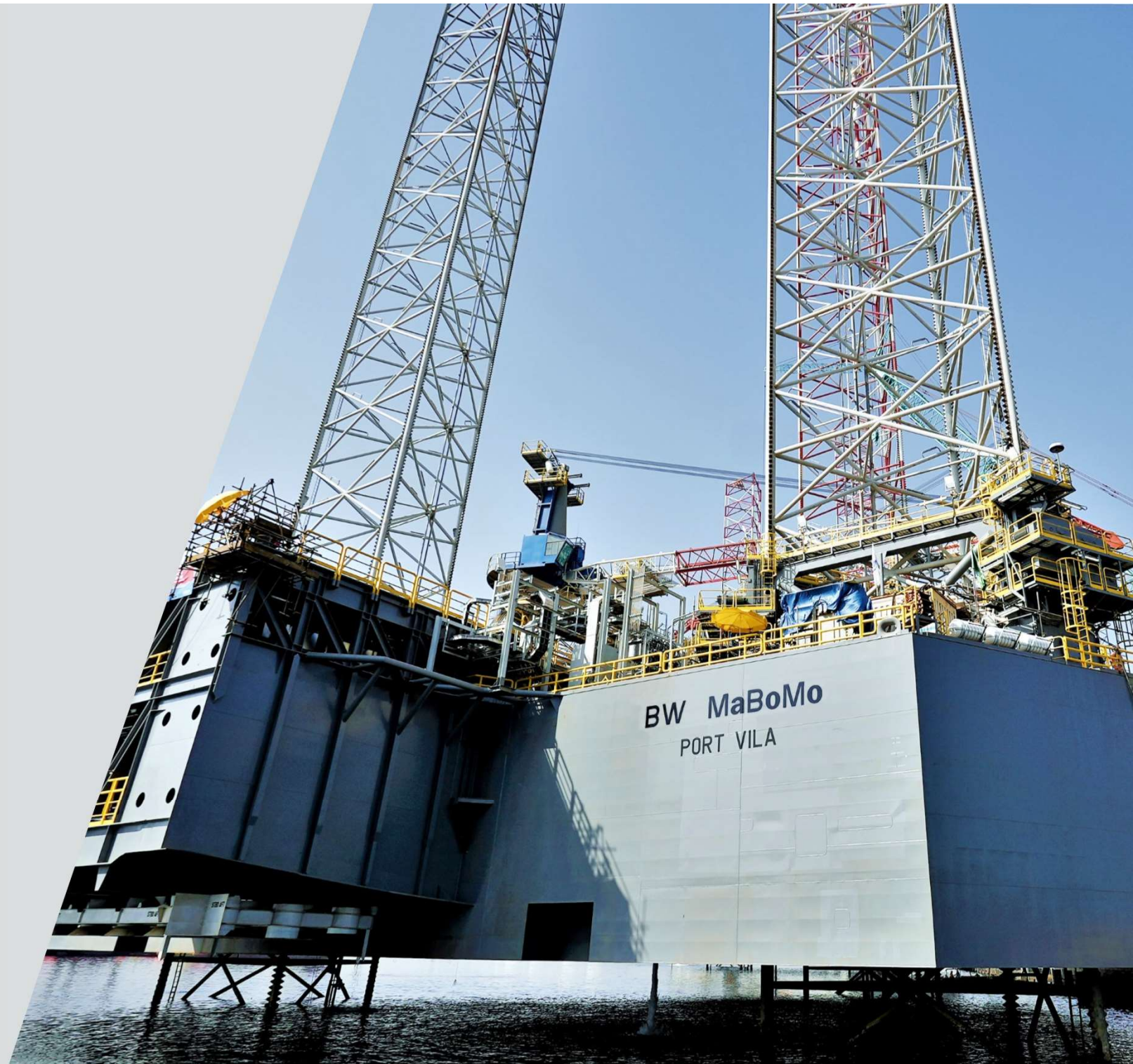




# Q2 2022

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25 August 2022



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# Highlights



Agreed to acquire Golfinho and Camarupim Clusters with FPSO to add ~9,000 barrels of oil per day from early 2023

Hibiscus / Ruche development on track for first oil in Q1 2023 with the *BW MaBoMo* underway to Gabon

Signed inaugural RBL facility of up to USD 300 million to finance production growth

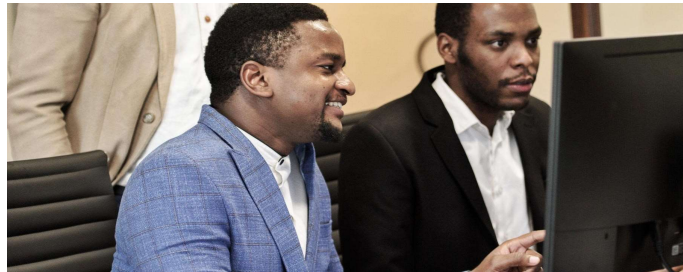
- H1 2022 EBITDA of USD 71 million and net profit of USD 19.2 million
- Strong operational cashflow and balance sheet with cash position of USD 123 million
- Q2 EBITDA of USD 5.5 million and net loss of USD 16.5 million
- No liftings in the quarter
- Q2 gross production of 975,000 barrels



# Zero-harm objective for people and environment



Minimizing impact to environment



Working for local society



Sound governance

- COVID-19 still affecting general project execution, equipment deliveries, FPSO operations and offshore modification work
- No recorded LTIs in Q2
- *BW MaBoMo* (formerly *Hibiscus Alpha*) conversion of 1.9 million man-hours completed without LTI
- Security risk at Dussafu remains low
- No environmental incidents

