

SBM Offshore First Quarter 2022 Trading Update

May 12, 2022

Highlights

- Year-to-date Directional¹ revenue of US\$970 million, in line with expectation
- Full year 2022 Revenue and EBITDA guidance maintained
- Cash dividend of US\$1 per ordinary share paid, 13% year-on-year increase and representing c. 7% yield²
- FPSO *Liza Unity* delivered on time and on budget
- FPSO *ONE GUYANA* award confirmed, to be added to the backlog

Bruno Chabas, CEO of SBM Offshore, commented:

“Despite the challenging environment, following SBM Offshore’s performance over the first quarter of 2022 we maintain our full year guidance.

We continue to adapt to the impacts of the pandemic plus now the increased pressure on the worldwide supply chain resulting from the conflict between Russia and Ukraine. The margin expectation from our Turnkey portfolio remains robust.

The successful delivery of FPSO *Liza Unity* in February 2022 once again demonstrates SBM Offshore’s unique capability in executing large FPSO projects. Following the FPSO *ONE GUYANA* award confirmation, we are delivering growth in our construction portfolio and orderbook, with 5 FPSOs under construction. Our focus remains the safe and reliable execution of this portfolio.

We have paid out US\$1 cash dividend per share, representing a yield c. 7% based on year-end 2021 market capitalization. This, combined with our c. 30-year cash flow visibility from our backlog, reflects once again the Company’s capacity for sustained cashflow generation going forward.

Finally, as part of our New Energies business, the Company has joined forces with a partner to develop the world’s largest floating wind turbine (16MW) using the Float4Wind™ TLP (Tension Leg Platform) technology. The pilot project remains subject to final investment decision.

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 2021 dividend paid in 2022, yield based on SBM Offshore market capitalization at year-end 2021.

Financial Overview

in US\$ million	YTD Directional		
	1Q 2022	1Q 2021	% Change
Revenue	970	513	89%
Lease and Operate	405	360	13%
Turnkey	565	153	269%
Underlying³ Revenue	970	536	81%
Lease and Operate	405	383	6%
Turnkey	565	153	269%

in US\$ million	1Q 2022	1Q 2021
Non-recurring items impacting Revenue		
Deep Panuke termination fee	-	(23)

in US\$ billion	Mar-31-22	Dec-31-21	% Change
Net Debt	5.1	5.4	-6%

Backlog calculation will be provided in HY22 Earnings Update

Underlying Directional revenues for the first quarter of the year came in at US\$970 million compared with US\$536 million in the same period of 2021. This increase is driven by a higher contribution from the Turnkey segment benefiting from the divestment of a 45% interest in FPSOs *Alexandre de Gusmão* and *Almirante Tamandaré* combined with construction progress to date.

Underlying Lease and Operate revenue increased by 6% year-on-year as a result of FPSO *Liza Unity* joining the fleet in February 2022, partly offset by the effects from the FPSO *Cidade de Anchieta* shutdown and no contribution from Deep Panuke platform in 2022.

Year to date, net debt stands at US\$5.1 billion supporting ongoing investments in growth. The decrease in net debt compared with year-end 2021 resulted from the earlier described divestments and working capital movements. Nearly all the Company's debt is project related and as such becomes non-recourse following project execution finalization and release of the Parent Company Guarantee.

Project Review

Construction activities for the Company's major projects continue to be impacted by the effects of the pandemic and in particular response measures in China. The current conflict between Russia and Ukraine is adding pressure on price inflation and the global supply chain. Project teams are working closely with both client teams and suppliers to mitigate the impacts on projects' execution. The degree to which these challenges can be mitigated going forward varies from project to project. The profitability of SBM Offshore's overall project portfolio remains robust and competitive. An update on the status of individual projects is provided below.

FPSO *Liza Unity* - The FPSO *Liza Unity* safely started production offshore Guyana in February 2022 and the teams are working to complete the remaining commissioning activities.

FPSO *Sepetiba* - The topsides modules have successfully and safely been lifted on board. Integration and commissioning activities are ongoing. The project targets first oil in 2023.

FPSO *Prosperity* - The work in dry dock has been completed with the mooring and riser support systems installed. The topsides fabrication is ongoing in the yard in Singapore. First oil is likely to occur before year-end 2023.

FPSO *Almirante Tamandaré* - The topsides fabrication and the Fast4Ward[®] Multi-Purpose Floater (MPF) hull's construction are progressing in China and Brazil. The project continues to target first oil in the second half of 2024.

FPSO *Alexandre de Gusmão* - Following the achievement of steel cutting milestone ahead of plan, site construction activities in fabrication yards are progressing in China and Brazil. First oil is expected in 2025.

³ Underlying 2021 revenue excludes one-off effects to enable comparison of like-for-like underlying performance.

FPSO *ONE GUYANA* - The Fast4Ward® MPF hull has been delivered. Engineering and procurement are progressing in line with project schedule. First oil is expected in 2025.

Fast4Ward® MPF hulls

The six MPF hulls ordered to date under the Company's Fast4Ward® program have been allocated to projects. Four hulls have been delivered and the remaining two are under construction.

Fleet Operational Update

FPSO *Cidade de Anchieta* – The unit remains in shutdown, while the inspection and repair works to the hull are being completed. Investigation into the root cause of the problem is progressing, and the Company is aligning with the client and authorities on the planning for the restart of production.

Despite the continued challenges brought by the pandemic the fleet uptime during the first quarter of 2022 was 94.2% and the fleet's underlying performance was 99.6% excluding FPSO *Cidade de Anchieta*.

Safety

The Company's Total Recordable Injury Frequency Rate stands below the annual target of 0.15.

Post-Period Events

Dividends

On April 6, 2022, shareholders of the Company voted in favor of the proposed dividend of US\$1 per ordinary share, which represents an increase of 13% compared to last year. It resulted in a dividend distribution of €0.9137 per ordinary share. The dividend was paid on May 4, 2022 to all shareholders of record as at April 11, 2022.

Guidance

The Company's 2022 Directional revenue guidance is maintained at above US\$3.1 billion, of which around US\$1.6 billion is expected from the Lease and Operate segment and above US\$1.5 billion from the Turnkey segment. 2022 Directional EBITDA guidance is maintained at around US\$900 million for the Company.

This guidance considers the currently foreseen impacts from both the pandemic and the conflict between Russia and Ukraine on projects and fleet operations. The Company highlights that the direct and indirect effects of these events could continue to have a material impact on the Company's business and results and the realization of the guidance for 2022.

Conference Call

SBM Offshore has scheduled a conference call, which will be followed by a Q&A session, to discuss the First Quarter 2022 Trading Update.

The event is scheduled for Thursday, May 12, 2022 at 10.00 AM (CEST) and will be hosted by Bruno Chabas (CEO), Philippe Barril (CTO), Øivind Tangen (COO) and Douglas Wood (CFO).

Interested parties are invited to register prior the call using the link:
[First Quarter 2022 Trading Update](#)

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

A replay will be available shortly after the call.

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 renewable energy sources.

More than 5,000 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.

The Management Board
 Amsterdam, the Netherlands, May 12, 2022

Financial Calendar	Date	Year
Half Year 2022 Earnings	August 4	2022
Third Quarter 2022 Trading Update	November 10	2022
Full Year 2022 Earnings	February 23	2023
Annual General Meeting	April 13	2023
First Quarter 2023 Trading Update	May 11	2023

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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

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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.

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