

## SBM Offshore First Quarter 2023 Trading Update

May 11, 2023

### Highlights

- Year-to-date Directional<sup>1</sup> revenue of US\$742 million, in line with expectation
- Full year 2023 revenue and EBITDA guidance on track
- ~US\$3 billion revenue backlog increase following 10-year Operations and Maintenance Enabling Agreement signed with ExxonMobil Guyana
- 8<sup>th</sup> Fast4Ward<sup>®</sup> Multi-Purpose Floater (MPF) hull ordered
- Cash dividend of US\$1.10 per ordinary share approved, 10% year-on-year increase and representing c. 7% yield<sup>2</sup>

Bruno Chabas, CEO of SBM Offshore, commented:

“Our performance in the first quarter has been good and our full year guidance is on track.

Several key milestones have been achieved since the beginning of the year including the safe arrival of FPSO *Prosperity* in Guyanese waters as scheduled and the closing of the major project financing of US\$1.63 billion for FPSO *Almirante Tamandaré*. Despite the various remaining challenges related to the COVID-19 pandemic, supply chain constraints and general inflation, the overall margin on FPSO projects under construction remains robust at portfolio level.

On the operational front, we achieved a solid performance and the fleet uptime stood at 99.2%<sup>3</sup> for the first quarter. We recently signed a 10-year agreement for the operations and maintenance of our FPSO fleet in Guyana through an Integrated Operation Model with ExxonMobil Guyana, leveraging the combined operational excellence of both parties. This model is the first of its kind in the industry, and we believe it will set a new performance benchmark for the industry.

Finally, the market outlook for new cost and carbon efficient FPSOs remains positive, and we therefore ordered an 8<sup>th</sup> MPF hull under our Fast4Ward<sup>®</sup> program.”

## Financial Overview<sup>4</sup>

in US\$ million	YTD Directional		
	1Q 2023	1Q 2022	% Change <sup>5</sup>
<b>Revenue</b>	<b>742</b>	<b>970</b>	<b>-24%</b>
Lease and Operate	453	405	12%
Turnkey	290	565	-49%

  

in US\$ billion	Mar-31-23	Dec-31-22	% Change <sup>5</sup>
Net Debt	6.4	6.1	5%

Directional revenue for the first quarter of the year came in at US\$742 million compared with US\$970 million in the same period of 2022. This decrease is driven by the one-off divestment of a 45% interest in FPSOs *Alexandre de Gusmão* and *Almirante Tamandaré* which took place over the first quarter of 2022 positively impacting the Turnkey segment.

Lease and Operate revenue increased by 12% year-on-year mainly driven by FPSO *Liza Unity* operating over the full quarter compared with a partial contribution over the first quarter last year.

Year-to-date, net debt stood at US\$6.4 billion supporting ongoing investments in growth. Nearly all the Company's debt is project related and as such becomes non-recourse following project execution finalization and the release of the Parent Company Guarantee.

## Project Review

The relaxation of COVID-19 restrictions in China at the end of last year has improved the mobility of personnel after a temporary increase of positive cases in the country. Notwithstanding this improvement, project teams continue to monitor impacts related to the ongoing global inflationary pressures and supply chain constraints on projects execution. An update on individual project schedules is provided below considering latest known circumstances.

**FPSO *Sepetiba*** – The topsides integration phase is nearing completion and the onshore commissioning campaign continues to progress. The project targets first oil in the second half of 2023.

**FPSO *Prosperity*** – The vessel arrived safely in Guyana in April 2023 and project teams are completing commissioning activities. The project targets first oil in 2023.

**FPSO *Almirante Tamandaré*** – The Fast4Ward<sup>®</sup> MPF hull has been safely delivered to the integration yard allowing the commencement of topsides' integration. The FPSO delivery continues to be on track for 2024. The client is now expecting first oil from the field in early 2025.

**FPSO *Alexandre de Gusmão*** – The Fast4Ward<sup>®</sup> MPF hull has been safely delivered to the integration yard and topsides fabrication continues to progress. First oil is expected in 2025.