70-80%

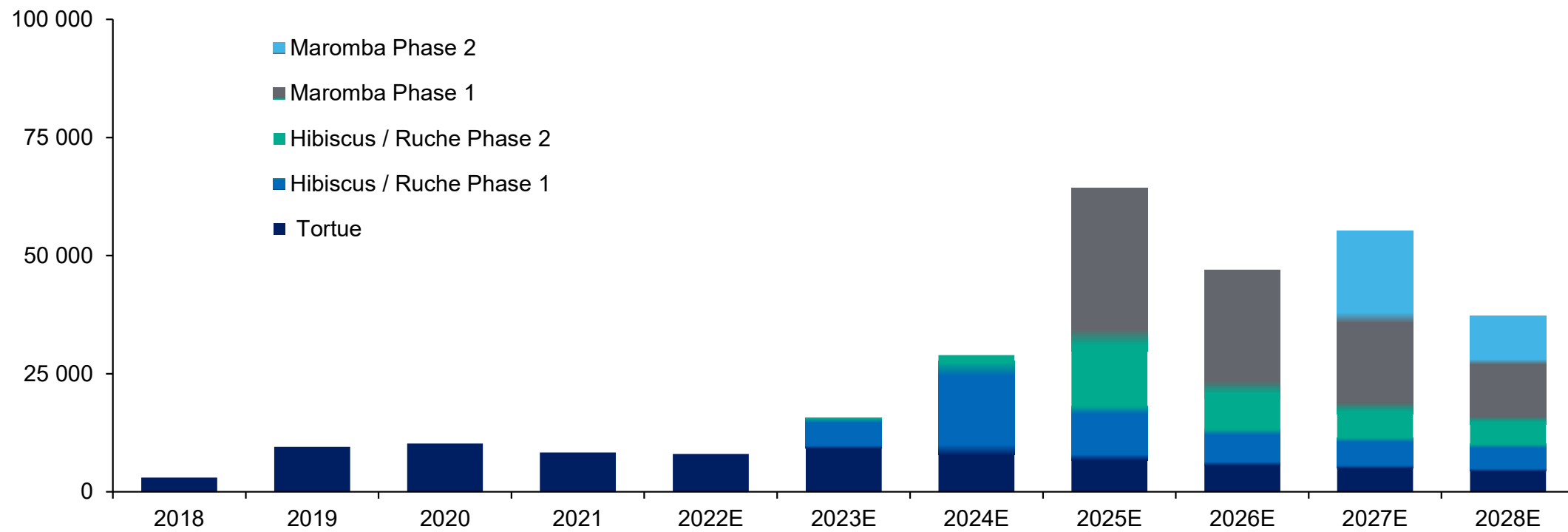
Estimated GHG emission-savings from redeployment of existing FPSO<sup>1</sup> vs. newbuild

1) FPSO *BW Adolo* case study based on CO<sub>2</sub> emission tied to steel consumption and operations

# Production outlook



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



73.5% WI in the Dussafu licence  
95.0% WI in the Maromba licence



**Dussafu**



# Production at Dussafu

- Q2 gross production 975,000 barrels, equal to ~10,700 bbls/day
  - Q2 OPEX at USD ~35 per barrel includes COVID-19 costs and reflects reduced production
- Additional gas lift capacity required to reach full potential
  - Periodic use of nitrogen for intermittent supplement gas lift capacity
  - Long-term recovery rate from Tortue remains unchanged

