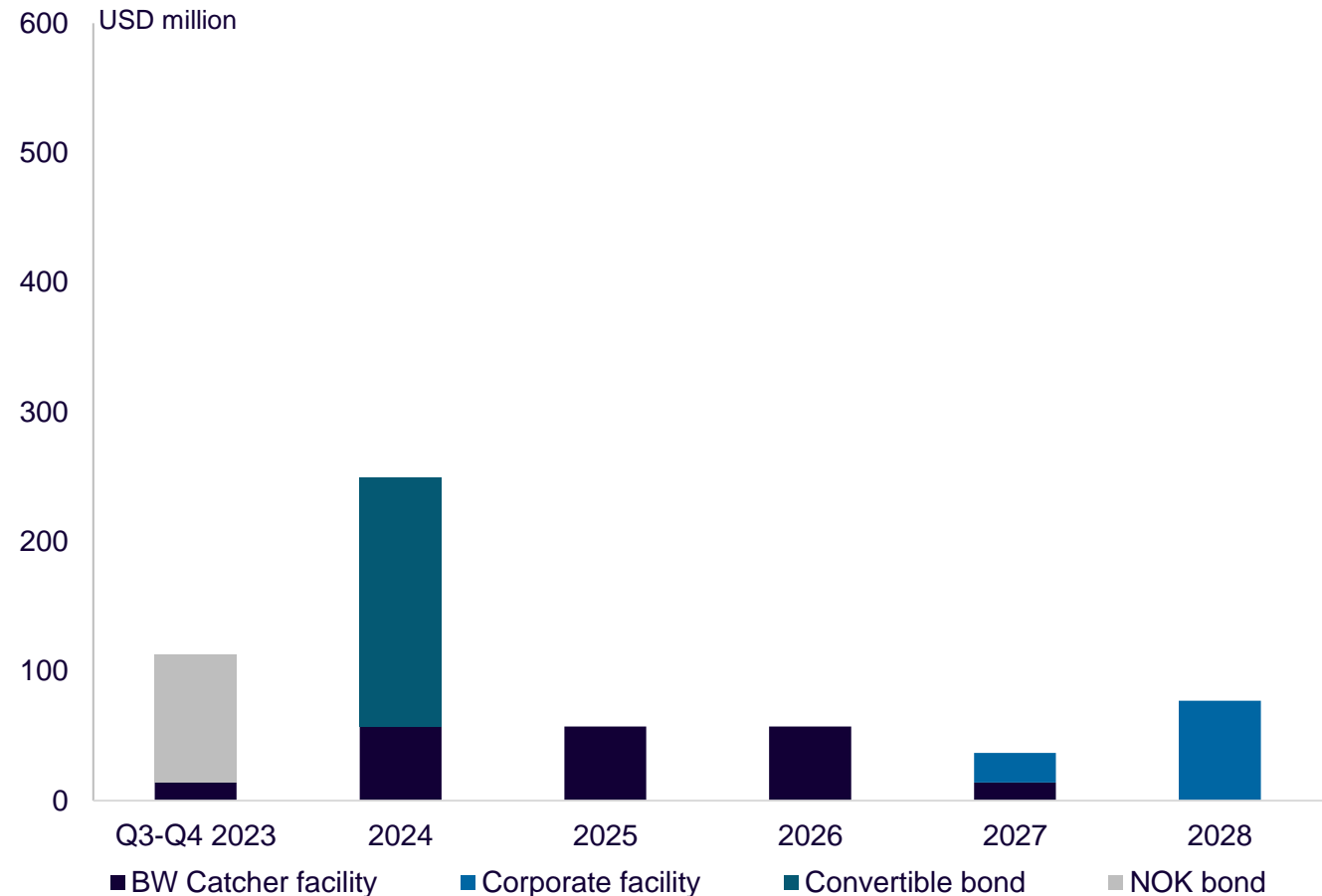
## Low-carbon offshore energy productions

- Carbon Capture, Gas to Power and Clean fuels (hydrogen, ammonia, e-methanol)

# Solid financial position provides investment capacity and financial flexibility

<p>USD 325 million LTM EBITDA</p>	<p>10% annualised dividend yield<sup>1</sup></p>
<p>Recent USD 495 million refinancing of RCF and Catcher facilities</p>	<p>USD 400 million liquidity</p>
<p>All in cost of debt 4.6% ~100% hedged</p>	<p>USD 152 million worth of BW Energy shares<sup>3</sup></p>

Maturity profile<sup>2</sup>



1) Dividend yield as of 7 September 23.  
 2) Maturity profile with USD 100 million drawn on the Revolving credit facility.  
 3) Financial numbers as of Q2 2023. BW Energy shares' market value as of 14 September 2023.



# Why invest in BW Offshore?

- 1** Leading operator of global maritime energy assets with four decades of track record
- 2** Strong backlog and cash generation from existing FPSO fleet with value triggers in future extensions
- 3** Increased cash generation when Barossa FPSO comes into production in first half 2025
- 4** Solid financial position supportive of future growth
- 5** Consistent quarterly dividend paid since introduction in 2020, currently 10% annualised dividend yield
- 6** Positioning for energy transition markets through tangible investments





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

**BW OFFSHORE**