**FPSO ONE GUYANA** – The Fast4Ward<sup>®</sup> MPF hull entered drydock in Singapore and the topsides fabrication is progressing in line with plan. Start-up is expected by year-end 2025.

**Fast4Ward<sup>®</sup> MPF hulls** – The Company has ordered a new MPF hull with CMHI (China Merchants Heavy Industry Co. Ltd.) under its Fast4Ward<sup>®</sup> program bringing the total number of hulls to eight. Six have been delivered to projects while exclusivity for the seventh has been granted to ExxonMobil Guyana.

## Fleet Operational Update

FPSO *Mondo* was granted last year a 1-year contract extension to December 2023. Maintenance activities have been carried out on the FPSO leading to a temporary halt in production during the first quarter of the year. The FPSO is scheduled to resume operations in the second quarter of 2023.

The fleet's uptime excluding the planned maintenance on FPSO *Mondo* was 99.2% over the first quarter of 2023, in line with historical performance.

## Environment, Social and Governance

The Company's Total Recordable Injury Frequency Rate year-to-date was 0.07, compared with the full year 2023 target of below 0.14<sup>6</sup>.

## New Energies

*Provence Grand Large* – Construction of the three floating foundations was completed. Preparation is ongoing for the load out operations to allow subsequently for the integration of the three turbines with a capacity of 8.4 MW each by Siemens-Gamesa. Upon completion of the turbine integration and pre-commissioning phase, SBM Offshore will perform the offshore installation of the floaters and the anchoring systems. The Floating Offshore Wind pilot farm targets electricity generation before the end of the year.

## Post-Period Events

### *Dividends*

On April 13, 2023 shareholders of the Company voted in favor of the proposed dividend of US\$1.10 per ordinary share, which represents an increase of 10% compared with last year. It results in a dividend distribution of €0.9959 per ordinary share. The dividend payment is scheduled for May 11, 2023 to all shareholders of record as at April 18, 2023.

## Guidance

The Company's 2023 Directional revenue guidance is maintained at above US\$2.9 billion of which around US\$1.9 billion is expected from the Lease and Operate segment and above US\$1 billion from the Turnkey segment.

2023 Directional EBITDA guidance is maintained above US\$1 billion for the Company.

This guidance considers the currently foreseen impacts from both the pandemic and the war 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 2023.

## Conference Call

SBM Offshore has scheduled a conference call, which will be followed by a Q&A session, to discuss the First Quarter 2023 Trading Update.

The event is scheduled for Thursday, May 11, 2023 at 10.00 AM (CET) and will be hosted by Bruno Chabas (CEO), Øivind Tangen (COO) and Douglas Wood (CFO).

Interested parties are invited to register prior to the call using the link: [First Quarter 2023 Trading Update Conference Call](#)

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

## 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 7,000 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](http://www.sbmoffshore.com).

<b>Financial Calendar</b>	<b>Date</b>	<b>Year</b>
Half Year 2023 Earnings	August 10	2023
Third Quarter 2023 Trading Update	November 9	2023
Full Year 2023 Earnings	February 29	2024
Annual General Meeting	April 12	2024
First Quarter 2024 Trading Update	May 8	2024

For further information, please contact:

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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

Some of the statements contained in this release that are not historical facts are statements of future expectations and other forward-looking statements based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those in such statements. These statements may be identified by words such as 'expect', 'should', 'could', 'shall' and similar expressions. Such forward-looking statements are subject to various risks and uncertainties. The principal risks which could affect the future operations of SBM Offshore N.V. are described in the 'Risk Management' section of the 2022 Annual Report.

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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<sup>1</sup> 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.

<sup>2</sup> Yield based on May 10, 2023 closing share price.

<sup>3</sup> Excluding the planned shutdown of FPSO *Mondo*.

<sup>4</sup> Numbers may not add up due to rounding.

<sup>5</sup> Percentage of change computation based on absolute figures.

<sup>6</sup> Measured per 200,000 manhours.