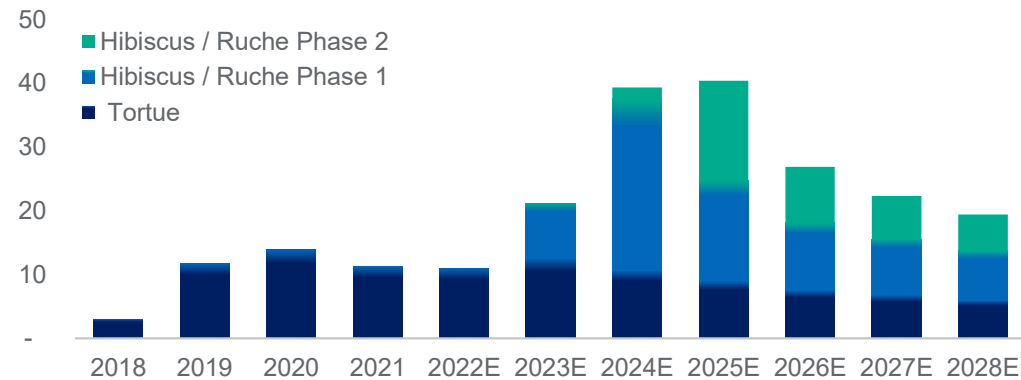


# Dussafu production forecast



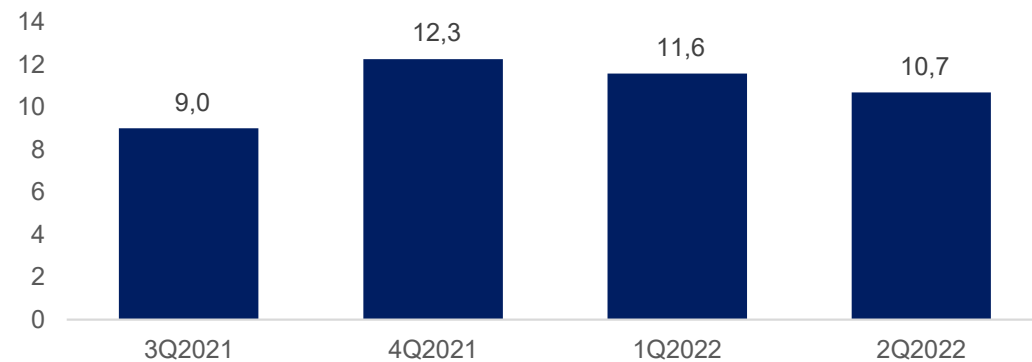
## Gross production profile

kbbbls/day



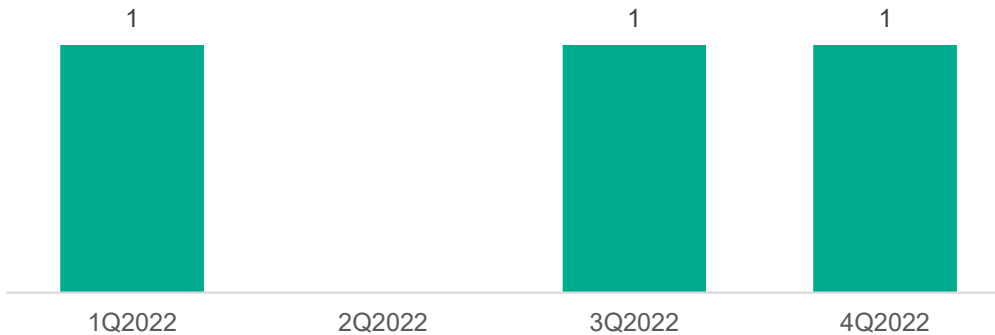
## Quarterly gross production

kbbbls/day



- 2022 production estimate ~4.0 million barrels
  - Additional gas lift capacity expected in 1Q 2023
  - Expected production increase from Hibiscus / Ruche Phase 1 in 1Q 2023
- 2022 OPEX is estimated at USD ~35 per barrel
- No liftings to BW Energy in Q2, as per plan
- Q3 lifting completed in August

## Planned quarterly lifting schedule to BW Energy:





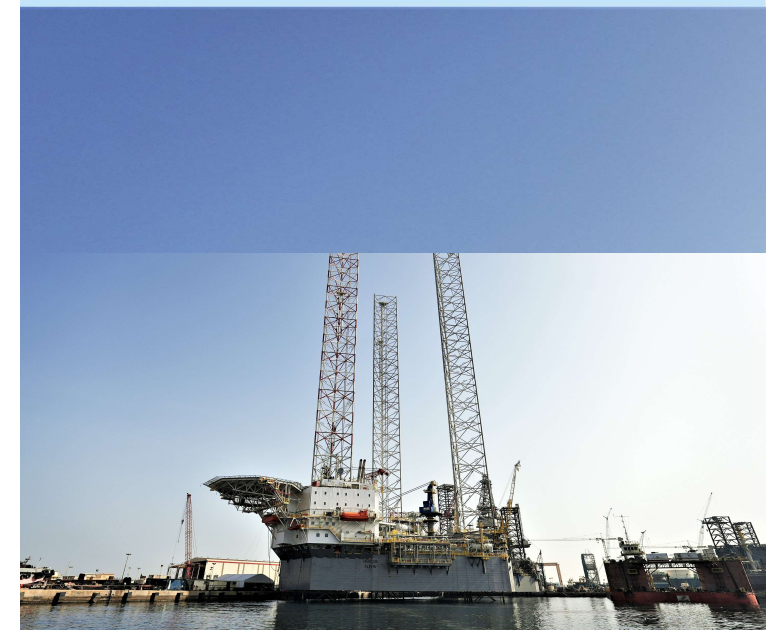
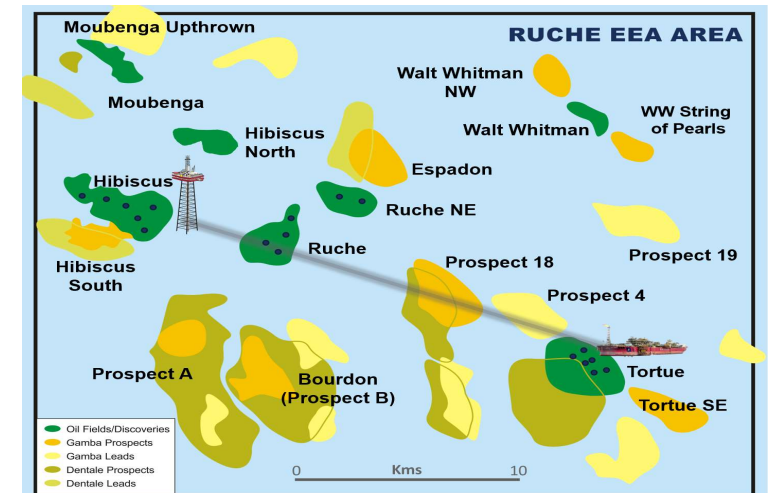
# ***BW MaBoMo* conversion completed with production unit enroute to Gabon**

- Converted jack-up rig under mobilisation on heavy-lift vessel following conversion at Lamprell Yard in Dubai
- Strong HSE performance with zero LTIs on ~1.9 million man-hours
- Scheduled arrival in Gabon end-September



# Hibiscus / Ruche on track for first oil at end Q1 2023

- Hibiscus and Ruche fields estimated to add ~30,000 bbls/day of production with all wells in operation during 2023
  - Expected late delivery of drilling rig due to third-party options and BOP change
  - Initial drilling campaign targeting four Hibiscus Gamba and two Ruche Gamba wells
  - Rig-contract for four firm + four option wells, including two exploration wells
- 20 km pipeline from *BW MaBoMo* to *BW Adolo* FPSO to be installed by TechnipFMC in H2 2022
- Gross CAPEX unchanged at USD ~425 million
  - Capex below original FID budget of USD 490 million gross and first oil in line with original timeline



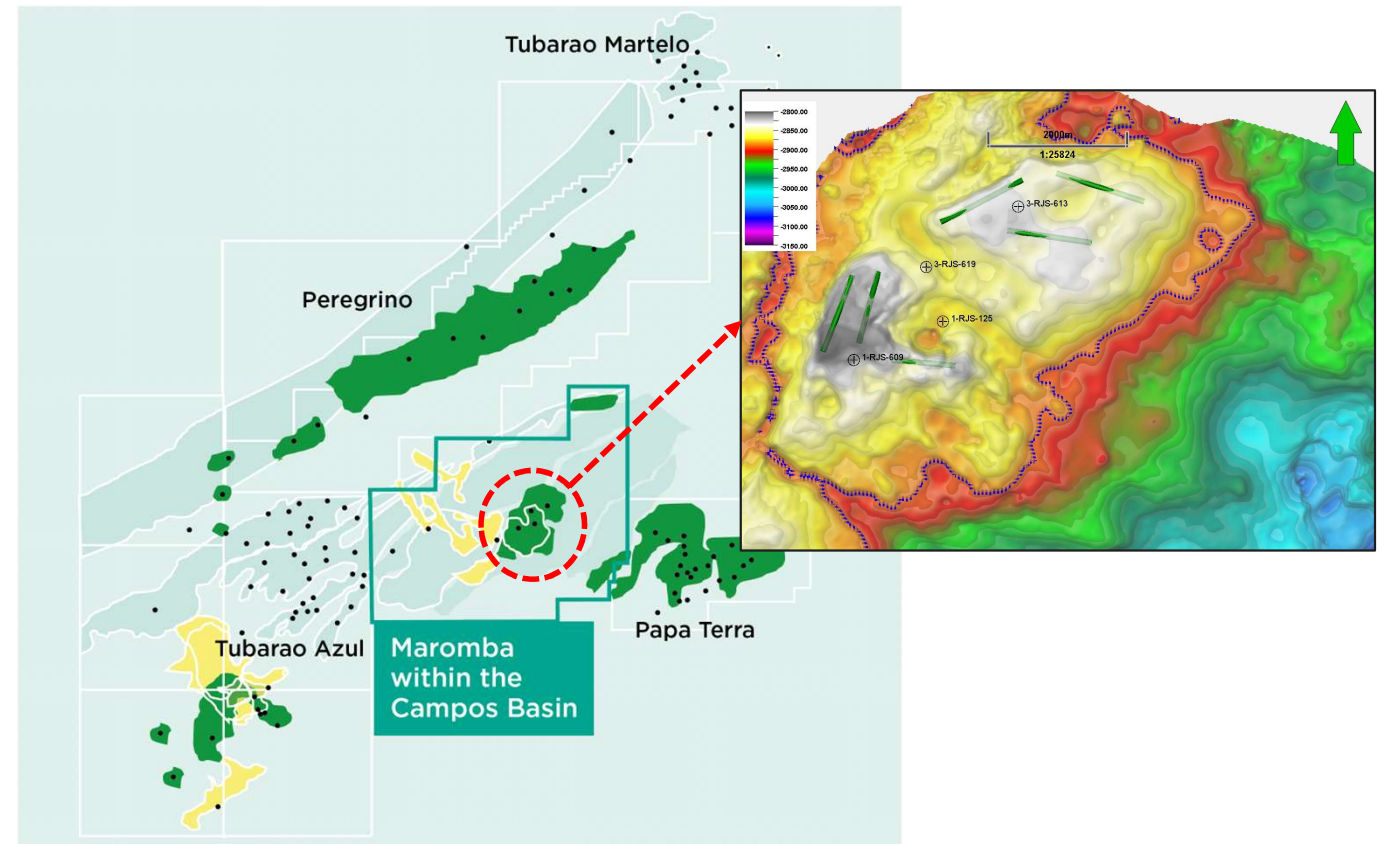


# Maromba

# Unlocking material production in the Campos Basin



- 2P gross reserves of 105 million barrels<sup>1</sup>
  - Additional 2C gross reserves of 41 million barrels<sup>1</sup>
- Development plan approved by ANP and IBAMA environmental approval expected in due course
- Final investment decision subject to completion of project financing activities
- First oil planned in 2025
  - Expected peak annual oil production of 30-40,000 bbls/day
- Entered in an agreement to purchase FPSO *Po/vo* for a total consideration of USD 50 million from BW Offshore
  - FPSO currently in lay-up pending yard selection



LICENSE OWNERSHIP	
BW Energy Brazil	100% (Operator)
Magma	5% (option upon first oil)

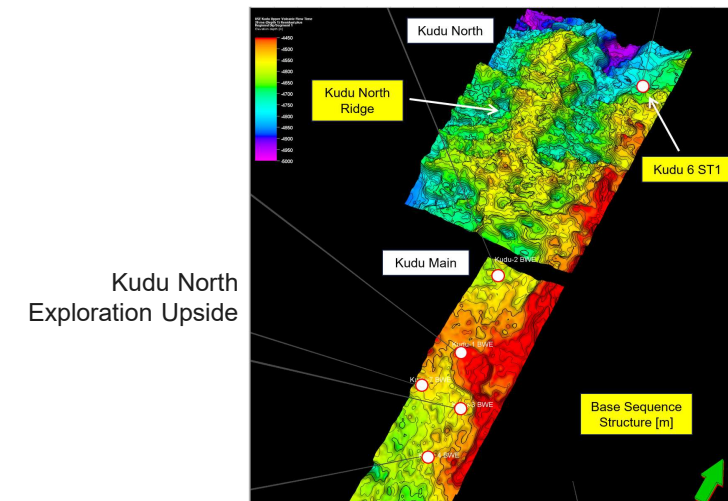
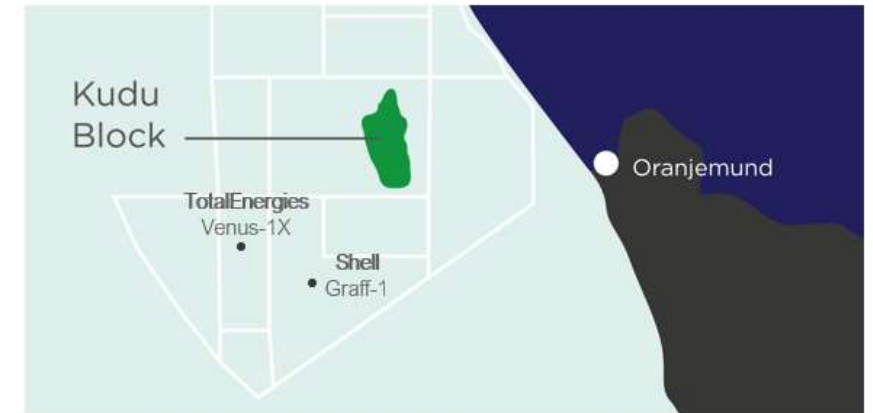




# Kudu

# Confirmed high potential for the Kudu license

- MOU negotiations progressing with power off-takers for the Kudu Gas to Power project
- Recent oil and gas discoveries made by TotalEnergies and Shell, confirm the presence of a major new hydrocarbon play offshore southern Namibia
- BW Energy has acquired additional 2D seismic to evaluate subsurface potential in up-dip Kudu in light of recent discoveries
- BW Energy is evaluating further potential in existing Kudu license







# Golfinho

# Highlights

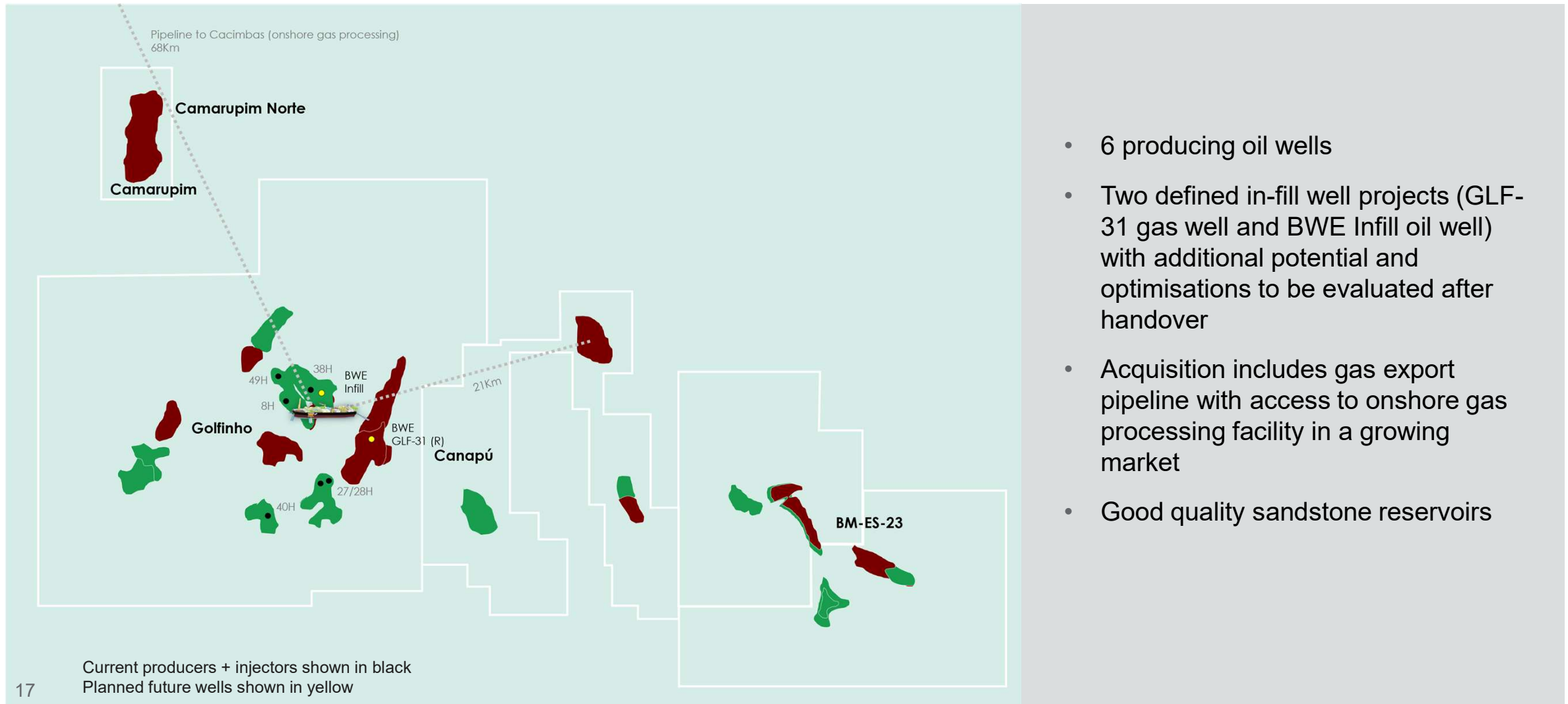
- Agreement to acquire 100% operated working interest (“WI”) in Golfinho and Camarupim clusters and 65% WI in Brigadeiro (BM-ES-23)
- Expected to add production of ~9 kboepd/day from closing planned in Q1 2023, an estimated 38 million boe<sup>1</sup> of proven recoverable resources and 0.7 Tcf<sup>1</sup> of recoverable gas accumulations for potential future development
- Total consideration of up to USD 75 million including contingent payments linked to oil price, production and future successful developments
- Petrobras retains responsibility for a material share of existing abandonment liabilities
- Agreement to acquire the FPSO *Cidade de Vitoria* from Saipem for USD 73 million with phased payments
- Establishing a solid working relationship with Brazilian regulators will unlock significant synergies ahead of Maromba development
- Transactions will be financed through BW Energy’s cash flow and existing liquidity



1) Management estimates

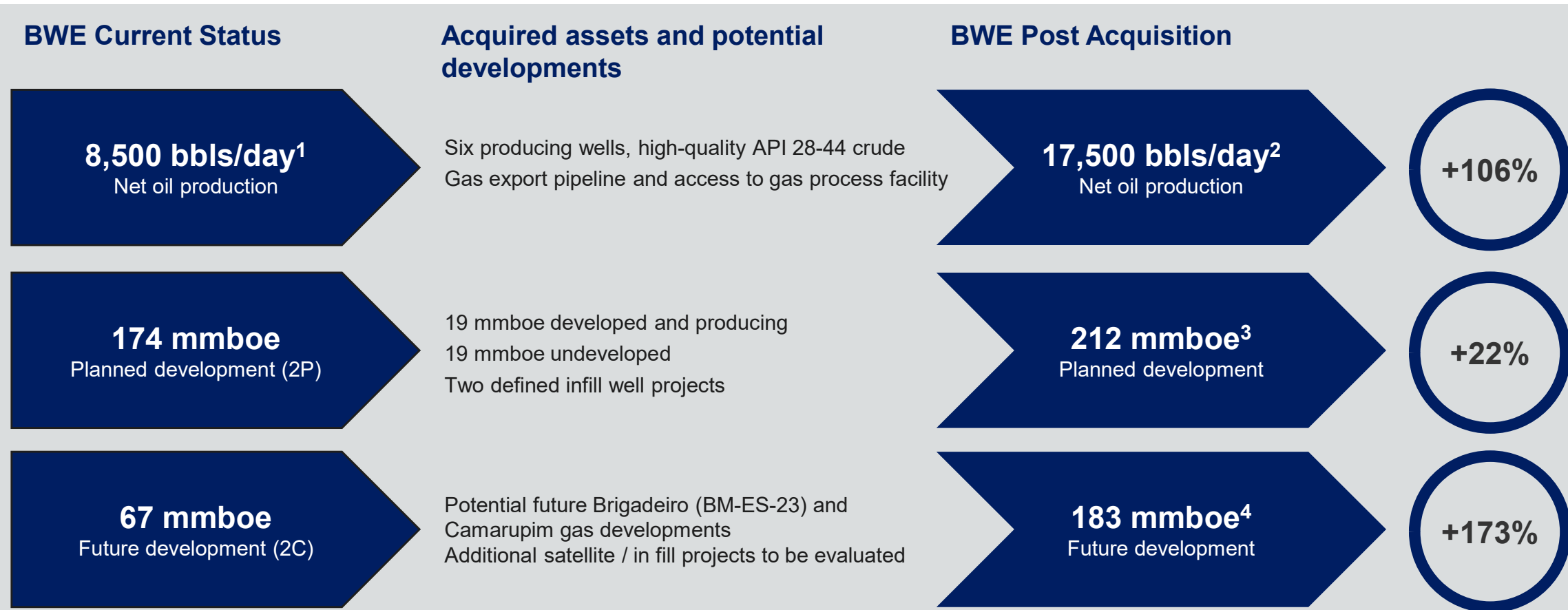


# Established production with clear path for growth



- 6 producing oil wells
- Two defined in-fill well projects (GLF-31 gas well and BWE Infill oil well) with additional potential and optimisations to be evaluated after handover
- Acquisition includes gas export pipeline with access to onshore gas processing facility in a growing market
- Good quality sandstone reservoirs

# Growth in production, reserves and resource base



1) Net oil production per day to BW Energy Q1 2022

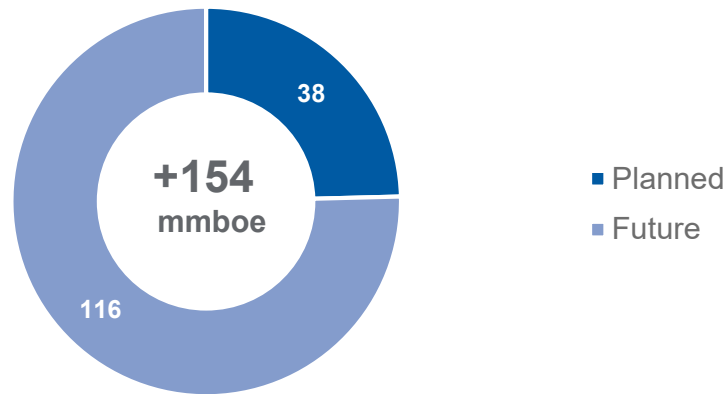
2) Golfinho expected to add 9,000 bopd at closing planned in Q1 2023

3) Management estimates Golfinho and 2P third-party reserves by Netherland, Sewell & Associates, Inc. (Dussafu 12/31/2021; Maromba 4/30/2022) – 97% oil, 3% gas

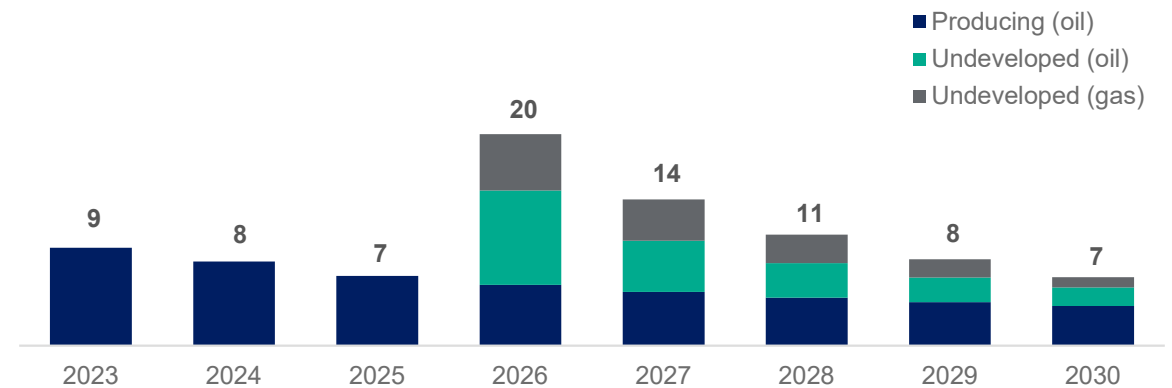
4) Management estimates Golfinho/Camaurupim/Brigadeiro and 2C third-party resources as above (note: excluding Kudu) – 100% gas

# Significant resource with upside

Gross resources<sup>1</sup>



Planned gross production<sup>1</sup> (kboepd)



- In-fill oil well opportunities expected to add production in 2026
- Estimated CAPEX for the in-fill opportunities of approximately USD 200 million

# Phased payment structure



## Field transaction

- Field acquisition cost up to USD 75 million
  - USD 3 million at signing
  - USD 12 million at closing expected in Q1 2023
  - Up to USD 60 million in contingent payments based on project development stage, production level or production duration and the Brent oil price

## FPSO transaction

- FPSO cost of USD 73 million
  - USD 25 million at closing
  - USD 13 million at FPSO take over expected in Q1 2023
  - USD 35 million in 18 monthly instalments following FPSO take over

**Total consideration of between USD 93 million and USD 148 million**





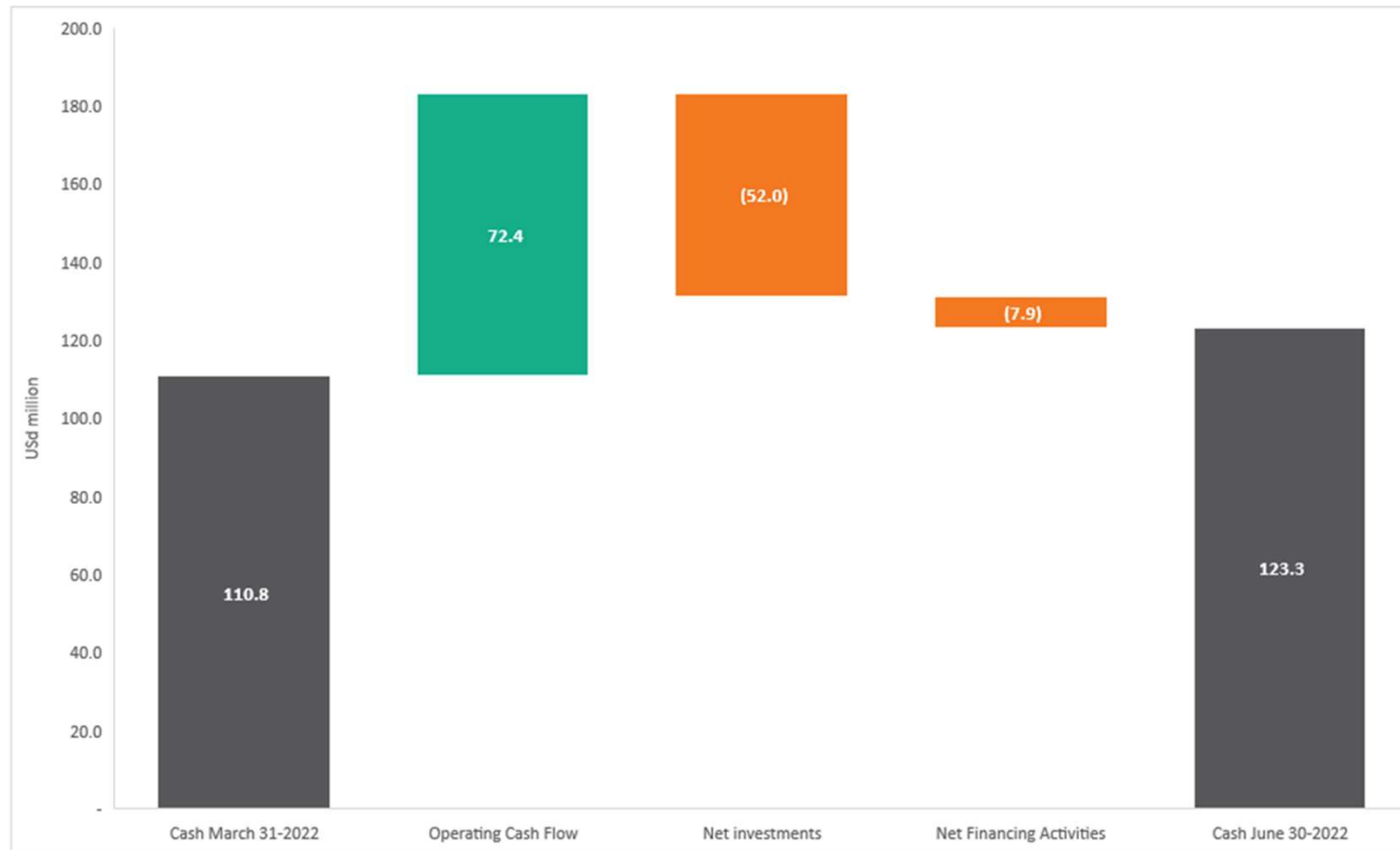
# Q2 Financials

# Income Statement

USD million	Q2 2022	Q1 2022	Change
Operating revenue	16.3	133.1	(116.8)
Gain/Loss from oil derivatives	(4.1)	(22.2)	18.1
Operating expenses	(6.7)	(45.5)	38.8
<b>EBITDA</b>	<b>5.5</b>	<b>65.5</b>	<b>(59.9)</b>
Depreciation	(1.3)	(10.7)	9.5
Depreciation - ROU	(6.7)	(7.5)	0.8
Amortisation	(1.1)	(1.0)	(0.0)
<b>Other expenses</b>	<b>(9.0)</b>	<b>(19.3)</b>	<b>10.3</b>
<b>Operating profit/(loss)</b>	<b>(3.5)</b>	<b>46.2</b>	<b>(49.7)</b>
Interest income	0.1	0.1	-
Interest expense	-	(0.1)	0.1
Lease liability interest expense	(4.0)	(3.0)	(1.0)
Other financial items	1.8	2.6	(0.8)
<b>Net financial income/(expense)</b>	<b>(2.0)</b>	<b>(0.3)</b>	<b>(1.7)</b>
<b>Profit/(loss) before tax</b>	<b>(5.5)</b>	<b>45.9</b>	<b>(51.4)</b>
Income tax expense	(11.0)	(10.2)	(0.7)
<b>Net profit/(loss) for the period</b>	<b>(16.5)</b>	<b>35.6</b>	<b>(52.1)</b>

- • EBITDA decreased due to no liftings in Q2
- • Decrease due to lower revenue
- • Increase due to Polvo

# Cash Flow



- USD 114 million payment for March lifting received in April
- RBL facility finalised
  - Up to USD 300 million international facility
  - Initially to finance the development of the Dussafu license
  - Six year tenor
  - Syndicate of five international banks

# Balance Sheet



ASSETS	Q2 2022	Q1 2022	Change
Property and other equipment	0.8	0.8	0.0
Right-of-use assets	219.2	183.7	35.5
E&P tangible assets	424.9	387.4	37.5
Intangible assets	191.6	179.1	12.5
Other non-current assets	8.1	6.3	1.9
<b>Total non-current assets</b>	<b>844.6</b>	<b>757.2</b>	<b>87.4</b>
Inventories	25.1	5.7	19.4
Trade receivables and other current assets	33.7	145.3	(111.6)
Cash and cash equivalents	123.3	110.8	12.5
<b>Total current assets</b>	<b>182.1</b>	<b>261.8</b>	<b>(79.6)</b>
<b>TOTAL ASSETS</b>	<b>1,026.8</b>	<b>1,019.0</b>	<b>7.8</b>
EQUITY AND LIABILITIES	Q2 2022	Q1 2022	Change
Shareholders' equity	588.9	605.1	(16.2)
<b>Total equity</b>	<b>588.9</b>	<b>605.1</b>	<b>(16.2)</b>
Deferred tax liabilities	8.1	7.5	0.6
Asset retirement obligations	14.6	14.4	0.2
Other long-term liabilities	50.3	50.3	-
Long-term lease liabilities	245.5	204.7	40.8
Derivatives - Long-term	4.5	5.0	(0.5)
<b>Total non-current liabilities</b>	<b>323.1</b>	<b>281.9</b>	<b>41.2</b>
Trade and other payables	88.3	96.4	(8.2)
Short-term lease liabilities	15.0	17.6	(2.6)
Tax liabilities	0.8	0.8	0.0
Derivatives - Short-term	10.7	17.2	(6.4)
<b>Total current liabilities</b>	<b>114.8</b>	<b>132.0</b>	<b>(17.2)</b>
<b>Total liabilities</b>	<b>437.8</b>	<b>413.9</b>	<b>24.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,026.8</b>	<b>1,019.0</b>	<b>7.8</b>

- Polvo purchase partly offset by depreciation
- Mainly due to Ruche Phase 1 development
- USD 6.8m *Polvo*, USD 3.8m for Kudu and USD 2m Maromba
- Under-lift adjustment and Ruche Phase 1 build up
- Mainly due to March lifting proceeds received in Q2
- Due to the USD 45 million FPSO *Polvo* purchase price
- Mainly due settlements
- Settlement of Q1 realised crude oil hedges offset by additional USD 4.1m unrealised loss in Q2





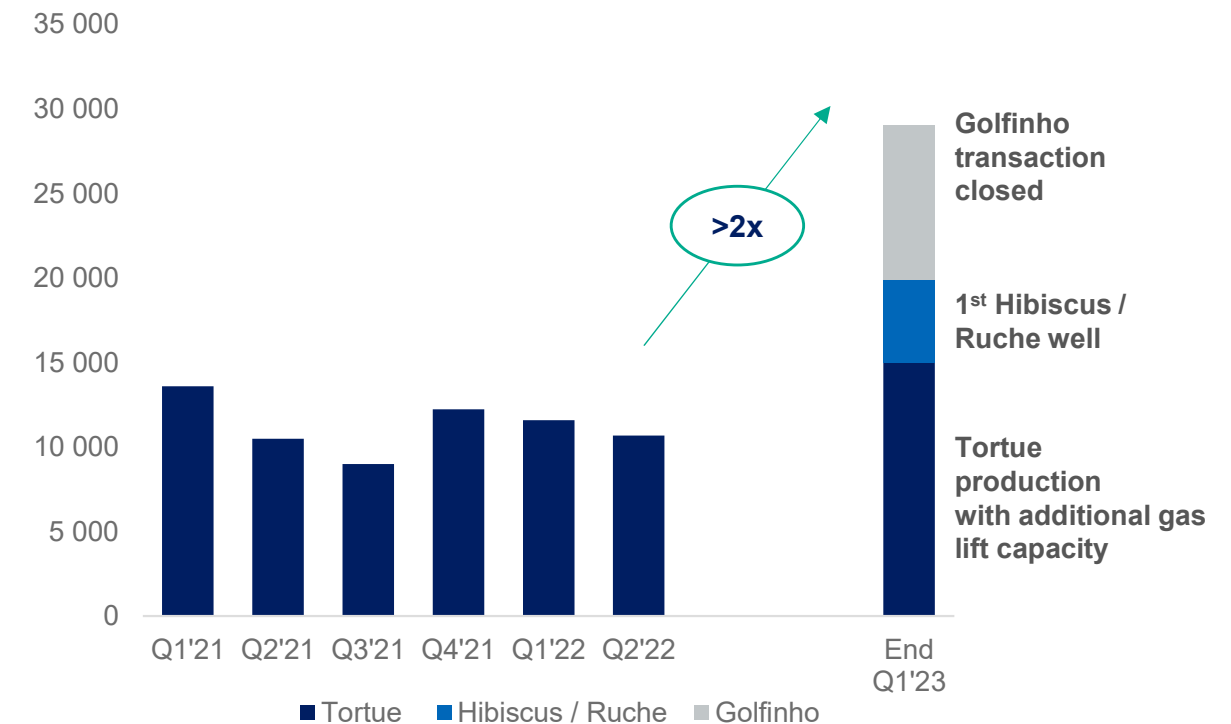
# Summary

# Strategic priorities and value levers

- Production and exploration
  - Optimising Dussafu output including new gas lift capacity
  - Executing Dussafu exploration program
- Development
  - Bring Hibiscus / Ruche to first oil at end of Q1 2023
  - Maromba FID made subject to project financing with planned first oil in 2025
  - Maturing new, right-sized Kudu gas to power concept with lower capex and improved timeline
- Corporate
  - Maintain strong balance sheet and liquidity supported by RBL
  - Complete Golfinho/Camarupim acquisition in Q1 2023
  - Ensure operational cash flow to fund new projects and future shareholder returns
  - Intention to pay dividend of up to 50% of net profit Dussafu and Maromba in full operation

## Step-change in production ahead

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



1) Reported production through Q2 2022, management estimates for end of Q1 2023



**Q&A**



**BW ENERGY**